

**REGIONAL RURAL REVITALIZATION  
Board Meeting  
Monday, September 18, 2023**

**City of Burns Council Chambers  
242 S Broadway Burns, Oregon 97720  
6:00 P.M.**

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

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

<https://uso2web.zoom.us/j/9020143459> Meeting ID: 902 014 3459

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

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

3. **APPROVAL OF PRIOR MEETING MINUTES**

**NEW ITEMS OF BUSINESS**

4. **AT-LARGE BOARD MEMBER APPLICATION**

Attachments:

- Bill Van Vliet, Executive Director, Network for Oregon Affordable Housing

**CONTINUED ITEMS**

5. **PUBLIC CONTRACTING RULES**

Attachments:

- Draft public contracting rules

6. **MANAGING DIRECTOR RECRUITMENT**

Attachments:

- Draft personal services agreement with Catalyst Public Policy Advisors

7. **BIANNUAL REQUEST FOR QUALIFICATIONS – RFP-2023-01**

Attachments:

- None

**8. AUDITING SERVICES PROPOSALS – RFP-2023-02**

Attachments:

- None

**9. ACCOUNTING SERVICES PROPOSALS – RFP-2023-03**

Attachments:

- Solutions CPAs proposal

**10. R3 PROJECTS DISCUSSION**

Attachments:

- IGA Schedule 5.9 – Initial Projects

**GENERAL DISCUSSION AND UPCOMING MEETINGS**

**11. BOARD COMMENTS AND UPCOMING MEETINGS**

Attachments:

- None

## **AGENDA ITEM NO. 4 – AT-LARGE BOARD MEMBER APPLICATION**

Attachment(s)

- Bill Van Vliet, Executive Director, Network for Oregon Affordable Housing

### **BACKGROUND**

Bill Van Vliet has applied for the at-large position. His is the only application received thus far.

The IGA requires the Standing Members to appoint one person to serve on the Board (the “At-Large Position”). The At-large Member will be appointed, and may be removed and replaced, by the unanimous consent of the Standing Members. The At-large Member may not be an elected official, officer, and/or employee of any Party. If an At-Large Member vacates his or her position, the Standing Members will fill the vacancy.

### **DISCUSSION**

Mr. Van Vliet is the Executive Director of the Network for Oregon Affordable Housing.

- Background on NOAH is available on their website at this link: <https://noah-housing.org/>
- Mr. Van Vliet’s profile is also on their website: <https://noah-housing.org/about/our-team/>

### **RECOMMENDATION**

Board members should discuss whether they would like to appoint Mr. Van Vliet or continue advertising the position.

## **AGENDA ITEM NO. 5 – PUBLIC CONTRACTING RULES**

Attachment(s)

- Draft public contracting rules

### **BACKGROUND**

Board will discuss and consider adoption of public contracting rules for the consortium.

### **DISCUSSION**

As an entity formed under ORS Chapter 190, R3 is required to adhere to the state's public contracting rules. *See, generally*, ORS 279A.050. Local contracting agencies are permitted by state law to adopt their own individualized local contracting rules, to address various issues such as personal services agreements. Pursuant to the discussion during your last Board meeting, the R3 attorney's office has prepared draft local contracting rules for the Board to consider and adopt..

### **RECOMMENDED MOTION**

Move to adopt the draft public contracting rules as presented.

OR

Move to adopt the draft public contracting rules with the following amendmnets (list any proposed amendments).

## **AGENDA ITEM NO. 6 – MANAGING DIRECTOR RECRUITMENT**

Attachment(s)

- Draft personal services agreement with Catalyst Public Policy Advisors

### **BACKGROUND**

During your last Board meeting, you provided direction to have Catalyst Public Policy Advisors submit a proposal to R3 to provide managing director services to the consortium. Catalyst submitted a proposal to the Board. If the Board is satisfied with the proposal (and has adopted public contracting rules) it may vote to directly appoint Catalyst by approving the attached draft personal services agreement.

### **DISCUSSION**

The draft personal services agreement mostly contains general terms found in typical public contracts for personal services and will serve as a template for future personal services agreements entered into by R3. The draft also includes a scope of services and a fee schedule, which is consistent with the proposal submitted by Catalyst. If the Board desires to move forward with Catalyst, it may either approve the draft contract as proposed or it may propose approval of the contract with amendments. For example, the Board may, if it desires, seek to renegotiate a different fee schedule or amend the scope of services. If the Board is unsatisfied with the Catalyst proposal it could request the attorney to renegotiate a new contract with Catalyst on completely different terms or it could decide to open a general recruitment for managing director services.

Given the draft agreement permits R3 to terminate the agreement for convenience and without cause by giving thirty (30) days' prior written notice, there is little risk to R3 moving forward with Catalyst and likely great benefits in having a team on board to get projects moving forward and R3 up and running. For this reason, the attorney's office recommends moving forward with Catalyst either under the proposal from Catalyst or a renegotiated or amended proposal

### **RECOMMENDED MOTION**

I move to approve the personal services agreement with Catalyst Public Policy Advisors as proposed.

Or

I move to approve the personal services agreement with Catalyst Public Policy Advisors with the following amendment (list proposed amendments).

Or

I move to open a general recruitment for managing director services.

**AGENDA ITEM NO. 7 – BIENNIAL REQUEST FOR QUALIFICATIONS – RFP-2023-01**

Attachment(s)

- None

**BACKGROUND**

This RFP was published for 30 days. No bids were received.

**DISCUSSION**

Many firms are engaged in end-of-season projects and likely did not have enough time to respond to this solicitation.

**RECOMMENDATION**

Republish the solicitation and post for at least 60 more days to allow for additional responses.

**AGENDA ITEM NO. 8 – AUDITING SERVICES PROPOSALS – RFP-2023-02**

Attachment(s)

- None

**BACKGROUND**

This RFP was published for 30 days. No bids were received.

**DISCUSSION**

Many firms are engaged in pre-audit work, and there are a limited number of auditing firms that service southeastern Oregon.

**RECOMMENDATION**

Republish the solicitation and post for at least 60 more days to allow for additional responses. Publish on a regional basis to advertise the request more broadly.

**AGENDA ITEM NO. 9 – ACCOUNTING SERVICES PROPOSALS – RFP-2023-03**

Attachment(s)

- Solutions CPAs proposal

**BACKGROUND**

This RFP was published for 30 days. One bid was received from Solutions CPAs in John Day.

**DISCUSSION**

Solutions has bid a fixed monthly fee of \$3,000 for the accounting services advertised in the RFP, plus \$200 per hour for additional services as requested by the Board.

**RECOMMENDATION**

Board members should discuss whether they would like to approve the Solutions CPAs proposal and authorize the board attorney to enter into a professional services agreement based on their bid; or renegotiate the scope of work and services.

Alternatively, the board may republish or resolicit for services from additional firms.



## **AGENDA ITEM NO. 10 -- R3 PROJECTS DISCUSSION**

Attachment(s)

- IGA Schedule 5.9 Initial Projects

### **BACKGROUND**

The first amended and restated IGA includes anticipated projects from each founding party.

The Board will need to determine a standard method for evaluating its investments in these and other projects funded through the DAS grant under House Bill 3410. DAS has not identified a timeline for the award of the grant. They are waiting on DOJ approval of the agreement terms.

The Consortium has also been asked to oversee a congressionally directed spending request for the City of Mitchell, discussed below. The FY24 CDS request application must be submitted prior to award.

### **DISCUSSION**

Discuss how the board would like to manage project-specific work, either through written task orders or informally through time tracking and monthly invoices from the management and advisory team.

- **Burns Projects.** Listed in the attached.
- **Lakeview Projects.** Listed in the attached.
- **John Day Projects.** Listed in the attached.
- **Baker Projects.** Listed in the attached.
- **Mitchell Project.** Mitchell requested assistance for a land exchange with the federal government to provide them with approximately 600 acres of land adjacent to their city limits. This land would be restricted for use in promoting their recreation economy. The project was submitted to the Senate as an FY24 Congressionally Directed Spending Request and would be funded by that source if awarded.
- **Regional Projects.** HB funding is available to communities under 50,000 residents. Board should discuss method for approaching these potential projects.

### **RECOMMENDATION**

The management and advisory team can meet with the standing members and their potential applicants individually and prepare project intake forms for the next board meeting.

**AGENDA ITEM NO. 11 – BOARD COMMENTS & UPCOMING MEETINGS**

Attachment(s)

- None

**BACKGROUND**

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

**UPCOMING MEETINGS**

The Board should discuss when to hold their next meeting.

**TBD October or November** – Board Meeting

**TBD December** – Board Meeting

-Unapproved-

**REGIONAL RURAL REVITALIZATION (R3)  
BOARD MEETING  
JULY 18, 2023**

The Regional Rural Revitalization (R3) Board members met on, July 18, 2023, at 6:00 p.m. for a Board Meeting. Members present were as follows:

Heather Smith – Burns R3 Representative – Via Zoom	Judy Erwin – Burns Interim City Manager
Michelle Perry – Lakeview City Manager	Tiffany Leffler – Secretary/Admin
Jay Farmen – Lakeview R3 Representative	Nick Green – R3 Consultant
Heather Rookstool – John Day Mayor – R3 Representative – Via Zoom	

**APPEARANCE OF INTERESTED CITIZENS**

Guests present were Forrest and Jen Keady.

**CONSENT AGENDA**

Heather Rookstool asked if she could have clarification on the invoices or have them removed.

Nick Green informed the board that Chad Jacobs provided the Intergovernmental agreement that was added to the addenda and sent out about 3 hours prior to the meeting by Tiffany Leffler. He said they could discuss how they want to handle the day-to-day operations until they could decide about Managing Director services. He believed if they'd like to discuss the invoices and prior work during that agenda item instead of the consent agenda, he thought that'd be more appropriate.

Heather Rookstool made a motion to approve the consent agenda with the first 2 attachments as presented. Jay Farmen seconded. All ayes.

**NEW BUSINESS**

- 1. Funding Status Update and Administrative Appointments** - Nick Green said the governor had 30 days to sign all the bills. House Bill 34.10 has not been signed yet and she has until August 4<sup>th</sup>. He expects the bill to be signed indebtedly but certainly by that date. They have identified who the Department of Administrative Services lead is going to be. He had contacted them and introduced them to Judy and Chad Jacobs, and they will reach out to them as soon as the bill is signed to get the grant agreement in process so it can be sent back to the board.

On the Federal side, he said he had sent out the Congressionally Directed Spending Request announcement on Friday. He said that CDS request had been approved by Congress but still must be signed into law. As a board they would have to apply for those funds through the Small Business Administration. That application can be found on grants.gov and typically takes about 10 to 12 months to get those funds secured and committed. He believed the announcement guarantees them a win, but they must do the work to apply. The 1.5 million was approved but not awarded yet.

Nick Green informed the board that John Day had passed their ordinance now and Baker City had it on their agenda for the following Tuesday.

Heather Smith asked if adding them to R3 would go on the next agenda.

Nick Green said the board already approved to add them subject to them passing an ordinance. Then as soon as Baker has adopted the ordinance Chad Jacobs or Jeremy Green with transmit the amended and restated Intergovernmental Agreement to the Secretary of State's office. There will be no further action needed on the boards part.

Heather Rookstool asked when they are going to know where they are going. She feels uncomfortable saying this is what she wants to have happen until she knows who's running the show. She doesn't know whoever they choose has the backing to where she'd want to put this all in their hands. She knows all their URA and how it's being ran and she doesn't want to hand it over to someone she doesn't know. It makes her a little uneasy. She said they have a consultant they are using for planning. There was just some stuff in there that she was not completely saying no to but is not comfortable just putting it on this person when they don't even know what that person's roll is completely going to be yet. She also believes they need to discuss how that person will coordinate with land developers or whether they would like to take on the URA's since some cities don't currently have city managers. She believes the board needs to have more discussion before they make any motions.

Heather Smith said it was her understanding they were just getting an update on the overall summery. Appointing a director for R3 is on the agenda this evening.

Heather Rookstool said each of the items had a recommendation from whoever wrote up the agenda. She believed the board should discuss whether they would like to offer these things to these cities. She thinks they should discuss it more. She would have to take it back to her board and ask if they wanted to hand over things like the URA, because they have been running their URA or if they wanted to hand over planning. She wanted to know if this all would be apart of this person's job or were they just looking at them running R3 right now to get it up and running.

Heather Smith said as far as R3 was concerned she didn't believe that it was the plan for them to take over each of these areas but to assist in funding of these other areas. She informed the board R3 Board would not take over or eliminate anyone's URA Board or anything like that. It will me more like an addition to those other programs so funding can be available for each of them as well.

Nick Green informed the board that the question was what type of services they want to solicit for when they talk about their Managing Director under item 5. He gave examples. If they want their Managing Director or a consulting team to provide Urban Renewal Administrative Services, then they would want to include that in the scope and in the evaluation criteria or they could end up with someone who knows nothing about Urban Renewal. This is the same for planning, economic development, and housing development. The board should discuss these types of qualifications, so they know what type of skill sets they are looking for, whether it's a team of consultants, an individual, or someone they directly hire, they need to know what they are looking for. He then commented to Heather Rookstool's earlier comment. He mentioned if the board anticipates doing Urban Renewal Management this meeting would be the time to discuss that so they can include that in the scope of the search. If they wanted each city to handle it on their own, then that wouldn't be something included in the search. He did inform them if they omit it then they run the risk of getting someone who says they think they can do it and that is not the case.

Judy Erwin informed the board she would like someone who knows more about the URA then they do so that person could tell them what they need to do next. She didn't know they had to file a UR-50 along with the LB-50 when the new budget started this year. She thinks it would be nice to have someone with a little more knowledgeable on the process. The cities handle their URA's just fine

with applications, reviews, and stuff like that, but she is more concerned with the accounting, the budget, the filings, and there is an end of year filing she doesn't know much about. These are the things she would like someone else to give them direction on.

Heather Smith asked the board if it would be better to table this until they had a Managing Director in place.

Heather Rookstool said she believed they should have that before they go out looking for a Managing Director, because they need to know what qualifications they are going to need to put in that scope. She believes it needs to be done before they hire a Managing Director, so the person is qualified for what the cities need and not just thrown something they don't understand later. She also wondered if this may need to be an individual or more than one person.

Heather Smith said she believed because so many cities are involved and most of the cities have similar agendas in terms of the URA, Planning, and Housing Development, that she would like to have it in the original agreement rather than try to add it later. She thought it should be in the original agreement for all the cities. If there is a specific area that someone may not need help, then at least the option will be available if they or another city does. She thinks that having all areas covered is more beneficial than picking and choosing.

Heather Rookstool asked how charges would be separated out for the services if one city wants help where another does not. The cities are each 25% responsible for funding all of this until they have money, which they do not have any currently. She feels this may become complicated trying to separate out charges.

Heather Smith said she did not believe they could plan for every single scenario and if all they do is consult with the person on where they are at then that is all still an idealization of their 25% fees and part of the scope of service they are trying to cover.

Judy Erwin said she thought it was a good idea because this is all so new, and they are just forming this. They don't know exactly where they are going yet. She thought it would be good to have one person heading it all until they get their feet under them and know what they are doing. She said as they progress, they may realize there are things they don't need and then can adjust for that at that time. She feels they need to have someone helping them in the beginning.

Heather Smith said she believed that keeping their options open for this person to serve each of the areas is ideal for each of the communities. She believed that if they stated getting down to cities not wanting certain services and they don't want to pay their 25% then that is where it will not work. Making the expectation that 25% is expected of each city and utilizing the services as they need will also benefit each city. She said that growing the cities is what is going to make us each stronger. She said she didn't want anyone to waste their time or to have anyone fund anyone else's projects. Going into this, they need to all be on the same page because 25% was the agreed upon amount.

Judy Erwin believed as time went on the cities needs would change and they may need help where they did not before.

Heather Rookstool said that she believed that planning, land development, and policies are where she sees John Day needing more help. She did believe it should all be included because she'd rather have too much in the scope than not enough.

Heather Smith and Judy Erwin said they agreed with that.

Jay Farnen said he thought they had a job description for the Managing Director already.

Judy Erwin said no they had a temporary one in place so they could function until they get their RFQ ready to put out, if that's the way they want to go.

Jay Farnen said that every city may have a different opinion on who they want, and he believed they should go in the direction of a consortium or a business to get started. They may have some specialty people on their staff that could answer a lot of these questions as they go through it instead of having one person. He believed there was a team of people that could handle all these areas.

Nick Green said he would like to declare a conflict of interest since he would like to provide a response to whatever RFP they put out there. He said having stated that, based on his 7 years as a City Manager and Planning Official, they may find an individual that fits all those criteria, but you cannot control how long that individual works for you. One of the biggest challenges for Rural Communities is continuity of operations in the Interim periods between City Managers. Right now, 3 of the 4 cities within the consortium have Interim City Managers. Most have Interim or Contract Planners. He would urge the board to consider an RFP with the full range of qualifications they are looking for. He believed they should include that in scoring. If a team responds with all the qualifications, then score them higher. If they only respond to some of them score them lower but allow a team to respond to the RFP as opposed to an individual so they do have redundancy in positions. For example, allow a team to bid a Director and a Deputy Director. They should consider their technical approach, background, redundancy, and all those types of things. He said they could work with their legal counsel to define these criteria however they should choose. Then they should come up with a reasonable timeline to allow companies to respond. That way they are asking for what they need or think they might need. They will also leave the window open for people to surprise them with approaches and proposals that they could then score and say wow I really like what company X is doing or only one firm responded. He thought it would make it easier.

Michelle Perry asked if they could each instruct their attorneys to come up with RFP criteria based on the things that they know they need in a director.

Heather Rookstool said she would agree to that.

Judy Erwin asked if they should tell R3's attorney that they want Housing and Land Development, Policy and Finance, Urban Renewal Administration, Planning Services, and Regional Economic and Community Development experience.

Michelle Perry asked if they could also add grant writing since they need funding.

Heather Rookstool agreed with the grant writing and said she believed they needed to have budget and accounting experience as well.

Nick Green said if the board wanted to include those qualifications that was great, but he wanted it also to be suggested they coordinate with each other on a timeline for when they want to review the draft solicitation before it's published unless they are just going to have the attorney publish it. Also maybe let him know how long they want to keep it open.

Heather Rookstool asked how long it would take Chad Jacobs to draft that up.

Nick Green said he believed 2 weeks was reasonable to have a draft back to the board. Then any meeting of the board, they can review and approve that solicitation if that is required so that they are not losing a month. Then pick a reasonable timeline. He said he would make it less than 30 days but that is probably an ample amount of time. They could make it longer, but they just needed to decide for themselves what they want and what that timeline would be so Chad will have all the information he needs to draft the solicitation and have it ready for their review.

Judy Erwin asked where the solicitation would be published or put out.

Nick Green informed her it could be published in local papers. He said The Daily Journal of Commerce is also another avenue they could post it. He informed the board that the only requirement under ORS-279 is that they document how they advertise it. Where and how they advertise it is up to the board as long as it is documented.

Jay Farnen believed they should make a real push to get a lot of this done this Summer because in the Winter there won't be much going on in their communities.

The board agreed on giving Chad Jacobs 2 weeks to draft the RFP and have it to them by the 28<sup>th</sup>.

More discussion was had on meeting times to review the drafted RFP.

The board agreed to discuss and review the draft during a meeting on August 3, 2020, at 6:00 p.m.

Nick Green suggested the board schedule their next official board meeting after this board meeting on the 3<sup>rd</sup> for about 5 to 6 weeks out so if they decide they want to put the RFP out for 30 days they will have time to review, get together, and score proposals before the next board meeting. Then at that point they'd be ready to decide.

The board had more discussion on that matter and agreed they would meet to look at the RFP they have received and score them on September 11, 2023, at 6:00 p.m.

## **2. Managing Director Recruitment – Discussed during item #1**

- 3. General Accounting Services Request for Proposals –** Nick Green informed the board that one of these was for their accounting services and one is for their annual audit. He noticed that there were a few tactual changes that need to be clarified and he will make those adjustments. The RFP 2023-01 is for their accounting services and under item 7, 2023-02, which is for their auditor and would be similar to what they are doing for their Managing Director. These would go out, be published, and it would provide companies and qualifying firms with the opportunity to respond. Ideally, they could hire an accounting firm and an auditor at their September 11<sup>th</sup> meeting as well. He said these ones don't require legal council and he could assist under his contract with Burns to get those published because he does not have any conflicts of interest, and these are not the types of contracts he bids on. They would need to identify who they are sending the responses to. So, in the absence of a Managing Director, they just need to identify where they want these proposals to go so that they can complete the solicitation and get it published.

The board agreed to have them sent to the Burns general email inbox and then the staff could forward them to the Board Chair Heather Smith.

Nick Green informed the board the difference between an RFP and RFQ is who you are asking for responses from. In this case the RFQ 1023-01 would be soliciting proposals from professional

services firms. This is talking about engineers, surveyors, architects, and those types of things. They would become part of their professional services firms that they could direct the work to, and this can be done every 2 years which is called a bi-annual request for qualifications. He said again those proposals would be submitted to the board for review ahead of the September 11<sup>th</sup> meeting and the action from the board would be to approve their list of qualified Professional Services Firms at that meeting.

Judy Erwin asked if this would have the same restriction of projects \$100,000.00 or less.

Nick Green informed the board that was statutory for design services but what this does is essentially checks the box on their competitive bidding process, so then they could contact the firms on their lists and see who's available to do the work rather than having to go out for a competitive bid every time.

Heather Smith asked if they wanted to approve the publication of RFQ 2023-01 subject to final review.

Judy Erwin mentioned they had not done the others yet and asked if the board would like to do them all together.

The board came to a consensus on approving the RFQ 2023-01 and the RFQ 2023-02.

#### **4. Auditor Services Request for Proposals – Discussed during item #1**

#### **5. Burns Intergovernmental Agreement for Temporary Support Services – Heather Rookstool asked if this was a monthly bill on each of the cities until R3 had funding.**

Judy Erwin told her that was correct.

Heather Rookstool said she needed to go back to her board because she was instructed that anything that finically commits John Day must be approved by them.

Nick Green said that is his bill to the City of Burns for preparing agendas, coordinating the funding, getting the website up and running, and all the coordination between the cities over the last 3 meetings. He said if the board was willing to approve those invoices he wouldn't mind waiting until they receive their funding to pay him. This way they don't have to invoice all the cities. He said he did not know if Chad Jacobs would agree to that, but these are costs that have only been incurred since the board was legally organized. They are costs to the agency itself, so he doesn't mind if the board is willing to approve those as an expenditure and defer payment until they receive funds but what he doesn't want to do is donate \$15,000.00 of his time and never get paid for it.

Heather Smith informed him that they did not want that either.

Heather Rookstool said she had to go back to her board for anything that finically commits her board, to get approval. If the Intergovernmental Agreement for Temporary Support Services and the invoices need to be paid right now, she will need to take it back to her board.

Heather Smith asked what happened if her board said no.



Heather Rookstool said she did not know.

Heather Smith said she saw that as part of the 25% from each city and that being here and being a part of this is all part of that process.

Heather Rookstool let them know that she understood, but if the money was needing to come out of their general fund right now, she had to take it back to her board first. She did not have the authority to approve it.

Nick Green wanted to clarify he was suggesting the board pay it out of R3's budget and that does not require approval by the councils. He said they could approve the invoices but defer payment until R3 receives their funding.

Heather Rookstool agreed as long as it wasn't coming out of their general fund, then she won't have to get board approval first.

Judy Erwin said she believed the temporary agreement they suggested tonight would be Burns paying the bills and then being reimbursed by R3 up until the time their funding comes.

Nick Green said he is willing to defer a receipt of payment but not work for free. If the board is willing to make a motion to have R3 pay the invoices as submitted and approving the intergovernmental agreement so Burns can act in that roll, then that the action the board needs to take tonight.

Heather Smith said so moved. Jay Farnen seconded. All ayes.

**6. Discussion of Press Release on Money R3 is Receiving** – Nick Green said he suggested the board draft a press release to let their communities know that this funding has been approved because it is exciting, and they should know. It's been a year and a half of working towards this.

Heather Rookstool asked if the press release could be shared with League of Oregon Cities so it can be shared all Oregon cities.

Nick Green told her it absolutely could. They can send it out to anyone they want. He said he would be happy to take a swing at the initial draft and circulate that with the board members. He said they are not releasing anything that isn't already in the public domain but just making it more visible, so it did not need to be approved at a meeting. He informed that they could all circulate a draft make sure they all like it, and then they can send it out to their respective media outlets, and he could forward it to the Legion.

The board came to a consensus on Nick Green drafting a press release and circulating it between the board members.

## **PRIOR BUSINESS/CONTINUED MATTERS**

### **1. Biannual Request for Qualifications –**

Nick Green informed the board the difference between an RFP and RFQ is who you are asking for responses from. In this case the RFQ 1023-01 would be soliciting proposals from professional service firms. This is talking about engineers, surveyors, architects, and those types of things. They

would become part of their professional services firms that they could direct the work to, and this can be done every 2 years which is called a bi-annual request for qualifications. He said again those proposals would be submitted to the board for review ahead of the September 11<sup>th</sup> meeting and the action from the board would be to approve their list of qualified Professional Services Firms at that meeting.

Judy Erwin asked if this would have the same restriction of projects \$100,000.00 or less.

Nick Green informed the board that was statutory for design services but what this does is essentially checks the box on their competitive bidding process, so then they could contact the firms on their lists and see who's available to do the work rather than having to go out for a competitive bid every time.

Heather Smith asked if they wanted to approve the publication of RFQ 2023-01 subject to final review.

Judy Erwin mentioned they had not done the others and asked if the board would like to do them all together.

The board came to a consensus on approving the RFQ 2023-01.

- 2. Anticipated projects** – Nick Green said this is where the board needs to talk amongst themselves because the services, he has been providing under the contract with Burns were just to get R3 organized. It does not include him meeting with individual prospective project owners or applicants. He said the board needs to decide the approach they want to take for allocating these funds to the various projects. He believed they may have a hard time doing that before they have a Management Firm or team in place to advise them. He said they were more than welcome to discuss the projects, but he wasn't sure there was really anyone to action anything at this point. Until that team is in place there is really no one to do the work.

Heather Rookstool said to her knowledge they didn't really know funding wise, when the funds will be available.

Nick Green informed the board the funding from DAS last year for general fund hit about the end of August beginning of September. He believed they would have funding before a Management Team but stated that it was a very valid point.

Heather Rookstool explained to the board she did not see any dollar amounts next to the initial projects. She knew what John Day's projects are going cost because she is dealing with them. She wanted to know with these other projects would each city submit what they propose they need, and would the board then come up with an amount they found fair. She was worried that the \$10,000,000.00 will go fast with all these projects. She said she was looking at some of them and they were quite large. She wanted to know when they would start seeing the requests on what they want.

Nick Green told Heather Rookstool that he believed that was what the board needed to discuss. If they are going to do a Public Private Development approach, then they will find people to submit project proposals to them and they are going to be able to look at what they are bring to the table. Things such as, what is their readiness level, how much funding they are committing to the private sector, and how much money they are asking for. The board needs to be able to communicate clearly to any potential project sponsor what kind of information they want to see so they can make a good

evaluation and spend R3's resources to their highest and best use. He thought the board should include within their scope of services, program evaluation. A team that helps them define programs, define how they will evaluate their spending, and how they will measure return on investment. He informed them that the nice thing with State General Fund is they are going to send the money in advance so they will have a lot of equity with their organization. They will be able to invest quickly into projects, but they want to be able to have a metrics around their decision making.

Heather Rookstool wanted to know if they go out for an RFP, and they don't give somebody the money they request can they challenge it and ask why they have a scoring system.

Nick Green informed the board that was up to them. They don't have limitations on how they appropriate the funds other than it must be for communities of 50,000 people or less.

Heather Rookstool said she would be comfortable with putting the manager in charge or creating a scoring sheet. She would like to be able to say whole heartedly, this is why a project didn't get their full asking amount. She thinks they need to create that.

Judy Erwin said she agreed and thought that it was a good idea so they could eliminate anyone feeling the decision was unfair.

Heather Smith wanted to know if it was something the board would score or would each city do their own scoring.

Nick Green said they needed to do the evaluation as a board with the advice of their team. It needs to be stringent.

Jay Farmen said he believed there should be a cap put on what each city can get until more funding comes in.

Heather Rookstool wanted to remind the board that it was for all Rural Oregon Cities under 50,000 people and not just the 4 that are on the board. She believed that they should not delegate money to any one city, and they put in price proposals for anyone in Rural Oregon that meets the requirements.

Heather Smith asked if money was specifically being allocated to R3 for the 4 cities that are a part of R3.

Nick Green said the allocation for the state funding can go to any community of 50,000 people or less. He reminded them R3 is not a state agency, and they will not have the resources to run a global competition so they will have to work with their management team.

Heather Smith asked Nick Green if R3 was responsible for distributing that money all over the state.

Nick informed her that they were responsible for having a state-wide impact. He suggested they consider that not everything is a project, some things are programs. He said this meant their management team may provide technical assistance to some of these communities to go after some the other resources that are available and then they are providing technical support. Not everything has to be a million-dollar project. He then informed them that their getting additional state-wide funding is going to hinge on their ability to show statewide impact.

Heather Smith thought they should use a scoring system similar to what the URA has to define what criteria they are looking for. The board could then look at what projects they would like to fund and which projects they think would have a good impact across the board for anyone.

Nick Green recommended the board come up with some defensible criteria. He said one of those should be that your primary area of service is going to be communities and counties that have the least resources, that are the most economically distressed, and produce the least housing. 4 of the 5 cities were currently present. He reminded the board that they were not a secondary underserved market, but they are a tushery unserved market. They do not have housing builders, but general contractors that may be able to build a home. He said the pain point resides within the area where the funding has been appropriated by the state and that was the whole point. He suggested the board have discussions and early work sessions with their team to define how they will do the call for proposals and how they will evaluate them. They may need to tier it based on priority and add tiers based off funding. They don't want to go extreme either way, where they go so extreme everything stays within the 4 cities or they go so big that their overwhelmed with just evaluating projects.

Heather Rookstool agreed and said she wanted to find a happy medium and didn't know what that was, but she just wanted to make sure that they were helping all Rural Oregon cities that qualify and not just helping the 4 on the board.

Jay Farnen said he agreed there were a lot of little towns around Lakeview that have contacted him. He thought if they had matching funds there may be something they could do to help. He just hadn't thought of it like that until then.

Heather Rookstool informed the board that John Day had a Downtown Revitalization Grant they had given to downtown businesses, and they required a match. They also had to show profit and work before they receive any money. She thinks it needs detail like what they have done, what they have tried to do, what they haven't been able to do and why, what they are asking for, and what they can put in.

More discussion was had.

Heather Smith suggested the board go over these details via email so it can be reviewed at the next meeting. She does not believe pushing things out would be beneficial.

Nick Green informed the board as they are evaluating the proposals for management services, look at the understanding of the team and their ability speak to this challenge. If they are not already anticipating this and talking to them about it, then they may want to move on because they do need to show impact. If they show that impact in the next 2 years, then their next request to the State Legislature will have some solid evidence behind it.

Heather Rookstool asked Heather Smith to create the email they would go over details on.

Heather Smith agreed.

- 3. Public Contracting Rules** – Nick Green informed the board this was just instructing their attorney develop their own agency Public Contracting Rules. It is to add a layer of fidelity and discrimination for the board about what they can and can't do and specifically identifies the procedures they want to follow under the umbrella of the State Procurement Code.

Heather Smith asked if Chad or Jeremy had been asked to do this.

Nick informed her that they were needing a consensus or a motion from the board to have them produce that for their next agenda. He said that it would be adopted by a resolution of the board and specify the rules that they are going to follow. If they don't do this then they will be stuck under the states rules which are more restrictive than they probably want, given the amount of funding they have and the types of projects they are trying to invest in.

The board came to a consensus to have the attorney develop R3's Public Contracting Rules.

## **GENERAL DISCUSSION AND UPCOMING MEETINGS/TOPICS**

Discussed during item # 1.

## **BOARD COMMENTS**

Jay Farmen said they can go through the process of that, come up with the criteria the cities need, and then they can publish it. That way cities will know if there's a 50/50 split or if they must put in so many work hours to get money, or whatever the board chooses. He thinks they should do a good job the first year with distributions and let it be known in Salem what they are doing and the cities that are getting funding from R3 and that could improve their chances of receiving more funds.

Heather Smith said she felt like the recruitment of management services is being put off. She thought it would be happening tonight or at least sooner than later. She then made a motion to make Nick Green the Interim Managing Director while the criteria for that position is being developed. She thinks going without a Managing Director at all is not beneficial to R3.

Heather Rookstool didn't understand why it couldn't just be as it is now, and Burns covers it until R3 receives funding and can reimburse them. She doesn't think they can just appoint someone without putting it out there. After speaking with their legal counsel, they wonder if Nick Green having contracts with other cities that are in R3 is a conflict of interest.

Heather Smith said the IGA allows Nick Green to continue to contract with each of them.

Heather Rookstool said they already approved for R3 to reimburse for any expenses and Nick Green will continue to do what he is doing.

Judy Erwin said she believed that was what the Intergovernmental Agreement for Temporary Support Services was.

Heather Smith believed that Catalyst or Nick being on board is a huge priority. Making sure he is getting paid and being taken care is important so that the meetings are not just quite but that they are all on board and all know what is going on is because of his consulting and feedback in each of our cities.

Nick Green said the IGA was for him to cover as the Interim. He did want to clarify that ORS-279 does allow for the direct appointment of a Managing Director. They are not required to go out for competitive bid, however in this meeting the board already made a motion to go out for a competitive bid. He wanted to clarify because Heather Rookstool made the statement that she didn't think they could directly appoint They can direct appoint, and that statute is allowed under state law

because of these of types of conversations like they were having right then. If they don't have a Managing Director who knows the law and knows how to do the work, then the board is flying blind. He said they always have that option to direct Personal Service Contracts, and they just did it by appointing Chad Jacobs with out going out for a global solicitation. There was another thing he wanted to disclose because Heather Rookstool brought up conflicts of interest. Conflict of interest must be disclosed to the board so that they can mitigate it, it doesn't mean they can't provide services. Jeremy Green's firm is a great example. They represent all 3 cities. He can also represent other projects. He just must disclose that his firm has a conflict of interest so the board can mitigate it. He then informed the board that if his firm decides to respond to their RFP then they will disclose conflicts of interest as required under state statute and what those conflicts potentially are. If the board is aware of them then they will know when and how to mitigate them. Doesn't mean that they must go out and find a company that has never worked for any of the cities or has never worked for any of them and knows nothing about their region.

Heather Smith stated that Nick Green has been involved from the beginning and she doesn't think they will find anyone more qualified, and it may cause the board to drag their feet on getting a Directing Manager hired. She said if Nick Green is interested and willing, they already know his qualifications. She said she understood wanting to do a recruitment for that surprise person, but she is skeptical on what that looks like as far as the waiting. She understands the IGA allows Nick Green to keep doing his work but if they need a Managing Director, she believes we already have one that is beneficial and involved with the cities.

Judy Erwin said she wanted to agree with that, and they wouldn't even have R3 if it wasn't for Nick Green. She thinks it would be difficult to find anyone else better qualified.

Heather Rookstool thought they still needed to draft R3's Managing Director responsibilities before the hire that person. She wanted to know how they hire someone before that draft is completed.

Heather Smith said she wanted to point out that the person drafting most of their stuff is Nick Green.

Heather Rookstool said she believed R3's attorneys were going to draft that up. She would rather see that from the attorney before they hire someone without knowing what they will do for sure.

Heather Smith asked the board to request a proposal from Nick Green if he was interested and willing to do so.

Nick Green said if the board wanted to reach out to their attorney and ask him to invite Nick to submit a proposal on behalf of his team, he would be happy to do so, he just would like to avoid them doing that, seeing his proposal, making that a public document, and then deciding they want to go out for competitive bid. Then everyone gets to ghost write off what he submitted and what R3 made public. If they want to request a proposal from him, he has one ready and he is happy to provide it to R3's attorney as long as there is a way for their attorney to coordinate their evaluation of that in a manner that if they do not elect to award a contract, his proposal does not become a public document for anyone to be able to say they really like this approach so maybe they'll shave some pennies and then then will bid on it.

Heather Smith would be comfortable appointing Nick Green as the Managing Director pending negotiation of his proposal so that its in place because she does not know if they will find someone as qualified and this is just delaying R3's opportunities.

Heather Rookstool said that I think or assuming weren't comfortable for her.

Jay Farmen said he thought Nick Green would be a wonderful choice. He said if he was Nick and if he put in all the months of toil and getting R3 off the ground, he wouldn't want someone voting him out for someone else to come in at this point.

More discussion was had.

Nick Green said he would like to see the board follow the process they set up to follow. His advice is to consult with their legal counsel and if they want a direct proposal from his company, he will provide one but asked them to please ensure that 3 or the 4 board members have a consensus on how they want to proceed with that. He asked if they don't achieve that consensus and the default is to go out for competitive bid, for them to not make his proposal a public document. He said if they direct award then great but if they decide they don't have the votes to do that then he asks they allow him to submit like anyone else would and score his proposal the same so it's fair.

The board came to a consensus on asking Nick Green to submit a proposal to R3's attorney that will not be made public and be kept confidential.

Heather Rookstool asked if on the 3<sup>rd</sup> if all 4 cities would be in R3.

Nick Green said they should be. Baker has it on their agenda for the following Tuesday assuming the ordinance passes. That would then be passed over to the attorneys and then they would file the amended reinstated agreement which took effect July 1<sup>st</sup> so it would be retroacted to that date. Heather Rookstool asked if after that was done if they would then be setting up a bank account.

Nick Green said once the amended and restated agreement has been filed then he would recommend the board collectively set up an LGIP using the information they already have. They already agreed to have Heather Rookstool get the signature documents and agreements from Bank of Eastern Oregon. This way those financial instruments would be in place well ahead of the point the board will need them. The LGIP is more critical because that is where DAS is going to transfer the money.

There was not further discussion had.

Heather Rookstool made a motion to Adjourn the meeting at 7:46 p.m. Jay Farmen seconded. All ayes.

**-Unapproved-**

**REGIONAL RURAL REVITALIZATION (R3)  
BOARD MEETING  
AUGUST 3, 2023**

The Regional Rural Revitalization (R3) Board members met on, August 3, 2023, at 6:00 p.m. for a board meeting. Members present were as follows:

Heather Smith – Burns R3 Representative – Via Zoom	Judy Erwin – Burns Interim City Manager
Michelle Perry – Lakeview City Manager – Via Zoom	Tiffany Leffler – Secretary/Admin
Jay Farnen – Lakeview R3 Representative – Via Zoom	Chad Jacobs- R3 Attorney
Heather Rookstool – John Day Mayor – R3 Representative – Via Zoom	
Beverly Calder – Baker City Manager – R3 Representative	

**APPEARANCE OF INTERESTED CITIZENS**

Interim City Manager Judy Erwin gave a statement that read as such:

When our group got together and decided that we wanted to form R3, we did so with the intention that this group would be for the betterment of our communities. We all believed that we could be stronger together than we ever could be apart. There was no political agenda ever intended. We only wanted to be able to do more for our small communities and believed we could accomplish that through our vision of R3.

We all still believe in that vision and want to proceed and see this vision through to the completion of projects for all, that we could have not been able to accomplish without the help and support of each other. I hope that we can leave politics behind and focus on the goals ahead.

**CONSENT AGENDA**

Minutes from July 18, 2023, were tabled until the next meeting.

**NEW BUSINESS**

**1. IGA/Bylaws Amendment** – Chad Jacobs said as he had understood it, as Baker City was approving the IGA, they had a member of their Planning Commission, who seems very qualified, put his name in the hat to be appointed to the R3 Board. The problem is that both the Bylaws and the IGA, even the amended IGA that is currently drafted, require that appointees from each city be an elected official, not an appointed official. He said technically right now, Planning Commission is not eligible. He believed that Baker City was asking that they amend the IGA and the Bylaws to allow for the appointment of an appointed official as opposed to just an elected official. This meant it could be either an elected or appointed under their proposal.

Beverly Calder said they had a member of their Planning Commission who she had met with in February about R3. She said he has a tremendous amount of experience with Government entities. He has worked with Planning and BLM in Persimmon County, Nevada. She informed the board she was more than willing to serve, but Gratton had expressed a lot of interest, and they thought he would be an excellent representative for Baker City. If the Board was willing to consider modifying the IGA and Bylaws.



Heather Smith asked if that would be in addition to or in place of an Elected Member.

Beverly Calder informed Heather Smith it was in place of.

Chad Jacobs said he just needed a discussion with all of them because under the IGA and the Bylaws, any amendments require a unanimous vote. They would just need a consensus from all the board to do that. Then his office would draft an amendment for everyone to take back to their city councils to amend the IGA and once that's amended, they will file with Secretary of State. Then they will bring back the Bylaws for a vote based on the amendment to the IGA.

Heather Rookstool asked if it could say elected or appointed Officials.

Chad Jacobs said that would be exactly what the amendment would say.

Heather Smith said she agreed, she thought it was an elected or a designee by the elected official.

Judy Erwin said she had a question about appointed officials. She said for example, they have had some positions on their city council who have been appointed because of one reason or another. She wanted to know would they be considered elected officials or appointed officials.

Chad Jacobs informed her they're considered elected officials. He said when they look at these types of terminologies and these agreements, they are looking at how the position is typically decided. If it's elected by the electors, even if it's appointed, because what they can see, they're deemed an elected official. If they're no elections and they are always appointed by the city council, it would be an appointed official. He informed the board if they wanted to move forward with this they could narrow the scope of what appointed officials would be eligible, like an appointed board commissioner member. He said oftentimes the city manager, the city attorney, the municipal work judge, and sometimes the city recorder is all deemed appointed officials under different various city charters. If they want to limit it to just someone who is appointed to serve on the Board of Commission, or just a plane official, which would be anyone who is an appointed official under the charter.

Heather Smith informed the board that they had a comment pop up from a citizen that said they were against having an official that's not an elected representative. She said she agreed with that and would hate to lose Beverly as part of the board. She thought the elected official would easily be supported by someone like your planner and thought their participation would be invaluable, but she really liked the idea of keeping it elected officials.

Judy Erwin said being a person of interest in the audience, she also agreed with that.

Beverly Calder said she understood everyone's concern on this. She hadn't seen the IGA before they started moving down this, and she had reached out to him early on. She said they could withdraw the request, if everyone felt that it would be better for the success of R3 to stay with elected board members by the cities.

Heather Smith believed for the efficacy of the R3 in general because they are so new, she thought making amendments like that, they just can't know the potential outcomes. She would be hesitant to move forward with approving it.

Beverly Calder said she would withdraw her request.

## **PRIOR BUSINESS/CONTINUED MATTERS**

**1. Managing Director Recruitment** – Chad Jacobs said that the IGA calls for the opportunity for the board to either hire an employee or consultant to manage day to day affairs of the organization. He informed the board that this should be one of their top priorities. He said earlier this week the Governor had signed a bill providing funding of R3, so he expects they will receive the funding for R3 shortly. He said there was a lot of administrative stuff that still needs done such as the Public Contracting Rules, and other organizational things to get up and running. He believes R3 should really prioritize a Managing Director recruitment. Last meeting the board had asked his office to prepare and send out a draft solicitation document. He said if they wanted to go broader or define it more, he could. He informed the board that in addition during the Public Contracting Rules they will discuss Personal Service Agreements. They can draft the Public Contracting Rules in a way that allows the board to do a direct order. He wanted to know what direction the board wanted to go with this process. He said if they like the solicitation his firm drafted then they can go that direction but if they have someone they want to directly contact and ask if they would like to do it first, they can go that direction as well. He stressed to the board that the sooner they can get someone on board, the better it will be for the organization.

Heather Smith agreed.

Jay Farmen asked if the board was thinking full-time or part-time.

Chad Jacobs said he thought the way they drafted the solicitation was really for a consultant, not for an employee. He didn't think it was necessarily worth the expense to have a full-time employee for this organization. He thought they could do it on a consultant basis much cheaper, and that other benefit of it was they could potentially get a team of consultants who can bring more in the table than just one person. For example, 2 consulting companies could combine to submit a proposal, which would give them more depth. He said there is a lot of development deals that require a certain level of expertise. It could make it difficult for one person to have that level of expertise. If they have a team of folks from different entities working on that it might be better for the organization.

Heather Smith said she would be in favor and make a motion they go with the direct appointment and request a proposal from Catalyst Consulting.

Heather Rookstool informed Chad Jacobs that there were no attachments, including the draft solicitation, in the agenda packet.

Chad Jacobs apologized and said he did not notice that and would send it to them and then go over it with the board. He informed the board it was a similar document that they see for a city manager or city attorney type recruitment. It briefly describes the organization and its mission. It talks about the qualities of the executive director and things that they're looking for. It has general information

and guidelines about how someone will be judged. He said if they want to go down that road, that's the kind of information that they would dig into. Such as, how they want to score the applications and things of that nature.

Heather Rookstool asked what kind of time frame they were going to leave it open.

Chad Jacobs informed her that was the kind of issues they all would need to decide if they wanted to do a recruitment.

Heather Smith informed the board they had a motion on the table and asked if they had a second.

Jay Farnen seconded the motion.

Heather Rookstool asked if the motion was to not do a solicitation but to direct appoint.

Heather Smith informed her that was correct.

Jay Farnen took back seconding the motion.

Heather Rookstool said that was not how she understood it. She said in prior meetings Chad Jacobs recommended that they do a direct solicitation.

Chad Jacobs said his advice was that they wait until they get everyone at the meeting. They haven't submitted the revised IGA, so, technically Baker City and John Day are not full members yet. To wait until everyone gets on board was really what he was suggesting. They could have that kind of discussion on whether they want to do a direct solicitation. He then informed the board he had heard the motion as they wanted to seek a direct proposal from, but not actually award the contract. He recommended not awarding anything that night. He said they don't have all the contracting rules in place yet. They don't know what their rates are, but if they wanted to go to Catalyst, he would suggest they do a solicitation from them. They can review what they propose and if they like that once they get a public contract and rules in place, they can award it to them. If they don't like what they have, then the board can go out for a broader solicitation.

Heather Rookstool asked if they could not do both. She said at the last meeting the board said to go ahead and let Catalyst submit a private solicitation. She said Nick Green wanted to keep it private, and not make it public. She said she could understand him wanting to keep it private, but wanted to know if that meant they could not continue to move forward with their recruitment. She thought they could accept something from Catalyst and still receive other solicitations as well.

Chad Jacobs informed the board that they needed to decide which direction they wanted to go because they can't really move forward with the broader solicitation if they are already giving preference to one entity. He said that's the spirit of the public contract.

Heather Rookstool said she agreed.

Beverly Calder, due to the new IGA not being done, wanted to clarify whether she had a vote in the meeting.

Chad Jacobs informed her that from a purely technical point of view, the only votes that count are from Lakeview and Burns. He thought in the spirit of cooperation, and with what they had

discussed in previous meetings, was to allow Baker City and John Day to participate like full members, even though technically their votes don't count. He said that way they were all on the same page moving forward. The idea was to start off on the right foot and not have someone out at the beginning.

Heather Smith asked Beverly Calder if she had an opinion on which direct the board goes with the solicitation.

Beverly Calder said the year was half over and the funding would be coming soon, so for the purpose of expedience she was in favor of doing a direct award and would second the motion. She felt that would be the best direction for the board to go.

Heather Smith said with previous discussions, they had discussed both as options, and knowing that their timeline is so tight she would still seek to go with the direct appointment. She said she thinks when they go into discussions about who is capable and who is not, finding and using that timeline or what's left of it, to get somebody in from a solicitation is going to be super minimal. They have someone that they know is capable, knowing that this whole board has been created because of that ability, she restated her motion for a direct appointment of Catalyst Consulting.

Beverly Calder said she would second that motion.

Chad Jacobs wanted to reconfirm, because they haven't adopted their Public Contract and Rules that they can't really do a direct appointment. They can say they want to ask them for a proposal, and then, once you adopt public contracting rules, then they can adopt them. He said the intent would be that if their proposal is reasonable, they would appoint them but until you see the proposal, you don't want to do a direct appointment based on not knowing what their fees are going to be or what they're proposing.

Heather Smith asked what appropriate wording would be for amending that motion.

Chad Jacobs said he would make a motion to open the solicitation with Catalyst for a proposal for the board's consideration.

Heather Smith replied with so moved.

Beverly Calder seconded the motion.

There were 3 in favor and one abstained.

Jay Farnen asked if John Day and Baker City just needed to bring it in front of their councils to become fully apart of this project.

Chad Jacobs said it was his understanding that everyone, but Baker City has fully approved the amended IGA, and they're just waiting for Baker City. He said they had one more reading. They have 3 readings with their city councils. As he understood they had approved it in the first 2 meetings, and they were just waiting for the third meeting. Once that is done, then they will submit the amended IGA, and that will finalize it. He said later, there was an agenda item that they would talk about with amending the IGA already and that may slow things down a little bit.

**2. Public Contracting Rules** – Chad Jacobs said this agenda item is what he alluded to previously. It is as a 190 entity and 190 is just the State statutes that allow them to create an organization like R3. The organization itself is subject to public contracting rules, just like the individual cities, and from their individual cities, they are allowed to adopt local public contracting rules, to sort of outline how public contracts are going to be awarded. He said with a lot of it, they needed to follow certain grammars and state law, but there's a lot of it where they have a little bit of flexibility, such as with personal services and agreements. What he proposed for the board to do, based on their discussion, was to come back at the next meeting with draft public contracting rules. They will then look at the rules from each of the cities and try to make them as congruent with the 4 cities as possible. Then they can bring it back for the boards consideration if they are comfortable with it. With that they can approve the Public Contracting Rules, and then they will be able to approve contracts moving forward. This would then apply to most all the contracts that the organization looks at moving forward. There are a couple of solicitations out, for example, one for an auditor that they just put out that week. As those sorts of proposals start coming in, they want to make sure they have these rules in place to go over the contracts. The biggest question was a direct award through personal services which he said was kind of answered in their previous motion. He said he didn't need a motion, but a consensus saying, yes, bring it back. He informed the board if they had any specific issues with the public contracting rules, for example, that their city does that they really like, they could email him, and he would make sure that his office looks at it.

The board came to a consensus to have the attorney develop R3's Public Contracting Rules.

## **GENERAL DISCUSSION AND UPCOMING MEETINGS/TOPICS**

Heather Smith asked the board when their next meeting was or when they would like it to be.

Heather Rookstool reminded the board they had set it for September 11, 2023, and asked if they needed to approve minutes.

Chad Jacobs said it wasn't on the agenda so they would table the minutes until the next meeting. He wanted to let the board know that he had a conflict on September 11. He said he could have someone else from his office attend and present the public contracting rules to the board, but he did have another city council meeting that same night. He said one thing that they may want to consider for a future agenda item is setting a regular meeting day. That way they can make sure that people don't have conflicts.

More discussion was had on a new meeting time.

The board came to a consensus to have their next meeting on September 18 at 6:00 p.m.

## **BOARD COMMENTS**

Jay Farmen said in their last meeting, he asked if other towns were going to write a letter, they'd okay it and then it would be dispersed by R3. He said a year and a half ago, when they were talking

about this, it was for the 3 cities. Now Baker City is here. He was ok with that, but he thought it was for those cities.

Heather Smith said she thought that was based on the grant funding that was being acquired.

Judy Erwin informed him that the grant funding was for all Rural Oregon cities. She said the board had to consider any record that is submitted to the board.

Jay Farmen asked if it was for Eastern Oregon.

Judy Erwin said no, for all Rural Oregon cities. She then asked Chad Jacobs to elaborate more on that subject.

Chad Jacobs informed the board that the state funding is for rural cities. He thought there was a population limit of 50,000. He said at the end of the day, it's this board who decides what's going to be funded. So, whether or not they consider it and they may decide to work grant money to another city who's not a member, at the end of the day they will decide. He said he assumed those who are members and putting the time and effort in are going to have a higher priority over those who are not.

Judy Erwin said they would have to set standards, ways to apply, and the rules of applying. She said there were a lot of things to consider.

Heather Rookstool said she would like to second what Judy had said. She had heard it through many State and public officials throughout the State, including Eastern and Western Oregon. She said it was originally their 3 cities that went out for 30 million. They gave them 10 million. She felt like they'd be more likely to give R3 more money if they could show that they can help more than just the 4 cities. She said this is meant to help housing in the State of Oregon. Not just John Day, Burns, Baker, and Lakeview. It was meant for rural cities under 50,000 to help with housing. She agreed they need to come up with a scoring sheet or something on how they are going to pick and choose.

Jay Farmen said he wondered why the money just couldn't stay in Salem, people apply for it, and they disperse it. He didn't understand why they had to be the ones disperse it.

Judy Erwin said because the cities in small rural areas will have a better shot at getting money from R3 than they will from Salem.

Chad Jacobs said he believed part of the reasoning behind R3 was to pull resources for economies of scale. He said when they are doing these projects that they've got architects or lawyers, or whatever else that can be shared, so that each city is not spending money on their own, that R3 is helping. He thought that would likely have an influence on what projects R3 is going to fund or not fund. If there's a project all the way across the State where they can't really achieve those economies of scale, it doesn't really serve the purpose of R3.

Tiffany Leffler reminded the board that at the last meeting Nick Green said they don't always have to give everyone money. R3 just has to be able to show impact. She said for example, if a city outside of R3 doesn't have a contract planner, then one of the cities can let them use theirs. It can be things such as that, it doesn't always have to be giving out money as long as R3 is showing impact in rural cities with a population of less than 50,000.

Jay Farnen said that answered his question.

There was no further discussion had.

Jay Farnen made a motion to adjourn the meeting at 7:32 p.m. Heather Smith seconded. All ayes.

# Board Member Application

## REGIONAL RURAL REVITALIZATION (R3) STRATEGIES CONSORTIUM

The Regional Rural Revitalization (R3) Strategies Consortium board of directors is seeking applicants for one at-large position. The position will be appointed for a two-year term. The At-large Member may not be an elected official, officer, and/or employee of the cities of Burns, Lakeview, John Day, or Baker. If interested, please complete each section and email the application to [cityofburns@cityofburnsor.gov](mailto:cityofburns@cityofburnsor.gov).

FIRST NAME:  LAST NAME:   
EMAIL:  PHONE NUMBER:   
STREET ADDRESS:   
CITY:   
STATE:  ZIP:

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### Narrative

Please describe your reasons for applying for the board. Address unique demographics, areas or stakeholder groups you feel you represent.

Response:

As a lifelong Oregonian, I have had long-term interest in the economic vitality and housing stability of our rural communities. For over 25 years I've been involved in financing affordable housing projects statewide. This work has blanketed the state providing a unique understanding and vantage point of community challenges. It has become abundantly clear that the current structures in place work against small, rural communities. I am very excited by the approach designed into R3 and am hopeful and optimistic it can provide the missing pieces to the puzzle and fuel new opportunities--it represents innovation in community development. I believe my housing finance, policy, and community development experience can be helpful.



Please describe your specific knowledge, skills and attributes that make you a good fit for this position.

Response:

I have been involved statewide in affordable housing financing and policy for over 25 years, and have 11 years of corporate banking experience prior to that. For the past 23 years, I've been the Executive Director of NOAH, the Network for Oregon Affordable Housing. We serve as a primary funder of affordable housing projects statewide.

I am familiar with financing structures and development practices for housing generally, and affordable housing specifically. As a lender, I also bring discipline to project evaluation and understand risk management. Moreover, I have been actively involved in policy matters for many years, advocating for policy and resources to support affordable housing and community development. I've worked closely with legislators to pass numerous pieces of legislation. I have had a unique opportunity to work with developers (for profit and non-profit), jurisdictions, and state agencies on all manner of issues related to housing. I've participated on numerous committees, task forces, and work groups to advise plans, programs and solve problems. Because all of this work has been on a statewide basis, I have good understanding of the characteristics of regions and challenges facing them.

I rely heavily on listening and building trusting relationships in my work. These relationships are essential to all community-based work.

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You will be contacted to confirm your application is complete.

## Public Contracting Rules

### 1.10.010 General provisions

- (1) Except as provided within these rules, Consortium public contracting is governed by the Oregon Public Contracting Code (ORS Chapters 279, 279A, 279B and 279C) (the "Code") and the Oregon Attorney General's Model Public Contract Rules (OAR Chapter 137, divisions 46, 47 and 49) (the "Model Rules"). The Consortium opts out of the following provisions in the Model Rules:
  - a) OAR Chapter 137, division 47 of the Model Rules, related to amendments of small, intermediate, and generally procured contracts for goods and services.
  - b) OAR Chapter 137, division 48 of the Model Rules, related to certain construction-related professional services.
  - c) OAR Chapter 137, division 48 of the Model Rules, related to amendments of contracts for construction-related professional services.
  - d) OAR Chapter 137, division 49 of the Model Rules, related to amendments of contracts for public improvements and other construction services.
- (2) The Consortium Board of Directors is the Consortium's Contract Review Board ("Board"). Except as otherwise provided in these rules, the Board will exercise the powers and duties of local contract review boards under the Code and Model Rules and the Managing Director as the Consortium's contracting agent will exercise the powers and duties given or assigned to contracting agencies by the Code or Model Rules. The Managing Director shall be the purchasing manager for the Consortium and is authorized:
  - a) to issue all solicitations regardless of the estimated value of a resulting contract; and
  - b) subject to the provisions of these rules, to award all Consortium contracts and contract amendments for which the contract price or amendment value does not exceed \$25,000. The Board must approve all contracts with a contract price, and amendments with an amendment value, of greater than \$25,000.
- (3) For the purposes of these rules, "Managing Director" means the Managing Director for the Rural Regional Revitalization (R3) Strategies Consortium, or the Managing Director's designee.
- (4) For the purposes of these rules, "Emergency" means circumstances that:
  - a) Could not have been reasonably foreseen;
  - b) Create a substantial risk of loss, damage or interruption of services or a substantial threat to property, public health, welfare or safety; and
  - c) Require prompt execution of a contract to remedy the condition.

### 1.10.020 Personal service contracts not including certain construction-related personal services

- (1) "Personal service contract" means a contract for personal or professional services performed by an independent contractor, primarily for the provision of services that require specialized technical, creative, professional or communication skills or talents, unique and specialized knowledge, or the exercise of discretionary judgment skills, and for which the quality of the service depends on attributes that are unique to the service provider. Such services include, but are not limited to, the services of attorneys, accounting and auditing services, information technology services, computer programmers, property managers, planning and development services, artists, designers, performers, property managers and consultants. The Managing Director has discretion to determine whether a particular contract or service falls within this definition. Personal services contracts generally do not include contracts for architectural,

## 2023 Consortium Public Contracting Rules

engineering and land surveying services. The procedures for those contracts are found below in section 1.10.025.

- (2) The Consortium may choose to directly award personal service contracts in any amount. Otherwise, the Consortium may solicit and award personal service contracts informally, as set forth in section 1.10.020(3), or via the formal selection procedure set forth in section 1.10.020(4). Construction-related personal services not procured under section 1.10.025 (a) must be procured using the formal selection procedure set forth below if the estimated value of the services is \$250,000 or greater, (b) must be procured using either the informal selection procedure or formal selection procedure set forth below if the estimated value of the services is between \$25,000 and \$250,000, and (c) may be directly appointed by the Managing Director if the estimated value of the services is less than \$25,000, provided that the Managing Director makes reasonable efforts to choose the most qualified contractor to meet the Consortium's needs. The amount of a given contract may not be manipulated to avoid the informal or formal selection procedures.
- (3) Informal Selection Procedure. The Managing Director will contact a minimum of three prospective contractors qualified, as determined by the Managing Director, to offer the services sought. The Managing Director will request an estimated fee from each prospective contractor and make the selection consistent with the Consortium's best interests. If three quotes are not received, the Managing Director will make a written record of efforts to obtain the quotes.
- (4) Formal Selection Procedure.
  - a) Announcement. The Consortium will give notice of its intent to procure personal services through its website, and any other means the Consortium deems appropriate, including contacting prospective contractors directly. Announcements will include, at minimum:
    - (1) A description of the proposed project;
    - (2) The scope of the services required;
    - (3) The project completion dates;
    - (4) A description of special requirements, if any;
    - (5) When and where the application may be obtained and to whom it must be returned;
    - (6) The application closing date; and
    - (7) Other necessary information.
  - b) Application. Applications will include a statement that describes the prospective contractor's credentials, performance data, examples of previous work product or other information sufficient to establish contractor's qualification for the project, references, and other information identified by the Consortium as necessary to make its selection.
  - c) Initial screening. The Managing Director will evaluate the qualifications of all applicants and select a prospective contractor or prospective contractors whose application demonstrates that the contractor is best qualified to meet the Consortium's needs.

## 2023 Consortium Public Contracting Rules

### d) Final selection.

- (1) The Managing Director or their designee will interview the finalists selected from the initial screening. At the Managing Director's discretion, the interviews may be conducted before the Board.
  - (2) After the interview process concludes, the Managing Director will make the final selection. If the interviews are conducted before the Board, the Board will make the final selection.
  - (3) The final selection will be based upon applicant capability, experience, project approach, compensation requirements, references and any other criteria identified by the Consortium as necessary for the Consortium to select a contractor.
- (5) Sole Source. The Managing Director may negotiate with a single source for personal services if the services are available from only one contractor, or the prospective contractor has special skills uniquely required for the performance of the services, or the Consortium has previously worked with the contractor. Unless the basis for a direct award under this subsection is a prior work history with the contractor, the Consortium must make written findings to demonstrate why the proposed contractor is the only contractor who can perform the services desired.
- (6) Emergency. The Managing Director may select a contractor under this section without following any procedures in an Emergency. The Managing Director must make written findings of the circumstances that describe the Emergency.
- (7) Amendments. The Managing Director may amend a personal service contract that the Consortium has validly entered into in its discretion, provided it determines any of the following:
- a) The amendment is within the general scope of, or was reasonably implied by, the original selection documents (if any),
  - b) The amendment is not likely to affect the field of competition,
  - c) The amendment is necessary to comply with a change in law that affects the performance of the contract,
  - d) The amendment results from negotiations of the terms and conditions of a contract and the amendment is advantageous to the Consortium, or
  - e) These rules otherwise permit it.

### 1.10.025 Contracts for certain construction-related personal services

- (1) Purpose. This section implements ORS 279C.100 to .125. The Consortium will rely on these rules, not the Model Rules, when it seeks to contract with an architect, engineer, photogrammetrist, land surveyor, or a transportation planner (as defined below).
- (2) Applicability. This section applies only to construction-related personal services meeting the following criteria:

## 2023 Consortium Public Contracting Rules

- a) A contract with an estimated fee that exceeds \$250,000; and
  - b) The contract is for a personal service that is legally required to be provided or performed by an architect, engineer, photogrammetrist, transportation planner, or land surveyor. For example: hiring an architect to design a building or hiring an engineer to design a wastewater system. Because the law requires licensed professionals to design buildings and infrastructure, the Consortium would rely on this subsection to hire someone to perform those services. However, if the Consortium were hiring an architect or engineer to perform project management services (for example), it may solicit and award such services under section 1.10.020 of these rules. See definition of "Related Services" below.
  - c) If either (a) or (b) above is not satisfied (i.e. the contract is for a personal service that is legally required to be provided by a licensed architect, etc. but is estimated to not exceed \$250,000; or the contract will require an engineer, etc. to perform a Related Service) then the Consortium may rely on section 1.10.020 of these rules to solicit and award the contract.
- (3) Mixed contracts. Some contracts will contain a mixture of services covered by this section (i.e. services that only the particular consultant may legally perform) and Related Services. Whether the Consortium uses section 1.10.020 or this section to solicit and award a mixed contract will depend upon the predominate purpose of the contract. The Consortium will determine the predominate purpose based upon either the amount of money it estimates it will spend for covered services versus Related Services or the amount of time it estimates the consultant will spend working on covered services versus Related Services. If covered services predominate, the Consortium will solicit the contract under this section. If Related Services predominate, the Consortium will solicit the contract under section 1.10.020.
- (4) Exception for Previous Work. Pursuant to ORS 279C.1 15, the Consortium may directly award a contract to a Construction-Related Consultant if the Project described in the contract:
- (a) Involves work that was described, planned or rendered in an earlier contract with the Construction-Related Consultant;
  - (b) The earlier contract was awarded in accordance with the Consortium's contracting rules in effect at the time of the earlier contract; and
  - (c) The new contract is a continuation of the Project described in the earlier contract.
- (8) Emergency. The Managing Director may select a contractor under this section without following any procedures in an Emergency. The Managing Director must make written findings of the circumstances that describe the Emergency.
- (5) Definitions. The following definitions apply to this section:
- (a) "Construction-Related Consultant" means an architect, engineer, photogrammetrist, land surveyor, a transportation planner in narrow instances defined below or a provider of Related Services.
  - (b) "Estimated Fee" means the Consortium's reasonably projected fee to be paid for a Construction-Related Consultant's services under the anticipated contract, excluding all

## 2023 Consortium Public Contracting Rules

anticipated reimbursable or other non-professional fee expenses. The Estimated Fee is used solely to determine the applicable contract solicitation method and is distinct from the total amount payable under the contract.

- (c) "Price Agreement" means an agreement related to the procurement of architectural, engineering, photogrammetric mapping, transportation planning or land surveying services, or Related Services, under agreed upon terms and conditions and possibly at a set price with:
  - (1) No guarantee of a minimum or maximum purchase; or
  - (1) An initial order or minimum purchase, combined with a continuing obligation to provide architectural, engineering, photogrammetric mapping, transportation planning or land surveying services or Related Services where the Consortium does not guarantee a minimum or maximum additional purchase.
- (d) "Project" means all components of a Consortium-planned undertaking that gives rise to the need for a Construction-Related Consultant's architectural, engineering, photogrammetric mapping, transportation planning or land surveying services, or Related Services, under a contract.
- (e) "Transportation Planning Services" only includes Project-specific transportation planning required for compliance with the National Environmental Policy Act, 42 USC 4321 et seq. and no other types of transportation planning services. By way of example only, Transportation Planning Services do not include transportation planning for corridor plans, transportation system plans, interchange area management plans, refinement plans and other transportation plans not associated with an individual Project required to comply with the National Environmental Policy Act, 42 USC 4321 et. seq.
- (f) "Related Services" means personal services, other than architectural, engineering, photogrammetric, mapping, transportation planning or land surveying services, that are related to planning, designing, engineering or overseeing public improvement projects or components of public improvements, including, but not limited to, landscape architectural services, facilities planning services, energy planning services, space planning services, hazardous substances or hazardous waste or toxic substances testing services, cost estimating services, appraising services, material testing services, mechanical system balancing services, commissioning services, project management services, construction management services, and owner's representation services or land-use planning services. In other words, personal services that are not required by law to be performed by an architect, engineer, photogrammetrist, transportation planner or land surveyor.

### (6) Selection procedures.

- (a) When selecting a Construction-Related Consultant to perform architectural, engineering, photogrammetric mapping, transportation planning or land surveying services under this section, the Consortium must award a contract to the most qualified consultant.
- (b) In accordance with Oregon law, when determining which consultant is most qualified, the Consortium may only solicit or use pricing policies and pricing proposals, or other price information, including the number of hours proposed for the services required, expenses, hourly rates and overhead, as part of the Consortium's screening and selection process if the

## 2023 Consortium Public Contracting Rules

Consultant complies with section 1.10.025(7)(f) below. If the Consortium chooses not to follow the process outlined in section 1.10.025(7)(f), the Consortium must only solicit or use pricing policies and pricing proposals after the Consortium has selected the most qualified consultant.

- (c) When soliciting a Construction-Related Consultant under this section, the Consortium will use a Request for Proposals ("RFP") or a Request for Qualifications ("RFQ") followed by a RFP, as described below. The Consortium may advertise RFQs and RFPs in any manner it deems appropriate. If the Consortium directly solicits qualifications or proposals from Construction-Related Consultants, it will attempt to contact at least three consultants.
- (d) RFQ. The Consortium may in its sole discretion issue an RFQ to evaluate potential Construction-Related Consultants and establish a short list of qualified Construction-Related Consultants to whom it may issue an RFP for some or all of the architectural, engineering, photogrammetric mapping, transportation planning or land surveying services or Related Services described in the RFQ. RFQs may include:
  - (1) A brief Project description;
  - (2) A description of the architectural, engineering, photogrammetric mapping, transportation planning or land surveying services or Related Services required for the Project;
  - (3) Any conditions or limitations that may constrain or prohibit the selected Construction-Related Consultant's ability to provide additional services related to the Project, including but not limited to construction services;
  - (4) A response deadline and a description of how or where to submit a response;
  - (5) A statement that interested consultants respond solely at their own expense;
  - (6) RFQ evaluation criteria; and
  - (7) Any other elements the Managing Director deems appropriate.
- (e) RFP. The Consortium will issue an RFP to select the most qualified Construction Related Consultant, regardless of whether an RFQ precedes an RFP. RFPs will include:
  - (1) A description of the Project and the specific architectural, engineering, photogrammetric mapping, transportation planning or land surveying services or Related Services sought for the Project, the estimated Project cost, the estimated time period during which the Project is to be completed, and the estimated time period in which the specific architectural, engineering, photogrammetric mapping, transportation planning or land surveying services or Related Services sought will be performed;
  - (2) The RFP evaluation process and the criteria that the Consortium will use to select the most qualified Construction-Related Consultant, including the weight, points or other classifications applicable to each criterion. Without limitation, the criteria may include:

## 2023 Consortium Public Contracting Rules

- a. Proposers' availability and capability to perform the services described in the RFP;
  - b. Experience of proposers' key staff persons in providing similar services on similar projects within the last three years;
  - c. The amount and type of resources, and number of experienced staff persons Proposers will commit to the Project;
  - d. Proposers' demonstrated ability to successfully complete similar Projects on time and within budget, including the hourly rates for key personnel and related cost data for similar Projects in the previous 12 months;
  - e. References and recommendations from past clients; and
  - f. Any other criteria the Managing Director deems appropriate.
- (3) Conditions or limitations, if any, that may constrain or prohibit the selected Construction-Related Consultant's ability to provide additional services related to the Project, including but not limited to construction services;
- (4) Whether interviews will or may occur and, if so, how the interview will factor into the Consortium's selection;
- (5) A proposal deadline and a description of how or where to submit a proposal;
- (6) A statement whether the Consortium will accept proposals in electronic format;
- (7) A statement that interested consultants respond solely at their own expense;
- (8) A statement reserving the Consortium's right to reject any or all proposals and its right to cancel the RFP at any time if doing either would be in the public interest;
- (9) A statement directing proposers to the protest procedures set forth in the RFP;
- (10) A statement whether the Consortium will hold a pre-proposal meeting for all interested Construction-Related Consultants to discuss the Project and if a pre-Proposal meeting will be held, the location of the meeting and whether or not attendance is mandatory;
- (11) If the Consortium elects to solicit or use pricing policies and pricing proposals, all requirements set forth in section 1.10.025(7)(f) below; and
- (12) Any other elements the Managing Director deems appropriate.
- (f) Use of pricing policies and pricing proposals. As provided under state law, in order to solicit or use pricing policies and pricing proposals, or other price information, including the number of hours proposed for the services required, expenses, hourly rates and overhead, as part of the Consortium's screening and selection process, the Consortium must:
- (1) State in its RFP:
    - a. That the Consortium will screen and select potential Construction-Related Consultants as provided under these rules;
    - b. How the Consortium will rank proposals from potential Construction-Related Consultants, with a specific focus on:



## 2023 Consortium Public Contracting Rules

- i. Which factors the Consortium will consider in evaluating proposals, including pricing policies, proposals or other pricing information, if the Consortium will use pricing information in the evaluation; and
    - ii. The relative weight that the Consortium will give each factor, disclosing at minimum the number of available points for each factor, the percentage each factor comprises in the total evaluation score and any other weighing criteria;
  - c. An estimate of the cost of the services required for the procurement; and
  - d. A scope of work that is sufficiently detailed to enable potential Construction-Related Consultant to prepare a responsive proposal.
- (2) Evaluate each potential Construction-Related Consultant on the basis of the potential Construction-Related Consultant's qualifications to perform the services required for the procurement. The Consortium may use the criteria set forth in section 1.10.025(7)(e) to conduct the evaluation.
- (3) Announce the evaluation scores and rank for each potential Construction-Related Consultant after completing the evaluation described in above. The Consortium may determine that as many as three of the top-ranked potential Construction-Related Consultants are qualified to perform the services required for the procurement and may request a pricing proposal for the scope of work from each of the top-ranked potential Construction-Related Consultants. The pricing proposal:
  - a. Must consist of:
    - i. A schedule of hourly rates that the potential Construction-Related Consultant will charge for the work of each individual or each labor classification that will perform the services required for the procurement, in the form of an offer that is irrevocable for not less than 90 days after the date of the proposal; and
    - ii. A reasonable estimate of hours that the potential Construction-Related Consultant will require to perform services required for the procurement; and
  - b. May include, at the Consortium's request, additional pricing information that is limited to:
    - i. A description of each task that the potential Construction-Related Consultant understands as comprising the services;
    - ii. A list of each individual or labor classification that will perform each task, together with the hourly rate that applies to the individual or labor classification; and
    - iii. A list of expenses, including travel expenses, that the potential Construction-Related Consultant expects to incur in connection with providing the services.
- (4) Permit a qualified potential Construction-Related Consultant to withdraw from consideration for the procurement if the potential Construction-Related Consultant does not wish to provide a price proposal.
- (5) Complete the evaluation and select a Construction-Related Consultant from among the top-ranked potential Construction-Related Consultants that have not withdrawn as provided under this section 1.10.025(7)(f), giving not more than 15

## 2023 Consortium Public Contracting Rules

percent of the weight in the evaluation to each potential Construction-Related Consultant's price proposal.

- (g) After selecting the most qualified Construction-Related Consultant in accordance with a RFP, the Consortium will notify each proposer accordingly and state that it will begin negotiating a contract with the most qualified consultant. A resulting contract will at least include:
- (1) The consultant's performance obligations and performance schedule;
  - (2) Payment methodology and a maximum amount payable to the consultant for the services required under the contract;
  - (3) Legally required terms; and
  - (4) Any other provisions the Consortium believes to be in its best interest to negotiate.
- (9) The Consortium will formally terminate negotiations in writing with the most qualified Construction-Related Consultant if it is unable for any reason to negotiate a contract within a reasonable amount of time, as the Consortium may determine in its sole discretion. The Consortium may thereafter negotiate with the second ranked Construction-Related Consultant, and if necessary, with the third ranked Construction-Related Consultant, and so on, until negotiations result in a contract. If negotiations with any Construction-Related Consultant do not result in a contract within a reasonable amount of time, the Consortium may end the particular solicitation. Nothing in this section precludes the Consortium from re-entering negotiations, in its own discretion, with a Construction-Related Consultant if negotiations were previously terminated for the same contract.
- (10) Price agreements. Solicitation materials and the terms and conditions for a Price Agreement for architectural, engineering, photogrammetric mapping, transportation planning or land surveying services or Related Services must:
- (a) Include a scope of services, menu of services, a specification for services or a similar description of the nature, general scope, complexity and purpose of the procurement that will reasonably enable a Construction Related Consultant to decide whether to submit a proposal;
  - (b) Specify whether the Consortium intends to award a Price Agreement to one consultant or to multiple consultants. If the Consortium will award a Price Agreement to more than one consultant, the solicitation document and Price Agreement will describe the criteria and procedures the Consortium will use to select a consultant for each individual work order or task order. Subject to the requirements of ORS 279C.110, the criteria and procedures to assign work orders or task orders that only involve or predominantly involve architectural, engineering, photogrammetric mapping, transportation planning or land surveying services are at the Consortium's sole discretion.
  - (c) Specify the maximum term for assigning services under the Price Agreement.
- (11) Amendments. The Managing Director may amend a contract for architectural, engineering, photogrammetric mapping, transportation planning or land surveying services or Related Services that the Consortium has validly entered into in its discretion, provided that the Managing Director determines any of the following:

## 2023 Consortium Public Contracting Rules

- a) The amendment is within the general scope of, or was reasonably implied by, the original selection documents (if any),
- b) The amendment is not likely to affect the field of competition,
- c) The amendment is necessary to comply with a change in law that affects the performance of the contract,
- d) The amendment results from negotiations of the terms and conditions of a contract and the amendment is advantageous to the Consortium, or
- e) These rules otherwise permit it.

### 1.10.030 Authority to electronically advertise solicitations for goods and services

- (1) The Managing Director is authorized to develop an "electronic procurement system" in accordance with OAR 137-047-0300(2)(b). As described in OAR 137-046-0110(16), this is an information system accessible through the internet or that persons may otherwise remotely access using a computer, that allows the Consortium to post electronic advertisements and receive electronic offers relating to a solicitation for goods and services. When an electronic procurement system is in place, the Model Rules allow procurement solicitations to be advertised exclusively on the internet. This saves the Consortium time and money over newspaper advertisements.
- (2) Prior to any development of an electronic procurement system, the Consortium may advertise solicitations for goods and services on the internet in addition to newspaper advertisements.

### 1.10.040 Authority to electronically advertise solicitations for public improvements

- (1) For all public improvement contracts with an estimated cost not exceeding \$125,000, the Managing Director may electronically advertise solicitations in a manner deemed appropriate. This method of advertising will save the Consortium time and money, may be used exclusively, and is allowed under ORS 279C.360(1).
- (2) An advertisement for a public improvement contract with an estimated cost over \$125,000 must be published at least once in a trade newspaper of general statewide circulation, such as the Daily Journal of Commerce.

### 1.10.050 Sole source procurements

- (1) Pursuant to ORS 279B.075(1), the Managing Director is authorized to declare in writing certain goods and services to be available from only one source.
- (2) The determination of a sole-source must be based on findings required by ORS 279B.075(2), and otherwise be processed in accordance with OAR 137-047-0275.

### 1.10.060 Amending goods, services, and public improvement contracts

## 2023 Consortium Public Contracting Rules

- (1) The Managing Director may amend a contract for goods, services, or a public improvement that the Consortium has validly entered into in its discretion, provided that the Managing Director determines any of the following:
  - (a) The amendment is within the general scope of, or was reasonably implied by, the original selection documents (if any),
  - (b) The amendment is not likely to affect the field of competition,
  - (c) The amendment is necessary to comply with a change in law that affects the performance of the contract,
  - (d) The amendment results from negotiations of the terms and conditions of a contract and the amendment is advantageous to the Consortium, or
  - (e) These rules otherwise permit it.

### 1.10.070 Notice of intent to award certain contracts

- (1) At least seven days before the award of a public contract solicited under a traditional invitation to bid or request for proposals, the Consortium will post or provide to each bidder or proposer notice of the Consortium's intent to award a contract.
- (2) If stated in the solicitation document, the Consortium may post this notice electronically or through non-electronic means and require the bidder or proposer to determine the status of the Consortium's intent.
- (3) As an alternative, the Consortium may provide written notice to each bidder or proposer of the Consortium's intent to award a contract. This written notice may be provided electronically or through non-electronic means.
- (4) The Consortium may give less than seven days' notice of its intent to award a contract if the Consortium determines in writing that seven days is impracticable as allowed by ORS 279B.135.
- (5) This section does not apply to goods and services contracts awarded under small procurements under these rules, or other goods and services contracts awarded in accordance with ORS 279B.070, 279B.075, 279B.080 or 279B.085.
- (6) This section does not apply to any public improvement contract or class of public improvement contracts exempt from formal competitive bidding requirements.
- (7) A protest of the Consortium's intent to award a contract may only be filed in accordance with OAR 137-047-0740 or OAR 137-049-0450, as applicable.

**REGIONAL RURAL REVITALIZATION (R3) STRATEGIES CONSORTIUM  
PROFESSIONAL SERVICES AGREEMENT**

This Professional Services Agreement (this "Agreement") is made and entered into on \_\_\_\_\_, 2023 (the "Effective Date") between the Regional Rural Revitalization (R3) Strategies Consortium, an Oregon intergovernmental entity, whose address is 242 S Broadway, Burns, Oregon 97720 ("Consortium"), and Catalyst Public Policy Advisors, LLC, an Oregon Limited Liability Company, whose address is 205 Valley View Drive, John Day, OR 97845 ("Contractor").

**RECITALS:**

Consortium desires to retain Contractor to perform certain services, including, without limitation, Managing Director Services (the "Program"). Contractor is willing to perform these professional services for and concerning the Program subject to and in accordance with the terms and conditions contained in this Agreement.

**AGREEMENT:**

NOW, THEREFORE, based on the foregoing and in consideration of the parties' mutual obligations contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Funds Available and Authorized. Consortium has sufficient funds currently available and authorized for expenditure to finance the costs of this Agreement.

2. Contractor Services.

2.1 Services; Standards. Subject to the terms and conditions contained in this Agreement, Contractor will perform the following services concerning the Program for and on behalf of Consortium (collectively, the "Services"): (a) those certain services described on the scope of services attached hereto as Schedule 1.1; (b) all other necessary or appropriate services customarily provided by Contractor in connection with its performance of those services described on the attached Schedule 1.1; and (c) such other related services requested by Consortium's board of directors from time to time. Contractor will (v) consult with and advise Consortium on all matters concerning the Services reasonably requested by Consortium, (w) communicate all matters and information concerning the Services to Consortium's board of directors, and perform the Services under the general direction of Consortium's board of directors, (x) devote such time and attention to the performance of the Services as Consortium deems necessary or appropriate, (y) share all Project information with, and fully cooperate with, all corporations, firms, contractors, governmental entities, and persons involved in or associated with the Project, and (z) use its best efforts and due diligence to perform the Services and will provide such personnel as are necessary to successfully provide the Services. All Contractor personnel shall be properly trained and fully licensed to undertake any activities pursuant to this Agreement, and Contractor shall have all requisite permits, licenses and other authorizations necessary to provide the Services. Contractor acknowledges and agrees that Consortium may cause or direct other persons or contractors to provide services for and on behalf of Consortium that are the same or similar to the Services provided by Contractor under this Agreement. All provisions and covenants contained in said Schedule are hereby incorporated by reference and shall become a part of this Agreement as if fully set forth. Any conflict between this Agreement and Schedule 1.1 shall be resolved first in favor of this written Agreement. No information, news, or press releases related to the Project shall be made to representatives of newspapers,

magazines, television and radio stations, or any other news medium without the prior written authorization of Consortium's Project Manager.

2.2 Schedule; Condition Precedent. The Services will be completed expeditiously, in a timely manner. Notwithstanding anything contained in this Agreement to the contrary, Consortium's performance of its obligations under this Agreement is conditioned on Contractor's performance of its obligations under this Agreement, including, without limitation, those Contractor obligations identified under Section 4.4. Consortium has relied on the representations, warranties, and covenants contained in Contractor's Proposal when selecting Contractor to perform the Services. Contractor represents, warrants, and covenants to Consortium that the representations, warranties, and covenants contained in the Proposal are true and correct in all respects.

2.3 Project Managers. Consortium's Project Manager is Heather Smith. Contractor's Project Manager is Nick Green. Each party shall give written notice to the other of any change in their respective Project Manager.

### 3. Compensation.

3.1 Compensation. Subject to the terms and conditions contained in this Agreement, in consideration of Contractor's timely performance of the Services in accordance with this Agreement, Consortium will pay Contractor as identified in the fee schedule attached as Schedule 2.1, subject to any not-to-exceed amounts or other limits. Contractor will submit monthly invoices to Consortium concerning the Services performed by Contractor during the immediately preceding month (each an "Invoice"). Each Invoice will contain the following information: (a) a summary of the Services performed by Contractor (and by whom); (b) the number of hours (or fraction thereof) each person spent to perform the Services; (c) the applicable fee(s) for performing the Services; and (d) all other information reasonably requested by Consortium. Consortium will pay the undisputed amount due under each Invoice within thirty (30) days after Consortium has reviewed and approved the Invoice. No compensation will be paid by Consortium for any portion of the Services not performed. Consortium's payment will be accepted by Contractor as full compensation for performing the Services.

3.2 No Benefits; No Reimbursement. Consortium will not provide any benefits to Contractor, and Contractor will be solely responsible for obtaining Contractor's own benefits, including, without limitation, insurance, medical reimbursement, and retirement plans. Contractor will provide, at Contractor's cost and expense, all materials, equipment, and supplies necessary or appropriate to perform the Services. Consortium will not reimburse Contractor for any expenses Contractor incurs to perform the Services.

3.3 Payment of Claims by Consortium. If Contractor fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to Consortium by a subcontractor or by any person in connection with this Agreement as the claim becomes due, the Consortium may pay the claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due to Contractor pursuant to this Agreement. The Consortium's payment of a claim under this Section shall not relieve Contractor or Contractor's surety, if any, from responsibility for those claims.

### 4. Relationship.

4.1 Independent Contractor. Contractor is an independent contractor of Consortium and shall be entitled to no compensation other than the compensation expressly provided by this

Agreement. Contractor is not an employee of Consortium. Contractor will be free from direction and control over the means and manner of performing the Services, subject only to the right of Consortium to specify the desired results. This Agreement does not create an agency relationship between Consortium and Contractor and does not establish a joint venture or partnership between Consortium and Contractor. Contractor does not have the authority to bind Consortium or represent to any person that Contractor is an agent of Consortium. Contractor has the authority to hire other persons to assist Contractor in performing the Services (and has the authority to fire such persons). Contractor hereby expressly acknowledges and agrees that as an independent contractor, Contractor is not entitled to indemnification by Consortium or the provision of a defense by Consortium under the terms of ORS 30.285. This acknowledgment by Contractor shall not affect his/her independent ability (or the ability of his/her insurer) to assert the monetary limitations found at ORS 30.269 to ORS 30.273, the immunities listed at ORS 30.265, or other limitations affecting the assertion of any claim under the terms of the Oregon Tort Claims Act (ORS 30.260 to ORS 30.300).

4.2 Taxes; Licenses. Consortium will not withhold any taxes from any payments made to Contractor, and Contractor will be solely responsible for paying all taxes arising out of or resulting from Contractor's performance of the Services, including, without limitation, income, social security, workers' compensation, and employment insurance taxes. Contractor will be solely responsible for obtaining all licenses, approvals, and certificates necessary or appropriate to perform the Services.

4.3 Contractor Identification. Contractor shall furnish to Consortium Contractor's employer identification number, as designated by the Internal Revenue Service, or, if the Internal Revenue Service has designated no employer identification number, Contractor's Social Security number.

4.4 Subcontractors and Assignment. Contractor shall neither subcontract any of the work, nor assign any rights acquired hereunder, without obtaining prior written approval from the Consortium. Consortium, by this Agreement, incurs no liability to third persons for payment of any compensation provided herein to Contractor. Any subcontract between Contractor and subcontractor shall require the subcontractor to comply with all terms and conditions this agreement as well as applicable OSHA regulations and requirements. If Consortium provides approval for a subcontract, Contractor shall be fully responsible for the acts or omissions of any subcontractors and of all persons employed by them, and neither the approval of any subcontractor by the Consortium, nor anything contained herein, shall be deemed to create any contractual relationship between the subcontractor and the Consortium.

4.4.1 Approved Subcontractors. Subject to the requirements of this Agreement, including but not limited to this section 4.4, Contractor is authorized to use the following subcontractors: (a) ECONorthwest (Bob Parker and Nicole Underwood); (b) Oregon iSector (Greg Wolf); (c) GEODC (Tory Stinnett); (d) AEWV Innovations, LLC (Aaron Lieuallen); (e) Geobility, LLC (Doug Green); (f) Wayne Semon Custom Homes, Inc. (Wayne Semon); and (g) Doug Robbins Consulting (Doug Robbins). Such approved subcontractors shall be billed at the hourly rates set forth in Schedule 2.1.

## 5. Representations; Warranties; Covenants.

In addition to any other Contractor representation, warranty, and/or covenant made in this Agreement, Contractor represents, warrants, and covenants to Consortium as follows:

5.1 Authority; Binding Obligation; Conflicts. Contractor is duly organized, validly existing, and in good standing under applicable Oregon law. Contractor has full power and authority to sign and

deliver this Agreement and to perform all of Contractor's obligations under this Agreement. This Agreement is the legal, valid, and binding obligation of Contractor, enforceable against Contractor in accordance with its terms. The signing and delivery of this Agreement by Contractor and the performance by Contractor of all of Contractor's obligations under this Agreement will not (a) breach any agreement to which Contractor is a party, or give any person the right to accelerate any obligation of Contractor, (b) violate any law, judgment, or order to which Contractor is subject, or (c) require the consent, authorization, or approval of any other person besides the Contractor, including, without limitation, any governmental body.

5.2 Quality of Services. Contractor will perform the Services to the best of Contractor's ability, diligently, in good faith, utilizing its best efforts and in a professional manner, free from errors and/or deficiencies, and consistent with the terms and conditions contained in this Agreement. The Services will be performed in accordance with the Laws (as defined below). Contractor will be solely responsible for the Services. Contractor will make all decisions called for promptly and without unreasonable delay. All materials and documents prepared by Contractor will be accurate, complete, unambiguous, prepared properly, and in compliance with the Laws. Contractor shall perform such additional work as may be necessary to correct errors in any work required under this Agreement without undue delays and without additional cost to Consortium.

5.3 Duty to Inform. Contractor shall give prompt written notice to Consortium's Project Manager if, at any time during the performance of this Agreement, Contractor becomes aware of actual or potential problems, faults or defects in the Project, any nonconformity with the Agreement, or with any Laws, or has any objection to any decision or order made by Consortium. Any delay or failure on the part of Consortium to provide a written response to Contractor shall constitute neither agreement with nor acquiescence in Contractor's statement or claim and shall not constitute a waiver of any of Consortium's rights.

5.4 Insurance. During the term of this Agreement, Contractor will obtain and maintain, in addition to any other insurance required under this Agreement, the following minimum levels of insurance: (a) general liability insurance for all losses or claims arising out of or related to Contractor's performance of its obligations under this Agreement (including, without limitation, damages as a result of death or injury to any person or destruction or damage to any property) with limits of no less than \$1,000,000 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 Contractor in connection with Contractor's performance of the Services with limits of no less than \$1,000,000 combined single limit, \$2,000,000 annual aggregate; (c) professional liability insurance (errors and omissions insurance) with limits of no less than \$1,000,000 per occurrence, \$2,000,000 in the aggregate; and (d) workers' compensation insurance in form and amount sufficient to satisfy the requirements of applicable Oregon law. Each liability insurance policy required under this Agreement will be in form and content satisfactory to Consortium, will list Consortium and each Consortium Representative (as defined below) as an additional insured (except for Contractor's professional liability insurance policy), and will contain a severability of interest clause; the workers' compensation insurance will contain a waiver of subrogation in favor of Consortium. The insurance Contractor is required to obtain under this Agreement may not be cancelled without thirty (30) days' prior written notice to Consortium. Contractor's insurance will be primary and any insurance carried by Consortium will be excess and noncontributing. Contractor will furnish Consortium with appropriate documentation evidencing the insurance coverage (and provisions) and endorsements Contractor is required to obtain under this Agreement within ten (10) days of Contractor's execution of this Agreement and at any other time requested by Consortium. If Contractor fails to maintain the insurance required under this Agreement,



Consortium will have the option, but not the obligation, to obtain such coverage with costs to be reimbursed by Contractor immediately upon Consortium's demand.

5.5 Indemnification. To the fullest extent permitted by the Laws, Contractor acknowledges responsibility for any and all liability arising out of the performance of this Agreement and will defend, indemnify, and hold Consortium, and each present and future Consortium officer, employee, agent, volunteer, elected official, appointed official, and representative (collectively, "Consortium's Representatives"), harmless for, from, and against all claims, actions, proceedings, damages, liabilities, injuries, losses, and expenses of every kind, whether known or unknown, including, without limitation, attorney fees and costs, resulting from or arising out of the following: (a) Contractor (and/or Contractor's directors, officers, shareholders, members, managers, partners, employees, agents, representatives, and/or contractors) acts, omissions, activities or services in the course of any Indemnifying Party's performance of the Services; (b) Contractor's failure to pay any tax arising out of or resulting from performance of the Services; and/or (c) Contractor's breach and/or failure to perform any Contractor representation, warranty, covenant, and/or obligation contained in this Agreement. Contractor's indemnification obligations provided in this Section 5.5 will survive the termination of this Agreement.

5.6 Assignment of Studies and Reports. Contractor will assign all studies, reports, data, documents, and/or materials of any kind produced under this Agreement (collectively, the "Deliverables") to Consortium upon the earlier of Consortium's request or termination of this Agreement. All copies of the materials provided to Consortium will become the property of Consortium who may use them without Contractor's permission for any proper purpose relating to the Services, including, without limitation, additions to or completion of the Services; provided, however, any Consortium modification and/or use of the Deliverables for any non-Program related purpose will be at Consortium's risk and expense. Contractor will defend all suits or claims for infringement of patent, trademark, and/or copyright for which Contractor is responsible (including, without limitation, any claims which may be brought against Consortium) and Contractor will be liable to Consortium for all losses arising therefrom, including costs, expenses, and attorney fees.

4.7 Intellectual Property. The interest in any intellectual property, including but not limited to copyrights and patents of any type, arising from the performance of this Agreement and any generated work product shall vest in Consortium. Contractor shall execute any assignment or other documents necessary to effect this section. Contractor may retain a nonexclusive right to use any intellectual property that is subject to this paragraph. Contractor shall transfer to Consortium any data or other tangible property generated by Contractor under this Agreement and necessary for the beneficial use of intellectual property covered by this section.

5.8 Records. Contractor will maintain complete and accurate records concerning all Services performed, the number of hours each person spent to perform the Services, and all documents produced under this Agreement for a period of three (3) years after termination of this Agreement and all other related pending matters are closed. Contractor's records will be maintained in accordance with sound accounting practices. Contractor will provide, and cause its subcontractors to provide, Consortium, the State of Oregon, the federal government and/or any of their duly authorized representatives access to any Contractor books, documents, papers, and/or records which are pertinent to this Agreement and/or the Services.

5.9 Confidential Information. During the term of this Agreement, and at all times thereafter, Contractor will maintain all Confidential Information (as defined below) in the strictest

confidence and will not directly or indirectly use, communicate, and/or disclose any Confidential Information to any person, or remove or make reproductions of any Confidential Information, except that Contractor may (a) use Confidential Information to perform the Services to the extent necessary, and (b) communicate or disclose Confidential Information in accordance with a judicial or other governmental order or as required by applicable law, but only if Contractor promptly notifies the board of directors of the order and complies with any applicable protective or similar order. Contractor will promptly notify the Consortium of any unauthorized use, communication, and/or disclosure of any Confidential Information and will assist Consortium in every way to retrieve any Confidential Information that was used, communicated, and/or disclosed by Contractor and will exert Contractor's best efforts to mitigate the harm caused by the unauthorized use, communication, and/or disclosure of any Confidential Information. Upon the earlier of Consortium's request or termination of this Agreement, Contractor will immediately return to Consortium all documents, instruments, and/or materials containing any Confidential Information accessed or received by Contractor, together with all copies and summaries of such Confidential Information. If requested by Consortium, Contractor will execute a written certification satisfactory to Consortium pursuant to which Contractor will represent and warrant that Contractor has returned all Confidential Information to Consortium in accordance with the terms of this Agreement. Notwithstanding anything contained in this Agreement to the contrary, the terms of this Agreement do not operate to transfer any ownership or other rights in or to the Confidential Information to Contractor or any other person. For purposes of this Agreement, the term "Confidential Information" means all documentation, information, and/or materials identified by Consortium as confidential and/or any documentation, information, and/or materials relating to or concerning Consortium's future plans, business affairs, employment, legal, and litigation matters that need to be protected from improper disclosure, in whatever form (e.g., hard and electronic copies, etc.), that is received or accessed by Contractor; provided, however, the term "Confidential Information" does not include Consortium's public records which are non-exempt public records under applicable federal, state, and/or local laws.

## 6. Term; Termination.

6.1 Term of Agreement. Subject to the terms and conditions contained in this Agreement, the term of this Agreement commenced on the Effective Date and will remain in full force and effect until Contractor's completion of the Services, unless sooner terminated or extended as provided in this Agreement. Notwithstanding anything contained in this Agreement to the contrary, (a) this Agreement may be terminated at any time by the mutual written agreement of Consortium and Contractor, and/or (b) Consortium may terminate this Agreement for convenience and without cause by giving thirty (30) days' prior written notice of such termination to Contractor. Upon receipt of the notice of termination, except as explicitly directed by Consortium, Contractor must immediately discontinue performing any Services.

6.2 Termination for Cause. Notwithstanding anything contained in this Agreement to the contrary, Consortium may terminate all or part of this Agreement immediately upon notice to Contractor upon the happening of any of the following events: (a) Contractor fails to perform the Services within the time specified in this Agreement or by Consortium approved extension; (b) Contractor engages in any form of dishonesty or conduct that reflects adversely on the reputation or operations of Consortium; (c) Contractor fails to comply with any applicable law related to Contractor's independent contractor relationship with Consortium; (d) Contractor commences or is otherwise involved in bankruptcy, insolvency, dissolution, merger, or acquisition proceedings, (e) problems occur in connection with the performance of the Services; (f) Consortium reasonably believes that any Contractor acts or omissions in connection with this Agreement have placed, or are likely to place, a

Consortium agent, officer, elected official, employee, contractor, or volunteer, a member of the public, or a Contractor agent, employee, or subcontractor in physical danger or the threat of harm, (g) Contractor becomes involved with litigation or any dispute resolution which may reasonably be expected to materially adversely affect Contractor's ability to perform the Services, and/or (h) Contractor breaches and/or otherwise fails to perform any Contractor representation, warranty, covenant, and/or obligation contained in this Agreement. The determination as to whether any of the aforementioned events have occurred will be made by Consortium in Consortium's sole discretion.

6.3 Pending a decision to terminate all or part of this Agreement, Consortium unilaterally may order Contractor to suspend all or part of the services under this Agreement. If Consortium suspends certain services under this Agreement and later orders Contractor to resume those services, Contractor shall be entitled to reasonable damages actually incurred, if any, as a result of the suspension.

6.4 Consequences of Termination. Upon termination of all or part of this Agreement, Consortium will not be obligated to reimburse or pay Contractor for any continuing contractual commitments to others or for penalties or damages arising from the cancellation of such contractual commitments. Notwithstanding anything contained in this Agreement to the contrary, termination of this Agreement by Consortium will not constitute a waiver or termination of any rights, claims, and/or causes of action Consortium may have against Contractor. Within a reasonable period of time after termination of this Agreement (but in no event later than five (5) days after termination), Contractor will deliver to Consortium all materials and documentation, including raw or tabulated data and work in progress, related to or concerning the Services. Consortium agrees to make just and equitable compensation to Contractor for satisfactory Services completed up through the date that the termination notice is delivered to Contractor. Compensation will not include anticipated profit on non-performed Services. Consortium agrees to hold Contractor harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

6.5 Remedies. If a party breaches or otherwise fails to perform any of its representations, warranties, covenants, and/or obligations under this Agreement, the non-defaulting party may, in addition to any other remedy provided to the non-defaulting party under this Agreement, pursue all remedies available to the non-defaulting party at law or in equity. All available remedies are cumulative and may be exercised singularly or concurrently.

## 7. Public Contracting Legally Required Terms.

7.1 Payment for Labor or Material. Contractor shall make payment promptly, as due, to all persons supplying to Contractor labor or material for the prosecution of the work provided for in this Agreement. (ORS 279B.220)

7.2 Contributions to the Industrial Accident Fund. Contractor shall pay all contributions or amounts due the Industrial Accident Fund from Contractor incurred in the performance of this Agreement, and shall ensure that all subcontractors pay those amounts due from the subcontractors. (ORS 279B.220)

7.3 No Liens or Claims. Contractor shall not permit any lien or claim to be filed or prosecuted against the State or Oregon or a county, school district, municipality, municipal corporation or subdivision thereof, on account of any labor or material furnished. (ORS 279B.220)

7.4 Income Tax Withholding. Contractor shall pay to the Oregon Department of Revenue all sums withheld from employees pursuant to ORS 316.167. (ORS 279B.220)

7.5 Hours of Labor; Compliance with Pay Equity Provisions; Employee Discussions of Rate of Pay or Benefits.

7.5.1 Contractor shall pay employees for overtime work performed under the terms of this Agreement in accordance with ORS 653.010 to ORS 653.261 and the Fair labor standards Act of 1938. 29 USC §§ 201 et. seq.; ORS 279B.235(3)

7.5.2 Contractor shall pay employees at least time and a half pay for work the employees perform under the Agreement on the legal holidays specified in any collective bargaining agreement or in ORS 279B.020 (1)(b)(B) to (G) and for all time the employee works in excess of 10 hours in any one day or in excess of 40 hours in any one week, whichever is greater.

7.5.3 Contractor shall notify in writing employees who work on the Agreement, either at the time of hire or before work begins on Agreement, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the Contractor may require the employees to work.

7.6 Workers' Compensation. Contractor is a subject employer that will comply with ORS 656.017. Contractor warrants that all persons engaged in contract work and subject to the Oregon Workers' Compensation law are covered by a workers' compensation plan or insurance policy that fully complies with Oregon law. Contractor shall indemnify Consortium for any liability incurred by Consortium as a result of Contractor's breach of the warranty under this Paragraph. (ORS 279B.230)

7.7 Medical Care for Employees. Contractor shall promptly, as due, make payment to any person, co-partnership, association or corporation, furnishing medical, surgical and/or hospital care services or other needed care and attention incident to the sickness or injury of Contractor's employee(s), of all sums which Contractor agrees to pay for such services and all monies and sums which Contractor collected or deducted from the wages of employees under any law, contract or agreement for the purpose of providing or paying for such services. (ORS 279B.230)

7.8 Compliance with Applicable Law. Contractor shall comply with all federal, state, and local laws, regulations, restrictions, orders, codes, rules, handbooks, and ordinances, including, without limitation, all applicable Consortium ordinances, resolutions, policies, regulations, orders, restrictions, and guidelines and the provisions of ORS 279.312, 279.314, 279.316, 279.320 and 279.555, all as now in force and/or which may hereafter be amended, modified, enacted, and/or promulgated (the "Law(s)"). Without limiting the generality of the foregoing, Contractor expressly agrees to comply with:

7.8.1 Title VI of the Civil Rights Act of 1964;

7.8.2 Section V of the Rehabilitation Act of 1973;

7.8.3 The Americans with Disabilities Act of 1990 (Pub L No. 101-336), ORS 659.425, and all regulations and administrative rules established pursuant to those laws; and

7.8.4 All other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

7.9 Foreign Contractor. If Contractor is not domiciled in or registered to do business in the state of Oregon, Contractor shall promptly provide to the Oregon Department of Revenue and the Secretary of State Corporation Division all information required by those agencies relative to this Agreement. Contractor shall demonstrate its legal capacity to perform these services in the state of Oregon prior to entering into this Agreement.

7.10 Salvaging, Recycling, Composting or Mulching Yard Waste Material. If the Services or Project under this Agreement contemplate lawn or landscape maintenance, Contractor shall salvage, recycle, compost or mulch yard waste material at an approved site, if feasible and cost-effective. ORS 278B.225

## 8. Miscellaneous.

8.1 Severability; Assignment; Binding Effect. Each provision contained in this Agreement will be treated as a separate and independent provision. The unenforceability of any one provision will in no way impair the enforceability of any other provision contained herein. Any reading of a provision causing unenforceability will yield to a construction permitting enforcement to the maximum extent permitted by applicable law. Contractor will not assign this Agreement to any person without Consortium's prior written consent. Subject to the immediately preceding sentence, this Agreement will be binding on the parties and their respective heirs, personal representatives, successors, and permitted assigns, and will inure to their benefit. This Agreement may be amended only by a written agreement signed by each party.

8.2 Attorney Fees; Dispute Resolution. If any claim, dispute, or controversy arising out of or related to this Agreement occurs (a "Dispute"), Consortium and Contractor will exert their best efforts to seek a fair and prompt negotiated resolution of the Dispute and will meet at least once to discuss and seek a resolution of the Dispute. If the Dispute is not resolved by negotiated resolution, either party may initiate a suit, action, arbitration, or other proceeding to interpret, enforce, and/or rescind this Agreement. Any litigation arising under or as a result of this Agreement shall be tried to the court without a jury. Each party agrees to be responsible for payment of its own professional fees, including attorneys' fees in both mediation and litigation.

8.3 Governing Law; Venue. This Agreement 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 this Agreement. Any action or proceeding arising out of this Agreement will be litigated in courts located in Harney County, Oregon. Each party consents and submits to the jurisdiction of any local, state, or federal court located in Harney County, Oregon.

8.4 Attachments; Further Assurances; Notices. Any exhibits, schedules, instruments, documents, and other attachments referenced in this Agreement are part of this Agreement. The parties will sign other documents and take other actions reasonably necessary to further effect and evidence this Agreement. Time is of the essence with respect to Contractor's performance of its obligations under this Agreement. All notices or other communications required or permitted by this Agreement must be in writing, must be delivered to the parties at the addresses set forth above, or any other address that a party may designate by notice to the other party, and are considered delivered upon actual receipt if delivered personally, by fax or email transmission (with electronic confirmation of delivery), or by a nationally recognized overnight delivery service, or at the end of the third business day after the date of deposit if deposited in the United States mail, postage pre-paid, certified, return receipt requested.

8.5 Waiver; Entire Agreement. No provision of this Agreement may be modified, waived, or discharged unless such waiver, modification, or discharge is agreed to in writing by Consortium and Contractor. No waiver of either party at any time of the breach of, or lack of compliance with, any conditions or provisions of this Agreement will be deemed a waiver of other provisions or conditions hereof. This Agreement contains the entire agreement and understanding between the parties with respect to the subject matter of this Agreement and contains all the terms and conditions of the parties' agreement and supersedes any other oral or written negotiations, discussions, representations, or agreements. Contractor has not relied on any promises, statements, representations, or warranties except as set forth expressly in this Agreement.

8.6 Person; Interpretation; Execution. For purposes of this Agreement, the term "person" means any natural person, corporation, limited liability company, partnership, joint venture, firm, association, trust, unincorporated organization, government or governmental agency or political subdivision, or any other entity. All pronouns contained herein and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the parties may require. The singular includes the plural and the plural includes the singular. The word "or" is not exclusive. The words "include," "includes," and "including" are not limiting. The titles, captions, or headings of the sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. The parties may execute this Agreement in separate counterparts, each of which when executed and delivered will be an original, but all of which together will constitute one and the same instrument. Facsimile or email transmission of any signed original document will be the same as delivery of an original. At the request of either party, the parties will confirm facsimile or email transmitted signatures by signing and delivering an original document. Each party agrees that this Agreement may be electronically signed, and that any electronic signature appearing on this Agreement are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

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

**CONSORTIUM**  
Regional Rural Revitalization (R3)  
Strategies Consortium  
an Oregon intergovernmental Entity

**CONTRACTOR:**  
Catalyst Public Policy Advisors  
an Oregon Limited Liability Corporation

\_\_\_\_\_  
By:  
Its:

\_\_\_\_\_  
By:  
Its:

Schedule 1.1  
Scope of Services

In addition to all other services identified under this Agreement, Contractor will timely perform the following management and related services concerning or related to the Program:

**Task 1: Consortium Operations, Administration, and Management**

Contractor will assist R3 with its daily operations, administration, and management activities to ensure the Consortium's work complies with its intergovernmental agreement, bylaws, local, state, and federal statutes, and the terms of its grant agreements.

**1.A. Grant Administration.** Contractor will ensure each of the requirements of the Consortium's grant agreements are met, including preparing budgets, contracts, and deals in a format that meets Oregon's auditing and reporting requirements in compliance with these regulations. We will provide periodic reports as specified in the grant agreement and Consortium's contract for services.

**1.B. Managing Director Services.** Through the Managing Director and Deputy Managing Director, Contractor will provide managing director services to the Board as specified in its intergovernmental agreement. These services include the following items:

- 1) Operate, maintain, and lead the operations of Consortium, providing guidance, advice, and necessary background to the Board.
- 2) Plan for and direct all Board and Consortium advisory council meetings.
- 3) Facilitate day-to-day administrative operations of Consortium and make decisions in compliance with adopted policies and procedures.
- 4) Work with Consortium's auditor, accountant, attorney, and the Board to ensure Consortium's compliance with all applicable laws and guidelines associated with operation of public agency.
- 5) In collaboration with Consortium's auditor, accountant, attorney, and the Board, ensure Consortium's compliance with all applicable laws and guidelines associated with grant programs that the Board pursues.
- 6) Present regular, detailed oral and/or written reports to the Board.
- 7) Assist Consortium's accountant in drafting monthly statements to the Board, describing in detail the accounting work performed during the prior month. This includes the name of the person(s) who performed each function, who authorized the work performed, the date the work was performed, the time required to perform the function, the hourly or other contracted rate for performance of the function, the charge for such function, all reimbursable expense incurred by Consortium during the time period attaching proof of such expenses, the total amount payable, and the total amount of charges and expenses charged to Consortium during the fiscal year.
- 8) As requested and/or when necessary, provide updates directly to the Board of each founding entity and other boards or councils relevant to the application or execution of grant programs.
- 9) As necessary, coordinate and prepare press releases and letters of support for Consortium.
- 10) Maintain relationships with relevant grant decisionmakers throughout the state, building a "brand" for Consortium and advocating on its behalf.

**1.C. Day-to-Day Operations and Reporting.** Contractor will work with the Board to devise an efficient approach to sustain daily operations. This may include but is not limited to developing standard operating procedures for financial administration, public engagement, preparing Board agendas, agenda packets, and minutes, agency recordkeeping and public records requests, and other routing operations

of a public agency. This may include GIS and IT systems (users, email, computers, website) that could be procured by Catalyst or by the Consortium directly with our assistance.

To assist R3's Board with reporting, Contractor will prepare two consistent deliverables:

- A quarterly progress report providing a summary of work completed and anticipated for the coming quarter
- An annual progress report compliant with DAS's reporting standards

## Task 2: Project Management and Public-Private Partnership (P3) Development

Contractor will work with the Consortium to identify all areas of potential effect associated with its planned projects, prepare project management plans (PMPs), and ensure the Consortium's projects comply with relevant grantor requirements.

2.A. Project Assessment/Intake. An essential component of R3's operations will be to evaluate new projects for technical assistance and funding. Contractor will assist with this task by:

- Assisting private applicants and the Board with housing concepts for proposed master-planned communities, neighborhoods, individual home sites, and infill development for mixed-use residential/commercial or industrial areas;
- Facilitating initial planning/scoping meetings by pre-screening Housing Development Projects to determine the types of permits, financing, and other necessary resources;
- Assisting private developers and individual applicants through the development process, including:
  - Land use and site design reviews;
  - Master planned development applications;
  - Floodplain, geo-hazard, and other environmental permitting;
  - Urban renewal applications;
  - Zoning and annexation;
  - Transportation system plan updates;
  - Utility overlays (water, sewer, stormwater, reclaimed water, power, broadband);
  - Community development overlays (recreation, tourism, and public benefit amenities);
  - Housing Development Project management (milestone planning, synchronizing public and private developments); and
  - Financing strategies (capital finance, economic modeling, grant and loan administration, and other advisory services)
- Assisting the Board with independent verification and validation that housing developments meet the terms of their land use agreements to ensure development projects are implemented effectively and in compliance with approved plans;
- Executing housing project strategic messaging and public information sharing through project websites, social media, public meetings/stakeholder engagement, written materials, and radio broadcasts; and
- Developing interactive GIS maps as a means of communicating project information.

Our team will assemble capital improvement portfolios by identifying the appropriate mix of public staff and professional consultants to assist the Board with strategic planning, capital improvement project management, capital finance, auditing, and regulatory compliance.



These intake assessments will be compiled in a consistent format for the board to compare similar data elements, or essential elements of information (EEl)s, so that you can evaluate each project on its merits, without bias.

2.B. Project Management. The Consortium has identified 17 potential projects in its intergovernmental agreement, all relating to housing and public improvements. Contractor will provide project management for these projects, which shall include but not be limited to strategic planning to tactical tools like Gant charts and work breakdown structures to ensure no step is missed in the development process. Such work may also include working directly with potential funding applicants to provide project evaluation and due diligence, assist applicants with building a business case and proforma, and present these opportunities to the Board in a standard format that will make evaluating the engagement and making an informed decision easier.

Other critical aspects of this project management approach shall include:

- Developing the conceptual approach to execute each project;
- Preparing and implementing project management plans, including, without limitation, plans associated with technical assistance or infrastructure-based grant programs;
- Analyzing project conditions and impacts for Consortium;
- Presenting each project's readiness level on a "Readiness Level" nominal scale (1-10) to help the Board understand where the project is in the development lifecycle;
- Crafting the approach, schedule, and milestones to execute each project;
- Overseeing the project's implementation; and
- Ensuring each project's financial, operational, and technical aspects remain aligned.

2.C. Public-Private Partnership (P3) Development. R3's legislative appropriation includes awarding grants and loans to capacity builders and housing developers and entering into public-private partnerships for housing development. P3s are complex financial arrangements that require significant due diligence to ensure the incentives remain aligned throughout a project.

Contractor will provide support to R3's Board in deciding which P3 arrangements to choose based on the Consortium's long-range objectives and the project's needs.

Work product under this Task shall include the following deliverables:

- A Leaders and Practitioners Handbook on Public-Private Developments for Housing in Oregon.
- A Project Readiness Checklist for assessing the maturity of a project and its fit for a P3 approach.
- Case studies for each R3 project to capture lessons learned from your investments and experience.

Task 3: Economic, Planning, and Financial Advisory Services.

shall provide analysis to assist the R3 Board in identifying opportunities based on prevailing market conditions, determine ideal housing production schedules, and reliably forecast costs and revenues over time.

3.A. Housing Market Analysis. Contractor will create market assessments for R3's projects that accurately reflect the constraints and opportunities of the state and regional housing markets, identify and overcome barriers to housing production, and help the Board make intelligent financial decisions

based on real market conditions. Contractor will also work with the R3 Board to determine the GIS data and analysis tools you need to perform housing market analysis and other planning activities.

3.B. Financial Feasibility Analysis. Contractor will provide financial feasibility analysis for projects, which will include an evaluation of the project, including ready-made proformas for forecasting capital expenditures, revenues, and other expenses associated with single-family, multi-family, and mixed-use developments. Contractor will validate that a project is economically viable (or not). Contractor will also help R3 secure additional funding through tax increment financing, New Market Tax Credits (NMTC), evaluating construction excise tax opportunities, and private equity investment from cash, fund exchanges, or capital investment deferrals programs like Opportunity Zones, which are established in numerous areas of Oregon, including Burns and Lakeview.

3.C. Economic and Fiscal Impact Analysis. Contractor will create tailored solutions for R3 that match the agency's vision, mission, and financial capacity with projects and opportunities that are attainable and high impact. We are comprehensive but do not overstate findings. Contractor will advise the Board to ensure its legacy is one of solid performance and help position R3 for additional state and federal funding.

#### Task 4: Housing and Infrastructure Consulting, Logistics, and Development.

Contractor will help R3 to design, implement, evaluate, and improve housing and infrastructure projects throughout its various communities and regions. These services include land development analysis, geospatial mapping and assessment, housing production, infrastructure planning, and on-site project management.

Schedule 2.1  
Fee Schedule

Consortium will pay Contractor a fixed-fee of \$6,500 per month for the administrative tasks outlined in Task 1, which will be performed by Nick Green (Catalyst) and Tory Stinnett (GEODC). These tasks will cover the Consortium's general operations as an ORS 190 intergovernmental agency.

All other tasks (Tasks 2-4) will be billed at hourly rates or on a task order basis, depending on the needs of the project. Consortium will pay the following rates for these services.

Team Member	Firm	Role	Hourly Rate(s)
Nicholas Green	Catalyst Public Policy Advisors, LLC	Managing Director	\$225
Bob Parker	ECONorthwest	Senior Project Director	\$290
Nicole Underwood	ECONorthwest	Project Manager	\$160
Greg Wolf	Oregon iSector	Strategic Advisor	\$190
Local Consultants	Oregon iSector	Partnership Development	\$150
Aaron Lieuallen	AEWW Innovations, LLC	Project Manager	\$150
Doug Green	Geobility, LLC	Geospatial Services	\$150
Wayne Semon	Wayne Semon Custom Homes, Inc.	Housing Specialist	\$200
Doug Robbins	Doug Robbins Consulting	Roads and Infrastructure	\$200

# **GENERAL ACCOUNTING SERVICES PROPOSAL**

## **Regional Rural Revitalization Strategies Consortium**

**August 15, 2023**

**Solutions CPA's PC**

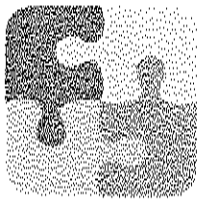
**EIN 46-4380258**

541-575-2717 | [abass@solutionscpas.com](mailto:abass@solutionscpas.com)

101 NE 1st Avenue | John Day, OR | 97845 | [www.solutionscpas.com](http://www.solutionscpas.com)

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# Solutions

Certified Public Accountants, PC

Mitch T. Saul, CPA  
Amy K. Walker, CPA  
Harmony Piazza, CPA  
Anna K. Bass

Robert Armstrong, CPA

Regional Rural Revitalization  
Strategies Consortium  
242 S. Broadway  
Burns, OR 97720

Board of Directors,

We are pleased to provide you with our proposal to perform general accounting services for the organization as described in the Request for Proposals, RFP No. 2023-03, dated August 1, 2023. We understand your need to have experienced accounting professionals who can provide exemplary service in a timely manner and at a reasonable price.

Solutions, CPAs is registered to do business in the State of Oregon and the firm is licensed with the Oregon Board of Accountancy (license #2631). Our firm includes 4 licensed municipal auditors including Mitch Saul, Amy Walker, Harmony Piazza, and Robert Armstrong. All licenses and registrations are current as of the date of this proposal.

The primary contact for this proposal is Anna Bass. Please see our proposal for details of specific experience for all personnel.

We believe that Solutions, CPAs is uniquely qualified to meet the board's needs for the following reasons:

- **Specific Expertise** - Our professional team has extensive experience in serving a broad base of municipal clients. Our municipal services include municipal audits and reviews in addition to contract accounting services.
- **Longevity** - Our firm has been providing accounting and auditing services since 1993 (previously operating as Oster Professional Group, CPA's).
- **Commitment to Rural Oregon Clients** - We are committed to meeting the needs of our rural Oregon clients wherever they might reside. Our team is actively involved in their local communities and is keenly aware of the specific needs of these rural clients. We are very proud of our ability to meet the unique needs of the clients we serve.

We would be pleased to answer any additional questions. Thank you for the opportunity to submit a proposal.

Sincerely,

For Solutions, CPAs PC  
John Day, OR

# FIRM INFORMATION

- Solutions CPA's PC is licensed by the Oregon Board of Accountancy to perform municipal audits within the State of Oregon.
- We have performed over 400 municipal audits/reviews over the last decade.
- We have performed contract accounting services for 4 cities, a special district and an ORS 190 organization in recent years. All of these contracts have been in effect for multiple years and 2 of the contracts were initiated well over a decade ago.
- We recently resigned one of our long term contracted accounting positions, so we have availability to contract with R3 for accounting services.

## EXPERIENCE; REFERENCES

- See Appendix A for a list of current and prior municipal government clients.

# KEY STAFF

## **ANNA BASS - PRIMARY CONTACT**

- Has provided accounting services to multiple municipalities as well as private enterprise organizations for over 35 years.
- Audit team member for 15 years
- Significant experience in the operation of financial management systems, general ledger maintenance, grant tracking, reporting, and coordination and preparation for annual financial statement audit.
- Proficient in the application of Oregon Local Budget law and other Oregon Minimum Standards as they relate to municipal governments.
- Over 200 hours of audit related CPE over last 5 years, covering a wide range of topics including Generally Accepted Accounting Practices, Generally Accepted Auditing Standards, Generally Accepted Government Auditing Standards, Single Audits, Oregon Minimum Standards and Governmental Accounting Standards Board pronouncements.

## **CARLI BREMNER - SECONDARY CONTACT**

- Audit team member for 4 years
- Participated in approximately 100 audits
- Over 160 hours of audit related CPE over last 4 years including Generally Accepted Accounting Practices, Generally Accepted Auditing Standards, Generally Accepted Government Auditing Standards, Single Audits, Oregon Minimum Standards and Governmental Accounting Standards Board pronouncements.

## **ROBERT M. ARMSTRONG, CPA**

- Licensed municipal auditor
- Former managing partner and has managed audits for 29 years, including numerous counties, cities, school districts, hospital districts, special districts, ORS 190 organizations and not-for-profits.
- Completed over 200 hours of audit related continuing education over the last 5 years.
- Member of the AICPA and the OSCP.

## **HARMONY PIAZZA, CPA**

- Licensed municipal auditor
- Audit team member for 6 years
- Has managed or participated in over 200 engagements.
- Over 200 hours of audit related CPE over past 6 years
- Has managed the single audit planning, testing, and wrap up at multiple cities, counties, school districts, and not for profits.
- Member of the AICPA and the OSCP.



**MITCH SAUL, CPA**

- Current managing shareholder
- Audit manager for 14 years with 2 prior years on the audit team.
- Audit clients include numerous counties, cities, school districts, ORS 190 organizations, special districts, and not-for-profits
- Single audit planning, testing, and wrap up for multiple entities
- Has over 200 hours of audit related continuing professional education over the last 5 years.
- Member of the AICPA and the OSCPA.

**AMY WALKER, CPA**

- Governmental audit manager for 9 years with 5 years of audit team experience prior to managing audits.
- Single audit planning, testing, and wrap up for multiple entities.
- Has over 200 hours of CPE over the last 5 years
- Member of the AICPA and OSCPA.

# QUALITY CONTROL REVIEW

- See Appendix B for our most recent Peer Review report.

# DISCLOSURES

- There are currently no judgements, pending or expected litigation, or other real or other potential financial reversals against Solutions, CPAs PC.

# ACCOUNTING SERVICES FEE

Our proposed fees are as follows:

Service	Fee
Monthly accounting including general ledger maintenance and reconciliation, reporting, budget, and year-end close	\$3,000 per month
Drafting Financial Statements and other services outside of accounting services	\$200/hour

- The annual increase in our fees over the next three fiscal years will not exceed CPI, but is subject to reassessment if the scope of the services provided expands beyond current expectations.

# ACCOUNTING APPROACH

- We will utilize QuickBooks to track the organization's activity. We have considerable experience with providing accounting services with this software. We will utilize classes to segregate activity as necessary and will develop a customized chart of accounts to aid in clarity and transparency in reporting.

- We pride ourselves on providing complete, accurate, timely service to our clients. This has been the foundation of our business since our office originally opened in 1993.
- One of the key internal controls in any accounting service is timely reconciliation of balance sheet accounts, including bank accounts. We will complete all reconciliations in a timely manner.
- We will provide the manager and the board of directors monthly detailed budget to actual reports which will allow for a secondary review of the work we perform.
- We will utilize a month end and year end close checklist tailored to the organization's specific needs and activity to ensure all tasks are completed as necessary prior to reporting.
- We will periodically review monthly and year to date reports on a comparative basis in QuickBooks to identify any potential errors in the general ledger.

# **Appendix A**

## **Experience and References**

**APPENDIX A**  
**SOLUTIONS CPA's PC MUNICIPAL CLIENTS**

<u>Client</u>	<u>Address</u>	<u>Contact</u>	<u>Telephone</u>	<u>Service</u>	<u>Years</u>
John Day Canyon City Parks and Recreation District	PO Box 762, John Day, OR 97845	Colby Farrel	541-575-0110	Contract accounting	2
City of John Day	450 E. Main, John Day, OR 97845	Heather Rooksfool/Dave Holland	541-575-0028	Contract accounting	12
City of Long Creek	PO Box 489, Long Creek, OR 97856	Don Porter	541-421-3601	Contract accounting	22
Grant County Emergency Communications Agency	316 S Canyon Blvd, John Day, OR 97845	Cammie Haney	541-575-0195	Contract accounting	4

**SCHOOL DISTRICTS/ESD's**

<u>Client</u>	<u>Address</u>	<u>Contact</u>	<u>Telephone</u>	<u>Service</u>	<u>Years</u>
Arlington School District	PO Box 10, Arlington, OR 97812	Kim Domenighini	541-454-2632	Annual audit	15+
Black Butte School District No. 41	PO Box 150, Camp Sherman, OR 97730	Simon Levear	541-595-6203	Annual audit	3
Dayville School District No. 16J	PO Box C, Dayville, OR 97825	Emma Winkelman	541-575-1349	Annual audit	14
Fossil School District	PO Box 206, Fossil, OR 97830	Corrina Jaeger	541-763-4384	Annual audit	15+
Grant County ESD	835 S Canyon Blvd, John Day, OR 97845	Emma Winkelman	541-575-1349	Annual audit	14
Grant School District No. 3	401 N Canyon City Blvd, Canyon City, OR 97820	Bret Uptmor	541-575-1280	Annual audit	5
Hartney County School District No. 3	550 N Court, Burns, OR 97720	Steve Quirk	541-573-6811	Annual audit	15+
Monument School District No. 6	PO Box 127, Monument, OR 97864	Laura Thomas	541-934-2646	Annual audit	14
Prairie City School District No. 4	PO Box 345, Prairie City, OR 97869	Casey Hallgarth	541-820-3314	Annual audit	17
Wheeler County School District No. 1	PO Box 230, Spray, OR 97874	Larry Johnson	541-468-2226	Annual audit	14

**COUNTIES**

<u>Client</u>	<u>Address</u>	<u>Contact</u>	<u>Telephone</u>	<u>Service</u>	<u>Years</u>
Grant County	201 S Humbolt, Suite 280, Canyon City, OR 97820	Scott Myers	541-575-1798	Annual audit	15+
Jefferson County	66 SE D Street, Madras, OR 97741	Kate Knopp	541-325-5014	Annual audit	7
Wheeler County	PO Box 447, Fossil, OR 97830	Lynn Morley	541-763-3460	Annual audit	14

**SPECIAL DISTRICTS/NOT-FOR-PROFITS**

<u>Client</u>	<u>Address</u>	<u>Contact</u>	<u>Telephone</u>	<u>Service</u>	<u>Years</u>
Frontier Regional 911	PO Box 297, Condon, OR 97823	Gary Bettencourt	541-351-9530	Annual audit	14
Grant County Transportation District	229 NE Dayton St, John Day, OR 97845	Karin Bamtish	541-575-2370	Annual audit	14
Grant Soil and Water Conservation District	721 S Canyon Blvd, John Day, OR 97845	Pat Holliday	541-575-0135	Annual audit	5
Mid County Cemetery Maintenance District	PO Box 508, John Day, OR 97845	Savannah Lovell	541-620-1214	Annual audit	14
Sherman County Soil and Water Conservation District	PO Box 405, Moro, OR 97039	Amahdia Whitman	541-565-3216	Annual audit	5
The Children's Learning Center	650 NE A Street, Madras, OR 97741	Teresa Maran	541-475-3628	Annual audit	3

**CITIES**

<u>Client</u>	<u>Address</u>	<u>Contact</u>	<u>Telephone</u>	<u>Service</u>	<u>Years</u>
City of Dayville	PO Box 321, Dayville, OR 97825	Ruthie Moore	541-987-2188	Annual audit	14
City of Grass Valley	PO Box 191, Grass Valley, OR 97029	Vacant	541-333-2434	Annual audit	13
City of Mt. Vernon	PO Box 647, Mt. Vernon, OR 97865	Charital Desjardin	541-932-4688	Annual audit	14
City of North Powder	PO Box 309, North Powder, OR 97867	Jason Bingham	541-898-2185	Annual audit	15+
City of Seneca	PO Box 208, Seneca, OR 97873	Deborah Oatman	541-542-2161	Annual audit	15+
City of Spray	PO Box 83, Spray, OR 97874	Crystal Rey	541-468-2069	Annual audit	14
Town of Canyon City	PO Box 276, Canyon City, OR 97820	Tami Kowling	541-575-0509	Annual audit	14

# Appendix B Peer Review Report

1. The first paragraph of the introduction is well written and clearly states the purpose of the study. The second paragraph is also well written and provides a clear overview of the study's objectives. The third paragraph is well written and provides a clear overview of the study's methodology. The fourth paragraph is well written and provides a clear overview of the study's results. The fifth paragraph is well written and provides a clear overview of the study's conclusions. The sixth paragraph is well written and provides a clear overview of the study's limitations. The seventh paragraph is well written and provides a clear overview of the study's future research. The eighth paragraph is well written and provides a clear overview of the study's significance. The ninth paragraph is well written and provides a clear overview of the study's contribution. The tenth paragraph is well written and provides a clear overview of the study's impact.

**Report on the Firm's System of Quality Control**

To Solutions CPAs PC  
and the Peer Review Committee of the  
Oregon Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Solutions CPAs PC (the Firm) in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

**Firm's Responsibility**

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

**Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of the system of quality control and the Firm's compliance therewith based on our review.

**Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the Firm, if applicable, in determining the nature and extent of our procedures.

**Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Solutions CPAs PC in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Solutions CPAs PC has received a peer review rating of *pass*.

**KERN & THOMPSON, LLC**

*KERN & THOMPSON, LLC*

Portland, Oregon  
November 2, 2022

Schedule 5.9  
Initial Projects

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

Table 5.9.1. Initial Projects identified for inclusion in R3

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