

**GLADSTONE CITY COUNCIL MEETING  
CITY HALL COUNCIL CHAMBERS  
November 9, 2016 – 6:30 PM**

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**6:00 p.m. Executive Session** – ORS 192.660 (2)(e) – To conduct deliberations with persons designated by the governing body to negotiate real property transactions.

**6:30 p.m.**  
CALL TO ORDER  
ROLL CALL  
FLAG SALUTE

**AGENDA ADDITIONS OR CORRECTIONS**

**BUSINESS FROM THE AUDIENCE**

Visitors: Presentations not scheduled on the Agenda are limited to three (3) minutes. Longer presentations should be submitted to the Assistant City Administrator two weeks prior to the Tuesday City Council meeting. Cards are available in the back of the room for anyone who wishes to comment.

**CONSENT AGENDA**

1. Approval of October 11, 2016 Minutes
2. Appointments to Transportation System Plan Policy Advisory Committee
3. Approval of Financial Reports
4. Approval of October Check Register & Bank Balances

**CORRESPONDENCE – None**

**REGULAR AGENDA**

5. Resolution 1092 – Amending Exhibit “A” of Resolution 1008 by Revising the Gladstone Disposal Solid Waste Rate Schedule
6. Resolution 1093 – Authorizing the Purchase of Property at 18505 Portland Avenue
7. Resolution 1094 – Establishing a Technical Plan Review – Development Engineering Fee
8. Resolution 1095 - Amend Master Fee Schedule to include Technical Plan Review – Development Engineering Fee
9. Authorization for Cost of Living Adjustment (COLA) for Non-Represented Employees

**BUSINESS CARRIED FORWARD – Update**

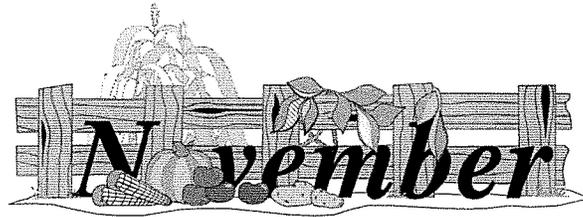
10. Attorney Costs on City Projects

**BUSINESS FROM THE AUDIENCE** – This is the second opportunity for the Audience to address Council on any item not on the Agenda.

**BUSINESS FROM THE COUNCIL**

**ADJOURN**





## **CONSENT AGENDA**



## GLADSTONE CITY COUNCIL MEETING MINUTES of October 11, 2016

Meeting was called to order at 6:30 PM.

### **ROLL CALL:**

Councilor Sieckmann, Councilor Neace, Councilor S. Johnson, Mayor Mersereau, Councilor K. Johnson, Councilor McMahan, Councilor Reisner.

### **ABSENT:**

None.

### **STAFF:**

Eric Swanson, City Administrator; Jacque Betz, Assistant City Administrator; David Doughman, City Attorney; Jim Whynot, Public Works Director

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### **AGENDA ADDITIONS OR CORRECTIONS:**

Mr. Swanson asked to pull item #2 of the Consent Agenda. He explained that some of the charges under General Administration are front-loaded at the beginning of the fiscal year. Some of those items are insurance, the software/technology improvement project, legal services, etc.

### **BUSINESS FROM THE AUDIENCE:**

None.

### **CONSENT AGENDA:**

1. Approval of September 27, 2016 and September 27, 2016 Work Session with Planning Commission Minutes
2. Approval of Financial Reports
3. Approval of September Check Register & Bank Balances

Councilor Reisner asked to pull item #3.

*Councilor McMahan made a motion to approve items #1 and #2. Motion was seconded by Councilor K. Johnson. Motion passed unanimously.*

Councilor Reisner said he would like an opportunity to look at the invoices for legal services. Councilor Sieckmann said they discussed that earlier and decided that they didn't need to review them at this time. Councilor Reisner feels that the amount is high in comparison to our neighbors. Councilor Neace said it's important to have legal representation, even at Library meetings. Councilor Reisner asked if we really need legal representation at Library meetings – Councilor Neace feels it is necessary. Councilor Neace said that the Council should be working as a team and they should trust the Council President to review the charges and to notify them if there is an issue. Councilor Reisner pointed out that the Council President and Mayor are only reviewing the City Administrator's time/expenses. Councilor Sieckmann said he doesn't feel that it's necessary to audit the invoices because he feels that they are in line. Councilor Reisner

asked what staff and Council are trying to hide if they are not allowing the invoices to be reviewed.

*Councilor S. Johnson made a motion to approve Item #3. Motion was seconded by Councilor Sieckmann.*

Discussion: Councilor Reisner asked for an answer to his question. Mayor Mersereau said that the Council already voted against what he is asking for. *Motion passed (5-2).*

**CORRESPONDENCE:**

None.

**REGULAR AGENDA:**

**4. Resolution 1091 Amending Resolution 942 Redirecting Remaining Metro Local Share Funds and Reestablishing Project Priorities of Previous Greenspace Projects:**

Jim Whynot, Public Works Director, went over the staff report. They are asking to redirect the unused funds (approximately \$76,000) to other areas of the parks, such as trails and picnic tables. They need Council approval as part of the original IGA. Councilor S. Johnson wanted to confirm that the Parks & Rec Board was in favor of this – Mr. Whynot said they are.

*Councilor Sieckmann made a motion to approve Resolution 1091, redirecting and spending the remaining Metro Local Share Funds for the purpose of pathway improvements and replacement of picnic tables and benches at Cross Park and Meldrum Bar Park. Motion was seconded by Councilor Reisner. Motion passed unanimously.*

Mr. Swanson thanked Mr. Whynot and his staff for putting this together.

**5. Appointments to Policy Advisory Committee for Gladstone Transportation System Plan:**

Ms. Betz explained that at the September 13<sup>th</sup>, 2016 meeting the Council authorized staff to solicit applications for the Transportation System Plan Update. They received three applications. She suggested that they continue to accept applications.

*Councilor Neace made a motion to accept the three applications. Motion was seconded by Councilor K. Johnson.*

Discussion: Councilor Sieckmann asked for clarification on the application heading – Ms. Betz said that they are citizen participants on a policy advisory committee. He and Mayor Mersereau encouraged more people to apply. Mr. Swanson said they will announce this at the Town Hall meeting.

*Motion passed unanimously.*

**6. Discussion of Allocation of Revenue Received from Business License and Right of Way (ROW) Fees:**

Mr. Swanson said there have been discussions regarding what can be done with the additional revenues collected because of changes made in business license fees from an economic development perspective. The ROW fees have not been collected yet, but there have been discussions regarding how to manage the pavement management program. The ROW funds would only be used for capital projects. They have initiated a study on this topic. Councilor K. Johnson asked for clarification on capital projects – Mr. Swanson said that would include projects, repair and maintenance. Councilor S. Johnson said he supports this idea and Councilor Neace agreed. Councilor McMahan asked for clarification on sidewalks – Mr. Swanson said they are generally the responsibility of the home owner to maintain, but there are exceptions in some cases, such as street trees effecting them. Councilor Sieckmann said he appreciates seeing this come forward. He can see numerous ways the funds can be used. He feels this is a two-step process. Councilor Reisner said he agrees and is glad to see the funds being dedicated. He suggested that the administrative fund should be up to 5% since we don't know how much we're going to be taking in.

**BUSINESS CARRIED FORWARD:**

Mr. Swanson said there is only one possible agenda item for the October 25<sup>th</sup> Council meeting – a real estate transaction. He suggested a short meeting since some of the Councilors indicated a desire to attend a Clackamas Cities Association dinner on that night.

There will be a Downtown Revitalization Plan open house on October 26<sup>th</sup> at the Gladstone High School cafeteria from 6 – 8 PM. They will be sending flyers to 300 business owners along with posting the information in the newsletter and on the website.

November Council meetings – the first meeting falls on Election Day so he suggested moving it to Wednesday, November 9<sup>th</sup>. The Councilors agreed. The second meeting is during Thanksgiving week so he suggested canceling that one. He also wanted everyone to know that City Hall will be closed the day after Thanksgiving, November 25<sup>th</sup>.

Mr. Swanson said they will be advertising for the Assistant City Administrator position beginning October 17<sup>th</sup> and accepting applications through November 17<sup>th</sup>. The process will be a combination of City staff and Council involved in the interviews and making a recommendation to the Council.

He said they are making progress on the website update. They are working on putting his calendar on the City Administrator's page. They anticipate launching the new format near the end of the year or January. Councilor Reisner asked if in addition to the City Administrator's calendar if there is going to be a general calendar with various meetings included – Mr. Swanson confirmed that there will be. Councilor Sieckmann added that there will be a master calendar with filters.

### **BUSINESS FROM THE AUDIENCE:**

Greg Alexander likes the idea of the master calendar. He said the City is sick and tired of no transparency and he doesn't see a problem with someone double-checking the invoices, especially a Councilor. He feels that Councilor Reisner was treated harshly for his suggestion. He also wanted to point out that he got permission to place every one of his signs. Councilor McMahon said that the Council as a group does not feel that transparency is a problem and that they have had several issues (real estate purchases, contracts, land use, etc.) come up that they are legally not able to discuss with the public.

Bill Osburn wanted to point out that there is nothing required by law that needs to be an executive session. He doesn't see why information such as invoices can't be shared equally amongst all the Councilors. Councilor McMahon pointed out that the Council has already decided that they don't need to see the invoices for legal services. Mr. Osburn feels that there is an issue with lack of transparency. Mr. Doughman said that he is not aware of any of their clients that publicly release their attorney invoices. He added that the entries are very detailed and it is privileged information subject to the attorney-client privilege and exempt from public record. He said the "client" is the corporation of Gladstone. He said this topic is covered in the Council Rules.

Susan Liston believes it's better to have seven pairs of eyes looking over things as opposed to one set of eyes. She feels it's important that the Assistant City Administrator be someone who the citizens can work with. She asked if a Council packet could be made available at the Library for citizens to check out.

### **BUSINESS FROM THE COUNCIL:**

#### **Councilor McMahon:**

He said he appreciates that the City Administrator's calendar is going to be available online.

He read a letter of appreciation to the Police Department from a citizen regarding the support, kindness, and follow-up of Chief Jolley, Officer Graves and Officer Bell.

He said the Clackamas County Fire Departments are moving forward with the radio upgrades/updates. He said some cities and counties are looking into the availability of federal funds for transportation of emergency care patients.

He has been working with the Rinearson Pond project for the last year and a half – they are moving forward.

He stopped in at the new tee shirt shop on Portland Avenue – the owner will be featured on an episode of "Shark Tank" on October 21<sup>st</sup>.

#### **Councilor Reisner:**

The 50<sup>th</sup> anniversary celebration of Gladstone High School is on October 21<sup>st</sup> starting at 5:00, before homecoming. He encouraged people to check out the school's website for the schedule of sports/activities.

**Councilor S. Johnson:**

He congratulated Chief Jolley and said it's always nice to hear good news about the Police Department. He is looking forward to seeing everyone at the Town Hall meeting next week.

**Councilor Neace:**

She thanked Chief Jolley for his follow-up and the quick response of his officers.

**Councilor Sieckmann:**

He attended a Kiwanis' breakfast this morning where he shared information regarding the status of the City and the upcoming Town Hall meeting.

He encourages everyone to attend the Town Hall meeting on Tuesday, October 18<sup>th</sup> at the High School Auditorium. Mr. Swanson said they will be asking for citizens' feedback and questions during the meeting.

Councilor Sieckmann said there have been three new business licenses approved in the last month. He met with the owner of one of them – Cherished Pets, which offers funeral services for pets. One of the other licenses was for a pizza business going in on Portland Avenue.

He wanted to comment regarding the invoices for legal services – there is nothing being hidden and the fees are not out of line. He said the Council decided twice that they didn't feel the need to see them. He apologized for showing his frustration and he is sorry if Councilor Reisner feels they are hiding something and that they are not being transparent.

**Mayor Mersereau:**

He believes the Town Hall meeting will be totally different using a new method with two-way communication.

He apologized for being rude tonight, but does not apologize for what he said.

**ADJOURN:**

Meeting adjourned.

Approved by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

ATTEST:

\_\_\_\_\_  
Thomas Mersereau, Mayor

\_\_\_\_\_  
Jacque Betz, Assistant City Administrator



# City of Gladstone Staff Report

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Report Date: November 2, 2016

Meeting Date: November 9, 2016

To: Mayor Mersereau and Gladstone City Council

From: Jacque M. Betz, Interim Assistant City Administrator

## AGENDA ITEM

Ratify appointments to the Policy Advisory Committee to assist with the update of the City of Gladstone Transportation System Plan (GTSP).

### History/Background

The City received a Transportation Growth Management Grant from ODOT in the amount of \$129,800 to complete Gladstone's Transportation System Plan (GTSP) update. The City's in-kind match (from staff time) is \$17,000. The City met with ODOT and the project consultants from Kittelson & Associates to establish a timeline and review the goals and objectives.

At the September 13, 2016 City Council meeting the City opened the solicitation process for citizen participation to serve on the Policy Advisory Committee (PAC) to assist with the update of the GTSP. Selected PAC members will meet with the Project Management Team four times between mid-October, 2016 and mid-March, 2017.

The deadline to submit an application was October 3, 2016 at 5:00 pm. The City received three applications and made appointments at their October 11, 2016 regular meeting. Council chose to leave the application process open as ideally the City would like to have 10 citizens participate. Should the City receive applications after the Council meeting, ACA Betz would accept the applications and Council would ratify the appointments at their next meeting. The City has received two additional applications. ACA Betz notified the Mayor and Council-president of the applications and that they would be placed on this agenda for ratification.

- 1) Susan Liston 550 E Exeter Street, has lived in Gladstone for 35 years. She is a retired elementary teacher and represents the community neighborhood and elderly. She is affiliated with Friends of Gladstone Parks and is interested in identifying and facilitating safe interface between the growing need for all forms of travel and citizens as neighborhood density and population increases.
- 2) Linda Cosgrove 190 W Dartmouth, has lived in Gladstone since 1977. She is retired and serves on the City's Traffic Safety Committee and Parks Board. Traffic has always been a concern of hers.

### Proposal

Ratify the appointment of the two (2) applicants to the Policy Advisory Committee to assist with the update of the City of Gladstone Transportation System Plan Update.

Options

Do not appoint the applicants

Cost Impact

No cost impact.

Recommended Staff Action

Appoint the two (2) applicants to the Policy Advisory Committee to assist with the update of the City of Gladstone Transportation System Plan Update.

**"I make a motion to ratify the appointment of Susan Liston and Linda Cosgrove to the Policy Advisory Committee to assist with the update of the City of Gladstone Transportation System Plan Update.**

  
Department Head  
Signature

11-2-16

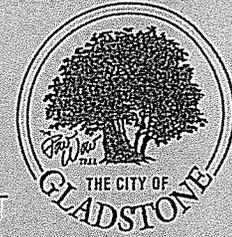
Date

  
City Administrator  
Signature

11.2.16

Date

CITY OF GLADSTONE



APPLICATION FOR CITY COUNCIL APPOINTMENT

for citizen to serve on Policy Advisory Committee (PAC) to assist with the update of the City of Gladstone Transportation System Plan (TSP) [www.GladstoneTSP.com](http://www.GladstoneTSP.com)

SUBMITTED TO: City Hall Attention: Jacque Betz or email [betz@ci.gladstone.or.us](mailto:betz@ci.gladstone.or.us)

**Period of Service:** Selected PAC members will meet with the Project Management Team four times between mid-October, 2016 and mid-March, 2017. PAC members will also be encouraged to attend two Community Meetings and public hearings held to consider the adoption of the TSP.

**Role:** The Policy Advisory Committee (PAC) is a citizen group that is advisory to the Project Management Team, Planning Commission and City Council. The PAC will consider the City's transportation needs and help prioritize programs and projects through the year 2035. The TSP is a system level plan that addresses all modes of travel including vehicle, transit, bicycle and pedestrian movement. Policy Advisory Committee meeting topics will include review of draft: Transportation System Plan update Goals and Project Evaluation Criteria; City Transportation Needs; and Potential Solutions. The PAC will be served by both a Project Management Team and a Technical Advisory Committee.

**Election Process:** Five to 10 PAC Members will be selected by the City Council based on community representation. Community representation includes: neighborhoods, businesses, schools, churches, transportation interest groups and representation of groups typically, under-represented including: minority, elderly, people with disabilities, and low-income.

NAME: Susan Liston EMAIL sliston7@gmail.com

ADDRESS: 550 E Eyeter St. TELEPHONE (day): 503-657-3929

HOW LONG HAVE YOU LIVED IN GLADSTONE: 35 ys OCCUPATION/EMPLOYER (state your specific line of business): retired elementary teacher Beaverton S.D.

COMMUNITY REPRESENTATION (circle all that apply): (neighborhood), business, school, church, transportation interest group, minority, (elderly), people with disabilities, and low-income.

LIST SPECIFIC AFFILIATION(S): Friends of Gladstone Parks

Have you ever applied for a City Committee position? YES  NO  If yes, what and when:

WHY YOU WOULD LIKE TO SERVE ON THIS COMMITTEE: Help identify and facilitate safe interface between growing need for all forms of travel and citizens as neighborhood density and population increases.

PREFER COMMITTEE COMMUNICATION VIA (circle) Email  or Telephone  both

For federal grant program (circle): Male  Female  Ethnicity: mixed

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CITY OF GLADSTONE



APPLICATION FOR CITY COUNCIL APPOINTMENT

for citizen to serve on Policy Advisory Committee (PAC) to assist with the update of the  
**City of Gladstone Transportation System Plan (TSP)** [www.GladstoneTSP.com](http://www.GladstoneTSP.com)

APPLICATION DEADLINE: October 3rd at 5:00 pm SUBMITTED TO: City Hall Attention: Jacque Betz or  
email [betz@ci.gladstone.or.us](mailto:betz@ci.gladstone.or.us)

**Period of Service:** Selected PAC members will meet with the Project Management Team four times between mid-October, 2016 and mid-March, 2017. PAC members will also be encouraged to attend two Community Meetings and public hearings held to consider the adoption of the TSP.

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- ❖ NAME: Linda M Cosgrove EMAIL Cosgrove,glad@outlook.c
- ❖ ADDRESS: 190 W Dartmouth TELEPHONE (day): 503-557-0796
- ❖ HOW LONG HAVE YOU LIVED IN GLADSTONE: since 1977 OCCUPATION/EMPLOYER (state your specific line of business): Retired
- ❖ COMMUNITY REPRESENTATION (circle all that apply): neighborhood, business, school, church, transportation interest group, minority, elderly, people with disabilities, and low-income.
- ❖ LIST SPECIFIC AFFILIATION(S): Traffic Commission / Parks Board
- ❖ Have you ever applied for a City Committee position? YES (circled) NO If yes, what and when: see above
- ❖ WHY YOU WOULD LIKE TO SERVE ON THIS COMMITTEE: Traffic has always been a concern of mine.
- ❖ PREFER COMMITTEE COMMUNICATION VIA (circle): Email or Telephone
- ❖ For federal grant program (circle): Male (Female circled) Ethnicity: \_\_\_\_\_



General Ledger  
 Year to Date Budgeted to Actual  
 October 2016



Account Number	Description	Budget Amount	YTD Amount	YTD Variance	Available	% Available	Same period 2015-16 % Available
REVENUES							
Fund 001	GENERAL FUND REVENUES	9,889,757.00	423,293.38	9,466,463.62	9,466,463.62	95.72%	95.85%
	General Fund Revenue Totals:	9,889,757.00	423,293.38	9,466,463.62	9,466,463.62	95.72%	95.85%
EXPENDITURES							
Dept 001-021	GENERAL ADMINISTRATION	1,344,085.00	663,256.42	680,828.58	680,828.58	50.65%	65.79%
	Dept 021 Sub Totals:	1,344,085.00	663,256.42	680,828.58	680,828.58	50.65%	65.79%
Dept 001-022	MUNICIPAL COURT	239,000.00	79,457.29	159,542.71	159,542.71	66.75%	72.62%
	Dept 022 Sub Totals:	239,000.00	79,457.29	159,542.71	159,542.71	66.75%	72.62%
Dept 001-024	POLICE DEPARTMENT	2,225,166.00	757,124.34	1,468,041.66	1,468,041.66	65.97%	70.46%
	Dept 024 Sub Totals:	2,225,166.00	757,124.34	1,468,041.66	1,468,041.66	65.97%	70.46%
Dept 001-025	FIRE DEPARTMENT	1,707,900.00	323,398.34	1,384,501.66	1,384,501.66	81.06%	83.82%
	Dept 025 Sub Totals:	1,707,900.00	323,398.34	1,384,501.66	1,384,501.66	81.06%	83.82%
Dept 001-026	PARK DEPARTMENT	795,178.00	111,452.82	683,725.18	683,725.18	85.98%	87.97%
	Dept 026 Sub Totals:	795,178.00	111,452.82	683,725.18	683,725.18	85.98%	87.97%
Dept 001-027	RECREATION DEPARTMENT	59,661.00	19,487.30	40,173.70	40,173.70	67.34%	70.36%
	Dept 027 Sub Totals:	59,661.00	19,487.30	40,173.70	40,173.70	67.34%	70.36%
Dept 001-028	SENIOR CENTER	443,199.00	73,725.96	369,473.04	369,473.04	83.37%	80.60%
	Dept 028 Sub Totals:	443,199.00	73,725.96	369,473.04	369,473.04	83.37%	80.60%
Dept 001-029	LIBRARY	1,462,787.00	208,433.72	1,254,353.28	1,254,353.28	85.75%	70.79%
	Dept 029 Sub Totals:	1,462,787.00	208,433.72	1,254,353.28	1,254,353.28	85.75%	70.79%
CONTINGENCY FUNDS							
	Contingency Sub Totals:	400,000.00	0.00	400,000.00	400,000.00	100.00%	100.00%
	Unappropriated Ending Fund Balance	1,212,781.00	0.00	1,212,781.00	1,212,781.00	100.00%	100.00%
	Fund Revenue Sub Totals:	9,889,757.00	423,293.38	9,466,463.62	9,466,463.62	95.72%	95.85%
	Fund Expense Sub Totals:	9,889,757.00	2,236,336.19	7,653,420.81	7,653,420.81	77.59%	79.53%
	Fund 001 Sub Totals:	0.00	-1,813,042.81	1,813,042.81	0.00		

Account Number REVENUES Fund 002	Description	Budget Amount	YTD Amount	YTD Var	Available	% Available	Same period 2015-16 % Available
	URBAN RENEWAL DISTRICT REVENUES	6,607,200.00	20,444.04	6,586,755.96	6,586,755.96	99.69%	99.64%
	<b>URBAN RENEWAL REVENUE Sub Totals:</b>	<b>6,607,200.00</b>	<b>20,444.04</b>	<b>6,586,755.96</b>	<b>6,586,755.96</b>	<b>99.69%</b>	<b>99.64%</b>
<b>EXPENDITURES</b>	URBAN RENEWAL DISTRICT	56,000.00	3,405.00	52,595.00	52,595.00	93.92%	99.88%
	RENEW PROJECT RESERVE	2,051,200.00	0.00	2,051,200.00	2,051,200.00	100.00%	100.00%
	TRANSFER CIVIC BUILDINGS FUND	4,500,000.00	0.00	4,500,000.00	4,500,000.00	100.00%	100.00%
	<b>URBAN RENEWAL, EXP Sub Totals:</b>	<b>6,607,200.00</b>	<b>3,405.00</b>	<b>6,603,795.00</b>	<b>6,603,795.00</b>	<b>99.95%</b>	<b>100.00%</b>
	<b>Fund 002 Sub Totals:</b>	<b>0.00</b>	<b>17,039.04</b>	<b>-17,039.04</b>	<b>0.00</b>		

Account Number REVENUES Fund 003	Description	Budget Amount	YTD Amount	YTD Var	Available	% Available	Same period 2015-16 % Available
	SEWER FUND REVENUES	3,634,000.00	700,459.51	2,933,540.49	2,933,540.49	80.72%	80.06%
	<b>SEWER FUND Revenue Sub Totals:</b>	<b>3,634,000.00</b>	<b>700,459.51</b>	<b>2,933,540.49</b>	<b>2,933,540.49</b>	<b>80.72%</b>	<b>80.06%</b>
<b>EXPENDITURES</b>	SEWER FUND Expense Sub Totals:	3,634,000.00	409,114.38	3,224,885.62	3,224,885.62	88.74%	86.64%
	<b>Fund 003 Sub Totals:</b>	<b>3,634,000.00</b>	<b>291,345.13</b>	<b>3,224,885.62</b>	<b>3,224,885.62</b>	<b>88.74%</b>	<b>86.64%</b>

Account Number REVENUES Fund 004	Description	Budget Amount	YTD Amount	YTD Var	Available	% Available	Same period 2015-16 % Available
	WATER FUND REVENUES	2,834,000.00	459,887.11	2,374,112.89	2,374,112.89	83.77%	85.34%
	<b>WATER FUND Revenue Sub Totals:</b>	<b>2,834,000.00</b>	<b>459,887.11</b>	<b>2,374,112.89</b>	<b>2,374,112.89</b>	<b>83.77%</b>	<b>85.34%</b>
<b>EXPENDITURES</b>	WATER DEPARTMENT Expense Sub Totals:	2,834,000.00	417,671.00	2,416,329.00	2,416,329.00	85.26%	84.79%
	<b>Fund 004 Sub Totals:</b>	<b>2,834,000.00</b>	<b>42,216.11</b>	<b>2,416,329.00</b>	<b>2,416,329.00</b>	<b>85.26%</b>	<b>84.79%</b>

Account Number	Description	Budget Amount	YTD Amount	YTD Var	Available	% Available	Same period 2015-16 % Available
REVENUES Fund 005							
	ROAD & STREET FUND REVENUES	1,364,515.00	212,605.37	1,151,909.63	1,151,909.63		
	ROAD & STREET Revenue Sub Totals:	1,364,515.00	212,605.37	1,151,909.63	1,151,909.63	84.42%	77.95%
EXPENDITURES							
	STREET DEPARTMENT Expense Sub Totals:	1,364,515.00	111,584.49	1,252,930.51	1,252,930.51		
	Fund 005 Sub Totals:	1,364,515.00	101,020.88	1,252,930.51	1,252,930.51	91.82%	75.83%
Account Number	Description	Budget Amount	YTD Amount	YTD Var	Available <td>% Available</td> <td>Same period 2015-16 % Available</td>	% Available	Same period 2015-16 % Available
REVENUES Fund 006							
	LIBRARY CAPITAL FUND REVENUES	5,768,196.00	0.00	5,768,196.00	5,768,196.00		
	LIBRARY CAPITAL FUND Revenue Sub	5,768,196.00	0.00	5,768,196.00	5,768,196.00	100.00%	100.00%
EXPENDITURES							
	LIBRARY CAPITAL FUND Expense Sub Totals:	5,768,196.00	0.00	5,768,196.00	5,768,196.00		
	Fund 006 Sub Totals:	5,768,196.00	0.00	5,768,196.00	5,768,196.00	100.00%	100.00%
Account Number	Description	Budget Amount	YTD Amount	YTD Var	Available <td>% Available</td> <td>Same period 2015-16 % Available</td>	% Available	Same period 2015-16 % Available
REVENUES Fund 008							
	POLICE & COMMUNICATIONS LEVY FUND REVENUES	821,150.00	4,830.18	816,319.82	816,319.82		
	POLICE/COMMUNC LEVY Revenue Sub	821,150.00	4,830.18	816,319.82	816,319.82	99.41%	99.14%
EXPENDITURES							
	POLICE/COMMUNC LEVY FUND Expense Sub Totals:	483,270.00	202,992.91	280,277.09	280,277.09	58.00%	66.75%
	Unappropriated Fund Balance	337,880.00	0.00	337,880.00	337,880.00	100.00%	100.00%
	Fund 008 Sub Totals:	821,150.00	-198,162.73	618,157.09	618,157.09		

Account Number REVENUES Fund 009	Description	Budget Amount	YTD Amount	YTD Var	Available	% Available	Same period 2015-16 % Available
	FIRE & EMERGENCY SERVICES LEVY FUND REVENUES	642,865.00	2,876.81	639,988.19	639,988.19		
	FIRE/EMERG SERVICES LEVY Revenue Sub	642,865.00	2,876.81	639,988.19	639,988.19	99.55%	99.31%
	FIRE/EMERG SERVICES LEVY FUND Expense Sub Totals:	608,635.00	93,293.63	515,341.37	515,341.37	84.67%	88.40%
	Unappropriated Fund Balance	34,230.00	0.00	34,230.00	34,230.00	100.00%	100.00%
	Fund 009 Sub Totals:	642,865.00	-90,416.82	90,416.82	549,571.37		

Account Number REVENUES Fund 010	Description	Budget Amount	YTD Amount	YTD Var	Available	% Available	Same period 2015-16 % Available
	STATE REV. SHARING REVENUES	1,038,400.00	54,229.37	984,170.63	984,170.63		
	STATE REVENUE SHARING Revenue Sub	1,038,400.00	54,229.37	984,170.63	984,170.63	94.78%	97.26%
	STATE REV. SHARING Expense Sub Totals:	1,038,400.00	0.00	1,038,400.00	1,038,400.00	100.00%	99.88%
	Fund 010 Sub Totals:	1,038,400.00	54,229.37	-54,229.37	1,038,400.00		

Account Number REVENUES Fund 011	Description	Budget Amount	YTD Amount	YTD Var	Available	% Available	Same period 2015-16 % Available
	CIVIC BUILDINGS CAPITAL FUND REVENUES	11,470,000.00	0.00	0.00	0.00		
	CIVIC BUILDINGS CAPITAL FUND Revenue Sub Totals:	11,470,000.00	0.00	0.00	0.00	100.00%	N/A
	CIVIC BUILDINGS CAPITAL FUND Expense Sub Totals:	11,470,000.00	0.00	0.00	0.00		
	Fund 011 Sub Totals:	11,470,000.00	0.00	0.00	0.00	100.00%	N/A

Check Date	Check Number	Vendor	Amount	Line Item Description
10/5/2016	81936	Dillon Zoesch	399.69	September 2016 Payroll Correction
10/5/2016	81937	United States Postal Service	1,209.96	Town Hall Flyer - Corrected
10/6/2016	81938	D DePeel	90.55	UB Refund
10/6/2016	81939	W & M English	32.52	UB Refund
10/6/2016	81940	K & K Garvey	80.75	UB Refund
10/6/2016	81941	R Johnson	121.16	UB Refund
10/6/2016	81942	N LeSage	12.37	UB Refund
10/6/2016	81943	K Rectenwald-Crogan	58.24	UB Refund
10/6/2016	81944	D Sawyer Estate	59.09	UB Refund
10/7/2016	81945	D Crosley	10.44	UB Refund
10/7/2016	81946	J Drews	10.12	Jury Duty
10/7/2016	81947	J Pentheny	10.36	Jury Duty
10/7/2016	81948	D J Puisipher	10.12	Jury Duty
10/7/2016	81949	J Rasmussen	10.10	Jury Duty
10/7/2016	81950	B Schellenberg	10.20	Jury Duty
10/7/2016	81951	J Silva	10.36	Jury Duty
10/7/2016	81952	J Stanton	10.12	Jury Duty
10/7/2016	81953	Aloha Produce	27.99	Produce - SC
10/7/2016	81954	AlphaCard	134.30	Supplies - FD
10/7/2016	81955	Backflow Management Inc	36.00	Backflow Notices Mailed - PW
10/7/2016	81956	Bateman Senior Meals	537.41	Meals & Supplies - SC
10/7/2016	81957	Brown & Caldwell	8,389.00	NPDES Permit Assessment - PW
10/7/2016	81958	Central Oregon Safety & Health	135.00	Conference Registration - FD
10/7/2016	81959	Clark's Lawn & Garden Equipment	52.50	Equipment Repair - FD
10/7/2016	81960	CMT Surveying & Consulting Inc	500.00	Urban Renewal Map Update - UR
10/7/2016	81961	Val Codino Consulting	1,500.00	Mid Project Payment - FD
10/7/2016	81962	Comcast	111.11	Telephones, Internet - PW
10/7/2016	81963	Energispect Medical Solutions	913.13	Testing & Maintenance of Lifepak Units - FD
10/7/2016	81964	Galls Inc	10.90	Uniform Patches - FD
10/7/2016	81965	General Tree Service	109.00	Pow Wow Tree Maintenance - Parks
10/7/2016	81966	In & Out Auto Care	1,909.24	Vehicle Repairs - PW

Check Date	Check Number	Vendor	Amount	Line Item Description
10/7/2016	81967	Interstate All Battery Center	393.75	Batteries - FD
10/7/2016	81968	Johnson Economics	14,289.30	Downtown Revitalization, Professional Fees - Admin
10/7/2016	81969	Catherine Kerrigan	319.66	Mileage & Dinner Reimb for Conferences - PD
10/7/2016	81970	Life-Assist Inc	360.17	Supplies - FD
10/7/2016	81971	Lord & Associates Inc	152.75	Flagging - PW
10/7/2016	81972	Mary Jean's Flowers	52.00	Wiggins - FD
10/7/2016	81973	Midwest Tape	645.57	Non Print Media - Library
10/7/2016	81974	Mr Belvedere's Janitorial	2,035.00	Monthly Cleaning Fee - Admin, FD, PD, PW, SC
10/7/2016	81975	Municipal Emergency Services	3,084.00	Testing & Maintenance - FD
10/7/2016	81976	Northwest Natural Gas	139.51	September Invoices
10/7/2016	81977	Northwest Safety Clean	636.55	NFPA Advanced Cleaning - FD
10/7/2016	81978	Oak Lodge Water District	1,551.22	Water - PW
10/7/2016	81979	Office Depot	145.71	Supplies - PD
10/7/2016	81980	Office Max	128.18	Supplies - Admin, Court
10/7/2016	81981	Olson Bros Point S	285.00	Vehicle Maintenance - PD
10/7/2016	81982	One call Concepts Inc	73.50	Utility Notifications - PW
10/7/2016	81983	Oregon Assn of Water Utilities	940.00	Membership Renewal 2016-17 - PW
10/7/2016	81984	Oregon Patrol Service	539.80	Courtroom Security - Court
10/7/2016	81985	Oregon, State of	200.00	Co-op Procurement Program - Admin
10/7/2016	81986	Oregonian	312.00	Annual Subscription - Library
10/7/2016	81987	Platt Electric Supply Inc	45.52	Supplies - FD
10/7/2016	81988	Portland General Electric	5,936.45	September Invoices - All Depts
10/7/2016	81989	Service Master of Oregon	1,096.00	Janitorial Service - Library
10/7/2016	81990	SupplyWorks	210.88	Paper Products - SC
10/7/2016	81991	Eric Swanson	398.25	Reimbursement - LOC & ICMA Conference
10/7/2016	81992	Christian Tierney	40.00	Reimbursement - Work Uniform - FD
10/7/2016	81993	Union Security Insurance	139.15	Life Insurance - FD
10/7/2016	81994	Verizon	2,833.09	Phone Service - PD
10/7/2016	81995	Wilsonville Lock & Security	92.85	Monitoring - PW
10/17/2016	81996	Adventist Health	65.00	Pulmonary Function Test - FD
10/17/2016	81997	Air Filter Exchange	448.00	Air Filters - Admin & Library

Check Date	Check Number	Vendor	Amount	Line Item Description
10/17/2016	81998	Alexin Analytical Laboratories	414.00	Drinking Water Tests - PW
10/17/2016	81999	American Messaging	140.30	Pagers - FD
10/17/2016	82000	Anderson Roofing Co. Inc	270.56	Roof Repairs - Library
10/17/2016	82001	Baker & Taylor Inc	3,731.82	New Books - Library
10/17/2016	82002	BBC Steel Corp	80.00	Aluminum Cutting, Blue Rack #2 - FD
10/17/2016	82003	Central City Concern	290.00	Hooper Detox Holds - PD
10/17/2016	82004	Clackamas County Fire District #1	2,615.66	Supplies, Uniforms, Fleet Maintenance - FD
10/17/2016	82005	Clackamas, County of	17,083.00	Central Dispatch - PD & FD
10/17/2016	82006	Comcast	104.07	Cable & Internet - SC & FD
10/17/2016	82007	Comcast Business	257.73	Telephones, Internet - PW
10/17/2016	82008	Creative Services of New England	265.95	Junior Officer Badge Stickers - PD
10/17/2016	82009	Curtis, L. N. Co	717.45	Guide Bar & Carbide Chain - FD
10/17/2016	82010	Cycle Express	15.00	Freight Charges for Fire Hoses - FD
10/17/2016	82011	Demco	87.30	Supplies - Library
10/17/2016	82012	Jal Duncan Photography	400.00	Staff Portraits - PD
10/17/2016	82013	Executive Copy & Printing	978.65	Forms & Business Cards - PD
10/17/2016	82014	Extreme Products	13.25	Name Bar - PD
10/17/2016	82015	Gladstone Chevron	500.00	Car Wash Coupons - PD
10/17/2016	82016	Gold Wrench	1,919.05	Vehicle maintenance & Supplies - PD
10/17/2016	82017	Home Depot	637.04	Supplies - FD
10/17/2016	82018	Houston, Marc R	940.00	Physician Advisor & Lead Drill Instructor - FD
10/17/2016	82019	JDL Services LLC	1,275.00	Downtown Revitalization, Professional Fees - Admin
10/17/2016	82020	Melissa Jones	3,000.00	City Prosecutor Services - Court
10/17/2016	82021	Leer Truck Accessories	60.00	Truck Accessories - FD
10/17/2016	82022	McCoy Electric	787.92	MB Park Restroom Repairs - PW
10/17/2016	82023	Office Depot	482.82	Supplies - PD, Admin, FD
10/17/2016	82024	Office Max	135.76	Supplies - Admin
10/17/2016	82025	Oregon City Scuba	971.96	Equipment - FD
10/17/2016	82026	Oregon City, City of	2,235.00	ROW & GIS Program Costs - Admin
10/17/2016	82027	PACWEST Machinery LLC	149.78	Street Sweeper Repair - PW
10/17/2016	82028	Portland General Electric	5,075.53	Street Lights - PW

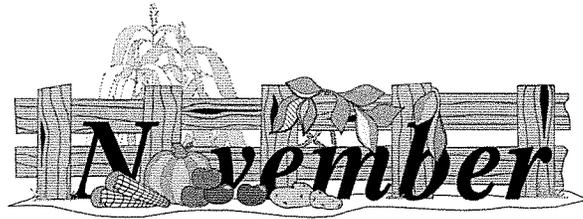
Check Date	Check Number	Vendor	Amount	Line Item Description
10/17/2016	82029	Portland Office Furniture	315.00	Bookcase - PD
10/17/2016	82030	Rackspace Email & Apps	995.10	October Email Service - Admin
10/17/2016	82031	Radar Shop	95.50	Radar Unit Repairs - PD
10/17/2016	82032	Rodda Paint	41.13	Paint - FD
10/17/2016	82033	Merle Ross Upholstery	195.00	Seat Cover Repair - PD
10/17/2016	82034	SeaWestern	85.00	Hose Repair - FD
10/17/2016	82035	Sierra Springs	67.62	Water - Admin
10/17/2016	82036	Sign Guy	445.00	Vehicle Graphics - PD
10/17/2016	82037	Sisul Engineering	8,592.50	Engineering Services - PW & Admin
10/17/2016	82038	Solutions Yes	55.61	Copier Usage - Admin
10/17/2016	82039	Star Cars LLC	3,700.00	Vehicle Customization - PD
10/17/2016	82040	Stein Oil Co Inc	1,926.86	Gasoline - FD, PD, PW, SC
10/17/2016	82041	Jill Tate	418.50	Transcription Services - Admin
10/17/2016	82042	Thayer, J Co.	67.30	Office Supplies - Admin
10/17/2016	82043	Tigard Sand & Gravel	1,462.61	Materials - PW
10/17/2016	82044	Two Girls Catering	450.00	Interagency Meeting - FD
10/17/2016	82045	Tyler Technologies Inc	6,190.00	Court & Finance Services - Admin
10/17/2016	82046	Verizon	704.31	Cell Phones - PW
10/17/2016	82047	Verve Northwest Communications	4,200.00	Consulting Services - Admin
10/17/2016	82048	Willamette Valley Printing Inc	220.00	Business Cards -PW
10/17/2016	82049	Shannon Wilson	3,500.00	Indigent Defense - Court
10/17/2016	82050	Winsupply of Portland	1,663.12	Materials - PW
10/19/2016	82051	United States Postal Service	1,209.95	October Newsletter Mailing - Admin
10/25/2016	82052	Aloha Produce Inc	27.99	Produce - SC
10/25/2016	82053	American Security Alarms	239.55	Service - 4th Quarter - PD, FD, SC
10/25/2016	82054	Anderson Environmental Contracting	345.25	Hydrant Refund - PW
10/25/2016	82055	Beery, Elsner, & Hammond LLP	15,987.73	Attorney Charges - Admin
10/25/2016	82056	Cintas First Aid Lockbox	264.29	First Aid Supplies - Admin, Library, PW, SC
10/25/2016	82057	Curtis, L. N. Co	709.81	Stream Straightener - FD
10/25/2016	82058	Electric Lightwave	1,120.82	AKA Integra Telecom; Long Distance Phone Charges
10/25/2016	82059	F.I.R.E. Restoration	6,199.20	Siding & Painting Repair - FD

Check Date	Check Number	Vendor	Amount	Line Item Description
10/25/2016	82060	GeoDesign Inc	5,600.00	Property Acquisition on Portland Ave - Admin
10/25/2016	82061	In & Out Auto Care	911.60	Vehicle Maintenance & Repairs - PW
10/25/2016	82062	K&D Services	702.30	Water Installation, Leak Repair and Paving - PW
10/25/2016	82063	Knapp Construction	1,975.00	Sidewalk Section Removal - PW
10/25/2016	82064	Mr Belvedere's Janitorial	2,035.00	Cleaning Fee - PD, Admin, PW, FD, SC
10/25/2016	82065	Municipal Emergency Services	72.00	Repairs - FD
10/25/2016	82066	Will & Penny Myers	45.45	Overpayment on Final Bill - PW
10/25/2016	82067	North Clackamas County Water Commission	31,639.29	Water Usage - Pw
10/25/2016	82068	Oregon State Bar	56.00	Indigent Attorney Recruitment - Court
10/25/2016	82069	Oregon, State of Dept of State Lands	158.97	2016 Unclaimed Property
10/25/2016	82070	Pacific Mobile Structures, Inc	431.00	Mobile Structure Rent - PW
10/25/2016	82071	Pacific Office Automation	598.00	Copier Lease - Library
10/25/2016	82072	Pacific Office Automation Inc	643.46	Printing Jobs & Copier Usage - SC & PW
10/25/2016	82073	Portland General Electric	48.81	September Invoice
10/25/2016	82074	Ricoh USA Inc	157.12	Copier Usage - FD
10/25/2016	82075	Satcom Global	42.75	Iridium SIM Card - PD
10/25/2016	82076	Kim Sieckmann	90.00	Reimbursement - Town Hall Door Prizes - Admin
10/25/2016	82077	Stein Oil Co Inc	349.47	Gasoline - FD
10/25/2016	82078	US Bank	224.46	Copier Lease - Admin
10/28/2016	82079	Mystique's Fancy Faces	130.00	Face Painting - Library
10/31/2016	82080	AXA Equi-Vest	5,055.00	Deferred Compensation - October Payroll
10/31/2016	82081	AXA EVLICO	141.00	October Premiums
10/31/2016	82082	Belooft & Haines	3,000.00	Municipal Court Judge - Court
10/31/2016	82083	CIS/EBS Trust	62,038.63	November Insurance
10/31/2016	82084	Clackamas County Benevolent Foundation	50.00	CCPO Benevolent Contribution - October Payroll
10/31/2016	82085	Clackamas Federal Credit Union	1,194.59	Police Union Dues - October Payroll
10/31/2016	82086	Gladstone Fire Department Members Assn	750.00	House Dues - FD
10/31/2016	82087	Office of the Trustee	640.00	October Misc Payroll Deduction
10/31/2016	82088	Oregon AFSCME Council #75	779.47	AFSCME Dues - October Payroll
		<b>Total Check Total</b>	<b>280,789.31</b>	

Check Date	Check Number	Vendor	Amount	Line Item Description
Urban Renewal Checks				
		Total Urban Renewal Checks	0.00	
		Total October 2016 Checks	280,789.31	

Bank	Month Ending Balance		
	July 2016	August 2016	September 2016
			October 2016
LGIP - City Of Gladstone #4472	7,579,997.08	7,579,997.08	6,653,160.33
LGIP - Water System #4811	929,813.59	929,813.59	931,233.83
LGIP - Urban Renewal Agency #4650	5,740,811.45	5,740,811.45	5,754,091.47
Checking Accounts:			
General Fund	331,331.13	130,178.44	242,561.01
Urban Renewal	5,871.70	5,871.70	2,466.70
Municipal Court	42,606.03	38,910.28	37,303.70
Employee Pension Trust	7,658.17	7,658.17	0.00
<b>Totals</b>	<b>14,638,089.15</b>	<b>14,433,240.71</b>	<b>13,620,817.04</b>
			<b>13,177,070.70</b>





## **REGULAR AGENDA**



# City of Gladstone Staff Report

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Report Date: November 1, 2016  
Meeting Date: November 9, 2016  
To: Council  
From: Eric Swanson, City Administrator

## AGENDA ITEM

Approve Resolution No. 1092 amending Exhibit "A" the Solid Waste Rate Schedule in accordance with approval of Ordinance 1469 (Attachment "1").

## History/Background

In reviewing franchise agreements with waste haulers and other entities, Gladstone is one of the only cities in the region that did not receive adequate compensation for solid waste provider's use of the Right of Way (ROW). On September 13<sup>th</sup> and 27, 2016 the City Council approved Ordinance No. 1469, an ordinance pertaining to the exclusive franchise for Gladstone Disposal Company adding a five percent (5%) right of way use fee.

## Proposal

This is not a solid waste rate increase request by Gladstone Disposal, but rather a rate adjustment to comply with the Council's adopted Ordinance 1469. This Ordinance compensates Gladstone equitably with other cities in the region. To offset the 5% increase the Council discussed the option of lowering residential rates while increasing the commercial rate. An updated summary of comparative rates is included as Attachment "2". The revised rate schedule will take effect on January 1, 2017. Gladstone Disposal has offered to prepare a letter to its customers for the City to review and provide input on. This letter would go out in their December billing.

## Options

- Approve Resolution No. 1092, a resolution amending Exhibit "A" of the Solid Waste Rate Schedule. The amended schedule offsets rates, lowering the residential rates while increasing the commercial rate.
- Approve Resolution No. 1092, a Resolution amending Exhibit "A" of the Solid Waste Rate Schedule by implementing a 5% increase to current rates across the board.

## Cost Impact

The revenue is estimated to be approximately \$99,825.00 (annually beginning calendar year) and will go to the general fund for Council to allocate during the 2017-18 budget process.

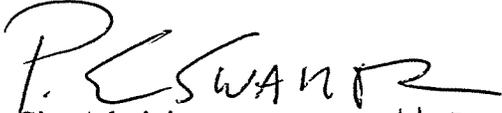
Recommended Staff Action

Approve Resolution No. 1092 amending Exhibit "A" the Solid Waste Rate Schedule in accordance with approval of Ordinance 1469.

**"I make a motion to approve Resolution No. 1092, a resolution amending Exhibit "A" the Solid Waste Rate Schedule in accordance with approval of Ordinance 1469.**

Department Head  
Signature

Date

  
City Administrator  
Signature

11.2.16  
Date

**RESOLUTION NO. 1092**

**CITY OF GLADSTONE, OREGON**

*A Resolution amending Exhibit "A" to resolution No. 1008  
By revising the Solid Waste Rate Schedule*

**WHEREAS**, The City of Gladstone is requesting rate adjustments in the Solid Waste Rate Schedule to reflect the adoption of Ordinance 1469,

**WHEREAS**, On September 13 and 27, 2016 the City Council approved Ordinance 1469 to amend the current exclusive franchise for Gladstone Disposal Company to collect a 5% fee based on gross revenue,

**NOW, THEREFORE, BE IT RESOLVED** by the Common Council of the City of Gladstone, a municipal corporation of the State of Oregon, that Resolution No. 1008 is amended by substituting the attached Exhibit "A" in lieu of Exhibit "A" now in place reflecting the rate schedule for Gladstone Disposal Company, Inc., within the City of Gladstone, and

**BE IT FURTHER RESOLVED** that this revised rate schedule will take effect on the 1<sup>st</sup> day of January, 2017.

This Resolution is effective November 9, 2016.

This Resolution adopted by the Gladstone City Council and approved by the Mayor this 9<sup>th</sup> day of November, 2016.

ATTEST:

\_\_\_\_\_  
Thomas Mersereau, Mayor

\_\_\_\_\_  
Jacque Betz, Interim Assistant City Administrator

RESOLUTION 1092 - EXHIBIT A

Gladstone Disposal Company  
 Proposed Differential Rates with Franchise Fee  
 Effective as of January 1, 2017

		Current Rates	Change	Proposed Rate				
<b>Residential</b>								
20gal	Weekly	23.66	(2.51)	21.15				
35gal	Weekly	27.22	(0.67)	26.55				
65gal	Weekly	35.91	0.84	36.75				
95gal	Weekly	42.18	(2.33)	39.85				
35gal	Monthly	11.64	0.66	12.30				
35gal	Will call	12.30	(1.25)	11.05				
20gal	Will call			8.00				
Bag	Will call	7.00	0.40	7.40				
Extra 35gal equivalent		6.25	0.75	7.00				
Yard Debris	extra	3.00	-	3.00				
Yard Debris	yearly	60.60	3.00	63.60				
<b>Residential Central billing</b>								
20gal	Weekly	19.38	0.17	19.55				
35gal	Weekly	22.94	2.01	24.95				
65gal	Weekly	31.64	3.51	35.15				
<b>Commercial</b>								
35gal	Weekly	23.47	3.08	26.55				
65gal	Weekly	33.96	2.79	36.75				
95gal	Weekly	36.43	3.42	39.85				
<b>Pickup's per week</b>				<b>1.00</b>	<b>2.00</b>	<b>3.00</b>	<b>4.00</b>	<b>5.00</b>
<b>Container size</b>								
1-1/2yd		114.47	23.26	137.73	260.46	383.19	505.92	628.65
	ea add'l	97.22	22.61	119.83	239.65	359.48	479.30	599.13
	Will Call	54.75	7.30	62.05				
	Extra Pick-Up	36.12	5.81	41.93				
2yd		144.39	25.34	169.73	324.46	479.19	633.92	788.65
	ea add'l	122.45	25.22	147.67	295.33	443.00	590.66	738.33
	Will Call/temporary	64.73	7.88	72.61				
	Extra Pick-Up	43.60	6.33	49.93				
3yd		194.72	34.46	229.18	443.36	657.54	871.72	1,085.90
	ea add'l	165.33	34.06	199.39	398.77	598.16	797.55	996.93
	Will Call/temporary	81.50	10.73	92.23				
	Extra Pick-Up	56.18	8.62	64.80				

RESOLUTION 1092 - EXHIBIT A  
**Gladstone Disposal Company**  
**Proposed Differential Rates with Franchise Fee**  
**Effective as of January 1, 2017**

	Current Rates	Change	Proposed Rate					
<b>Commercial</b>								
<b>Pickup's per week</b>				<b>1.00</b>	<b>2.00</b>	<b>3.00</b>	<b>4.00</b>	<b>5.00</b>
<b>Container size</b>								
4yd	247.12	46.55	293.67	572.34	851.01	1,129.68	1,408.35	
ea add'l	211.46	44.03	255.49	510.99	766.48	1,021.97	1,277.46	
Will Call/temporary	98.97	14.54	113.51					
Extra Pick-Up	69.28	11.64	80.92					
5yd	297.29	62.06	359.35	703.70	1,048.05	1,392.40	1,736.75	
ea add'l	273.78	38.85	312.63	625.27	937.90	1,250.54	1,563.17	
Will Call/temporary	115.69	19.50	135.19					
Extra Pick-Up	81.82	15.52	97.34					
6yd	340.75	82.46	423.21	831.42	1,239.63	1,647.84	2,056.05	
ea add'l	313.71	54.48	368.19	736.39	1,104.58	1,472.77	1,840.96	
Will Call/temporary	130.18	26.08	156.26					
Extra Pick-Up	92.69	20.61	113.30					
8yd	416.50	107.80	524.30	1,033.60	1,542.90	2,052.20	2,561.50	
ea add'l	385.14	71.00	456.14	912.28	1,368.42	1,824.56	2,280.71	
Will Call	155.42	34.20	189.62					
Extra Pick-Up	111.63	26.95	138.58					
10yd	517.32	203.12	720.44	1,425.88	2,131.32	2,836.76	3,542.20	
ea add'l	454.96	171.82	626.78	1,253.57	1,880.35	2,507.13	3,133.91	
Extra Pick-Up	136.83	117.52	254.35					

RESOLUTION 1092 - EXHIBIT A

Gladstone Disposal Company  
 Proposed Differential Rates with Franchise Fee  
 Effective as of January 1, 2017

	Current Rates	Change	Proposed Rate	
<b>Open Drop Box Haul Fee</b>				
Permanent				
10yd	107.35	2.65	110.00	Plus Metro Disposal rate with 15% surcharge
20yd	107.35	2.65	110.00	Plus Metro Disposal rate with 15% surcharge
30yd	123.50	6.50	130.00	Plus Metro Disposal rate with 15% surcharge
40yd	139.65	10.35	150.00	Plus Metro Disposal rate with 15% surcharge
Occasional				
10yd	145.35	4.65	150.00	Plus Metro Disposal rate with 15% surcharge
20yd	145.35	4.65	150.00	Plus Metro Disposal rate with 15% surcharge
30yd	161.35	8.65	170.00	Plus Metro Disposal rate with 15% surcharge
40yd	177.65	12.35	190.00	Plus Metro Disposal rate with 15% surcharge
<b>Compacted Drop Box Haul Fee</b>				
Under 25yd	121.60	11.40	133.00	Plus Metro Disposal rate with 15% surcharge
30yd	160.55	(7.55)	153.00	Plus Metro Disposal rate with 15% surcharge
40yd	186.20	(13.20)	173.00	Plus Metro Disposal rate with 15% surcharge

ORDINANCE NO. 1469*AN ORDINANCE AMENDING ORDINANCE NO. 1383 AND THE EXCLUSIVE FRANCHISE FOR GLADSTONE DISPOSAL COMPANY*

Section 1. Section 8 of Ordinance No. 1383 is amended as follows (new language is **bolded** and repealed language is ~~struck through~~): "The Franchisee shall pay to the City a franchise fee of ~~\$360~~ **five percent (5%) of Franchisee's gross revenues** each year for the term of this Franchise, until such time as the Council, in its discretion **and as authorized by law**, establishes a new franchise fee; provided, however, that any increase of the franchise fee shall be implemented only after giving due consideration to Section 12 of this Ordinance, concerning the Franchisee's Rate of Service. In consideration of such franchise fee, the Franchisee shall provide Service to the City and to churches located within the City at no charge. The franchise fee shall be payable annually, and shall be due no later than December 15, of each year. The magnitude of the franchise fee and extent to which the Franchisee provides Service at no charge, as required by this Section 8, shall be taken into consideration by the Council in setting the Franchisee's Rates for Service pursuant to Section 12, hereof."

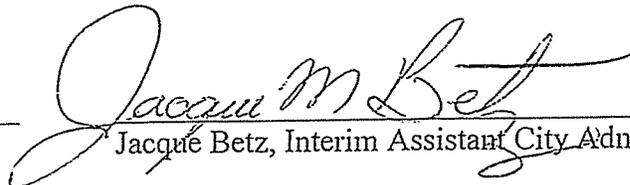
Section 2. Subsection 3.4 of Ordinance No. 1383 is amended as follows: "The City may enforce the provisions of this Ordinance by administrative or civil action, as it may deem necessary to obtain compliance with this Ordinance. Violation of any provisions of this Ordinance shall constitute a civil infraction, subject to the code enforcement jurisdiction of the City. **Franchisee shall (in addition to all other legal rights and remedies it may otherwise possess) have a cause of action against a person offering or providing Service in the City in any court of competent jurisdiction, including injunctive relief. In addition to injunctive relief, Franchisee may seek to recover from any person offering or providing services in the City a sum equal to the amount Franchisee would otherwise charge for provision of the proffered service in the City. The prevailing party in an action brought under this section shall be entitled to recover their costs, (including attorney fees and expert witness fees) at trial and on appeal.**"

Section 3. No other changes are made to Ordinance No. 1383 except those in sections 1 and 2, above, and Ordinance No. 1383 is otherwise reaffirmed in its entirety.

ADOPTED by the Gladstone City Council this 27 of Sept, 2016.

ATTEST:

  
Thomas Mersereau, Mayor

  
Jacquie Betz, Interim Assistant City Administrator

SUMMARY OF COMPARATIVE RATES  
 CLACKAMAS COUNTY \*  
 As of August 1, 2016

Service	Clackamas County		Lake Oswego		West Linn	Milwaukie	Current Gladstone	Proposed Gladstone Franchise Fee
	Oregon City	Oswego	West Linn	Milwaukie	Gladstone	Franchise Fee		
Residential Weekly Pickup								
20 Gal. Cart	26.15	20.63	19.91	20.79	26.00	23.66	21.15	
35 Gal. Cart	29.95	25.83	26.35	24.78	29.90	27.22	26.55	
65 Gal. Cart	39.25	35.55	42.03	39.69	39.40	35.91	36.75	
95 Gal. Cart	45.95	38.55	44.32	43.64	46.35	42.18	39.85	
Franchise Fee Annual	5%	4%	5%	5%	5% Fixed	\$360	5%	\$99,825

**ATTACHMENT "2"**

\* The included cities are nearby and inside the Metro's Urban Growth Boundary

# City of Gladstone Staff Report

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Report Date: November 1, 2016  
Meeting Date: November 9, 2016  
To: City Council  
From: Eric Swanson, City Administrator

## AGENDA ITEM

Approve Resolution No. 1093, a resolution authorizing the purchase of property located at 18505 Portland Avenue.

## History/Background

In November 2014 the Citizens authorized staff to pursue the project of constructing a new Police Facility to meet essential building construction standards required for any Police Station by the year 2022.

In February 2016 staff briefed Council on property options for the new police department. In preparation to this project, staff asked a professional realtor to do an estimate of property value for the property located at 18505 Portland Avenue (Exhibit 1). The estimate of property value in November 2015 is attached as Exhibit II.

## **The project had three tasks:**

- 1) Begin negotiations to see if a deal could be reached with current owners.
- 2) Perform a due diligence to include:
  - a) Complete a Level 1 Environmental Assessment (done)
  - b) Survey the property (done)
  - c) Conducted a Wetlands Assessment (done)
  - d) Complete a Geotechnical Soils Study (done)
  - e) Seek Council approval during negotiations (ORS. 192.660 (2)(e) allows persons designated by governing bodies to negotiate real property transactions in executive session).
- 3) Proceed with closing

Steps 1 and 2 have been completed. The studies in Step 2 are lengthy. Staff has provided that information to Council in various executive sessions. Staff has a copy of the material in the Assistant City Administrator's Office for anyone in the public who would like to review the information. A copy will also be at the Council meeting should anyone want to reference the content.

The city's realtor proceeded with contacting the owner and tendering our offer (Exhibit III letter to Eric Swanson and Exhibit IV Purchase and Sale Agreement).

Items listed in Step 2 above took longer than anticipated which has delayed the negotiation process. There are three amendments to the Purchase and Sale Agreement, extending the closing date to November 30, 2016 (Exhibit V).

Proposal

Staff is ready to proceed with Step 3 and close on the Walter J. Kmetec Trust property. It is approximately 1.93 acres located at 18505 Portland Avenue, Gladstone and described as 228 Meldrum Block Gladstone.

Options

- Approve Resolution No. 1093 a resolution authorizing the purchase of property located at the 18505 Portland Avenue, Gladstone, Oregon, in the amount of \$907,900 and the payment of the city's share of closing costs; and authorize the city administrator or his designee to sign the necessary documents and all other necessary actions to close the purchase.
- Do not approve Resolution No. 1093 and consider other options for the new police department.

Cost Impact

The \$907,900 and payment of the city's share of closing costs will be funds transferred from State Shared Revenue to Civic Buildings, as stated in the 2016-17 Adopted budget.

Recommended Staff Action

Approve Resolution No. 1093 a resolution authorizing the purchase of property located at the 18505 Portland Avenue, Gladstone, Oregon, in the amount of \$907,900 and the payment of the city's share of closing costs; and authorize the city administrator or his designee to sign the necessary documents and all other necessary actions to close the purchase.

**"I make a motion to approve Resolution No 1093. a resolution authorizing the purchase of property located at the 18505 Portland Avenue, Gladstone, Oregon, in the amount of \$907,900 and the payment of the city's share of closing costs; and authorize the city administrator or his designee to sign the necessary documents and all other necessary actions to close the purchase."**

Department Head  
Signature

Date

  
City Administrator  
Signature

11.2.16  
Date

**RESOLUTION NO. 1093**

**CITY OF GLADSTONE, OREGON**

*A Resolution authorizing the purchase of property located at  
18505 Portland Avenue, Gladstone, Oregon*

**WHEREAS**, the Walter J. Kmetic Trust is selling an approximately 1.93 acre located at 18505 Portland Avenue, Gladstone and described as 228 Meldrum Block Gladstone (the “Property”); and

**WHEREAS**, the Gladstone City Council believed it to be in the city’s interest to purchase the Property and authorized city staff to negotiate a purchase with the owner; and

**WHEREAS**, the parties have reached agreement on terms for purchase of the Property.

**NOW, THEREFORE, BE IT RESOLVED** by the Common Council of the City of Gladstone, a municipal corporation of the State of Oregon, the following:

**Section One.** The City Council approves the purchase of the Property for Nine Hundred Seven Thousand Nine Hundred dollars and no cents (\$907,900.00) and the payment of the city’s share of closing costs.

**Section Two.** The city administrator or his designee is authorized to sign the necessary documents and take other necessary actions to close the purchase.

**Section Three.** This resolution is effective immediately upon its adoption.

**ADOPTED** this 9<sup>th</sup> day of November, 2016.

\_\_\_\_\_  
Thomas Mersereau, Mayor

ATTEST:

\_\_\_\_\_  
Jacque Betz, Interim Assistant City Administrator



EXHIBIT I



EXHIBIT I

Google earth



**EXHIBIT II**

November 30, 2015

Mr. Ross Schultz  
Interim City Manager  
City of Gladstone  
525 Portland Ave.  
Gladstone, OR 97027

Dear Ross:

In order to give you a realistic estimate of the likely sales price for the parcel of land and buildings located adjacent the Public Works Facility at 18505 Portland Avenue, I have visually surveyed the property, consulted the records of the Clackamas County Assessor, and have conducted a market-wide search for sales of comparable facilities.

The site totals 1.94 acres (84,271 SF) and is zoned LI, Light Industrial. It is improved with three (3) wood frame structures utilized for offices/retail. The largest of the three totals 1,632 SF and fronts on Portland Ave. It is wood frame with partial brick façade and may have been converted from residential use. It has average curb appeal and is in average condition.

The two remaining buildings total 1,152 SF and 936 SF respectively, and are attached. The larger building fronts on Duniway Avenue. Both buildings have pitched roofs and are very low quality wood frame structures with poor curb appeal.

There is paved parking adjacent to all three of the office/retail buildings, though the balance of the site area is graveled, fenced and utilized for auto/RV sales and storage. Duniway Street abuts the property on the north and is an unimproved street.

The site in question is located in a small area zoned Light Industrial by the City of Gladstone, which does not have an extensive amount of industrially zoned land. As such, while it is a rough site, it is valued with comparable sized industrial parcels in southeast Portland and outer areas.

In reviewing industrial land comparables for small parcels, the comparables would indicate a land only value of \$7.62 - \$8.89 per SF. Given the site improvements on subject parcel (gravel and fencing) a representative land value would be \$8.50 SF.

The subject parcel however, is improved with three (3) small commercial buildings which have value. Hence, in valuing the property for sale purposes, a sales price must be attributed to the building's adjoining site area. As the parcel size at 84,271 SF is much larger than would be typical for site area of small buildings, the value of the additional "surplus" land is added to the building value.

For buildings of this small size range, a typical "land to building" ratio would be 4:1. The subject property contains three buildings of 936 SF, 1,152 SF and 1,632 SF respectively for total building area of 3,720 SF. Hence, a representative land to building ratio of 4:1 would result in 14,888 SF of land. Therefore, of the total 84,271 SF site, 69,391 SF should be considered surplus land.

In surveying comparable sales of small commercial buildings in southeast Portland and southeast suburban areas, sales prices range from \$76.63/SF to \$119.05/SF with the high end of the sales

*EXHIBIT II*

range represented by smaller buildings and the low end of the comparable range typically consisting of larger buildings (over 5,000 SF) most of which are residential properties adapted to commercial use.

On the basis of the building comparables surveyed, we would attribute a value of \$105.00/SF for the 936 SF and 1,152 SF buildings are a value of \$119.00/SF for the 1,632 SF building which has better curb appeal and is located on Dartmouth Avenue.

Factoring in the building value of the three structures and adding the value of the surplus land at \$8.50 yields the following value:

**Building Value**

936 SF at \$105.00/SF = \$98,280.00

1,152 SF at \$105.00/SF = \$120,960.00

1,632 SF at \$119.00/SF = \$194,208.00

Land Value            Total = \$413,448.00

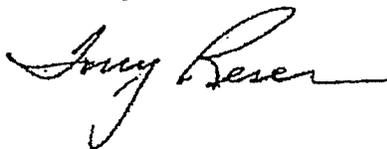
Plus

69,391 surplus land (fenced, graveled) at \$8.50/SF = \$589,824.00

**Total Value, Land and Buildings = \$1,003,272.00**

Please give me a call should you have any questions regarding this valuation. I await your guidance on how to approach the owner in securing the property on behalf of the City of Gladstone.

Sincerely,

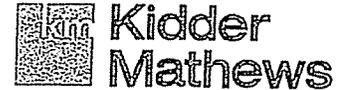


Tony Reser, SIOR  
Senior Vice President

Enc. Comparable Land & Building Sales  
Cc: Scott Murphy



**EXHIBIT III**



Mr. Eric Swanson  
City Administrator  
City of Gladstone  
525 Portland Avenue  
Gladstone, OR 97027

Dear Eric:

It was a pleasure meeting you incident to our dialogue regarding the Portland Avenue/Dunway property adjacent to the Gladstone Public Works facility.

In terms of a strategy for potential acquisition of the site, I would recommend submitting a Purchase Offer to the current owner, identifying The City of Gladstone as the buyer and explaining the desire to obtain the property to expand the Public Works facility. Incident to delivery of the offer I would explain that while the City of Gladstone has the authority to acquire the property by condemnation, that is not your desire.

I would also convey to the seller that "acquisition in lieu of condemnation" would allow them up to three (3) years to reinvest the proceeds in another property without tax consequences which is very advantageous to a seller.

The fair market value of the property is approximately \$1,000,000 were it to sell on the open market (see attached Opinion of Value). However, the Real Market Value according to the Clackamas County Assessor is \$818,000.

While Assessor values are seldom accurate, some owners believe that tax values are reflective of a property's worth. Therefore, in making an offer I would recommend offering just over the Assessor value – namely \$825,000 in hopes of acquiring it for less than what it would bring on the open market. It is likely that the seller would counter propose a higher price and starting at \$825,000 gives us room to negotiate.

As the property is not currently offer for sale, it is not likely the seller would be willing to pay a real estate brokerage fee. As such, the City of Gladstone would pay the realtor commission. Standard brokerage fee for a Buyer representation would be five percent (5%) of the purchase price. However, I would be willing to discount the fee to four percent (4%).

The Purchase Offer would be written on a standard Portland Board of Realtors form, subject to approval of your City Attorney. The offer would also be made contingent upon final approval by your City Council.

Please let me know how you would like to proceed.

*EXHIBIT III*

Sincerely,



Tony Reser, SIOR  
Senior Vice President

cc. Ross Schultz  
enc.

**EXHIBIT IV**



April 20, 2016

Ms. Peggy Neikirk  
Lawyers Title Company  
121 SW Morrison St, Ste 500  
pneikirk@ltic.com

Dear Peggy:

Enclosed please find a fully executed Purchase and Sale Agreement for a three (3) building complex on 84,271 SF of land located at 18505 Portland Avenue, Gladstone, OR.

Please place this transaction in escrow and order an updated Preliminary Title Project.

The parties to the transaction are as follows:

**Sellers:** Walter J. Kmetic, Trust and/or Kenneth Kinetic  
Ken Kmetic  
22023 Monte Carlo Way  
Oregon City, OR 97045  
(503) 351-6331  
Kevin Kmetic  
Steven Kmetic  
[steve@irpdx.com](mailto:steve@irpdx.com)  
(503)314-2032

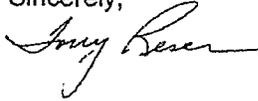
**Buyers:** The City of Gladstone Oregon  
Attn: Eric Swanson, City Administrator  
525 Portland Avenue  
Gladstone, OR 97027  
[swanson@ci.gladstone.or.us](mailto:swanson@ci.gladstone.or.us)  
(503)557-2767

**Buyer/Seller Broker:** Tony Reser  
Kidder Mathews  
1 SW Columbia St Ste 950  
Portland, OR 97258  
ph (503) 221-2271  
[treser@kiddermathews.com](mailto:treser@kiddermathews.com)

As can be seen, from the Purchase and Sale Agreement, closing date shall be September 30, 2016 and the operative date for due diligence is April 19.

Please give me a call if you have any questions.

Sincerely,



Tony Reser, SIOR  
Senior Vice President

Enc.

Cc. Eric Swanson  
Steve Kmetic

\$50,000 \_\_\_\_\_, March 15 \_\_\_\_\_, 2016

City of Gladstone, Oregon \_\_\_\_\_ after date, I (or if more than one maker) we jointly and severally promise to pay to the order of Walter J. Kmetec, Trustee and/or Kenneth Kmetec \_\_\_\_\_ at \_\_\_\_\_

Fifty Thousand Dollars and no/100s \_\_\_\_\_ DOLLARS,

with interest thereon at the rate of \_\_\_\_\_% per annum from \_\_\_\_\_ until paid; interest to be paid \_\_\_\_\_ and if not so paid, all principal and interest, at the option of the holder of this note, to become immediately due and collectible. Any part hereof may be paid at any time. If this note is placed in the hands of an attorney for collection, I/we promise and agree to pay holder's reasonable attorney's fees and collection costs, even though no suit or action is filed hereon; if a suit or an action is filed, the amount of such reasonable attorney's fees shall be fixed by the court or courts in which the suit or action, including any appeal therein, is tried, heard or decided.

Earnest money for the property located at 18505 Portland Avenue, Gladstone, OR. Due and payable as per the Purchase and Sale Agreement.

City of Gladstone, Oregon  
BY: [Signature]  
Date: 3.15.16

PROMISSORY NOTE

FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

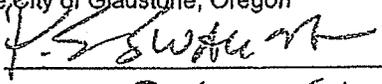
This FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT dated March 28, 2016 between City of Gladstone, Oregon, "Buyer", and Walter J. Kmetic, Trustee, and/or Kenneth Kmetic, "Seller"

Said Agreement is hereby amended as follows:

1. Buyer's Conditions to Purchase: Buyer's contingency for Condition of Property/Inspection by Buyer shall be extended by sixty (60) days to September 18, 2016. <sup>SK KK</sup>
2. Closing of Sale: Closing of Sale shall be extended to on or before ~~November 30, 2016~~ <sup>OCTOBER 30, 2016</sup> <sub>KK</sub>

BUYER:

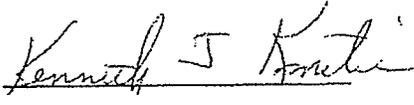
The City of Gladstone, Oregon

By: 

Printed Name: P. Eric Swanson

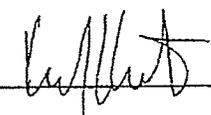
Date: 24 MAY 2016

SELLER:

By: 

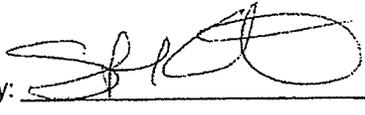
Printed Name: Kenneth J. Kmetic

Date: 5/26/16

By: 

Printed Name: Kevin Kmetic

Date: 5-26-16

By: 

Printed Name: Steven Kmetic

Date: 5/26/16

Mr. Kenneth Kmetc  
Mr. Steven Kmetc  
Mr. Kevin Kmetc

**Re: City of Gladstone Purchase of 18505**

Dear Sellers:

The City of Gladstone has requested an Extension of the due diligence period for removal of their Environmental/Property Condition contingency until September 18, 2016.

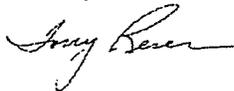
The purpose of this sixty (60) day extension is for the City to satisfy itself there are no adverse environmental conditions existing on the Property.

As you are aware, there is an open DEQ file for a formerly Leaking Underground Storage Tank (LUST) which existed on the Property but has since been removed.

The City of Gladstone is not prepared to remove the environmental Condition to Purchase until the Sellers secure a No Further Action (NFA) Letter and Closure of the file from Oregon DEQ.

We have requested the sixty (60) days extension to hopefully allow Sellers to secure the NFA and file closure within this time frame. Please give me a call should you have any questions regarding this request.

Sincerely,



Tony Reser

Enc.

Cc: City of Gladstone

**COUNTEROFFER TO REAL ESTATE  
PURCHASE AND SALE AGREEMENT**

This counteroffer (the "Counteroffer") is in response to the Real Estate Purchase and Sale Agreement (the "Agreement") dated March 28, 2016, between The City of Gladstone Oregon ("Buyer") and Walter J. Kmetz, Trustee and/or Kenneth Kmetz ("Seller").

Seller accepts the offer by Buyer contained in the Agreement on the terms and conditions set forth in the Agreement, except for the following changes:

1. Purchase Price: Purchase price shall be Nine Hundred Ten Thousand dollars (\$910,000.00) cash at closing.
2. Closing of Sale: Said sale shall close One Hundred Fifty days following full execution of the Purchase and Sale Agreement ~~but in no event earlier than August 21, 2016. OR ON OR BEFORE SEPTEMBER 20, 2016 BY ALL PARTIES.~~
3. ~~Tenants.~~ Seller shall deliver the property ~~to Buyer~~ free and clear of all Tenants at closing.

This Counteroffer shall be deemed revoked by Seller at 5:00 p.m. on April 8, 2016, unless earlier accepted by Buyer, and Seller reserves the right to accept any other offer prior to communication of Buyer's acceptance. Upon Buyer's acceptance of this Counteroffer, the Counteroffer and the Agreement shall constitute the Agreement of the parties and shall be construed and interpreted together.

THIS COUNTEROFFER HAS BEEN PREPARED FOR YOUR REVIEW AND FOR SUBMISSION TO YOUR ATTORNEY FOR HIS OR HER REVIEW AND APPROVAL. NO REPRESENTATIONS OR WARRANTIES ARE MADE BY KIDDER MATHEWS, OR ITS AGENTS, INDEPENDENT CONTRACTORS OR EMPLOYEES AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT OR TAX CONSEQUENCES OF THIS COUNTEROFFER, THE TRANSACTION DESCRIBED HEREIN, OR THE AGREEMENT TO WHICH THIS COUNTEROFFER RELATES. KIDDER MATHEWS RECOMMENDS THAT YOU CONSULT WITH YOUR ATTORNEY AND TAX ADVISOR BEFORE YOU SIGN THIS COUNTEROFFER.

BUYER (Entity): The City of Gladstone Oregon

Name:

*[Signature]*

By:

Printed Name:

Eric Swanson

Title:

City Administrator

Date Signed:

13 APRIL 2016

SELLER (Individual):

By:

Printed Name:

*[Signature]*  
Kenneth G. Kmetz  
Kenneth G. Kmetz

Date Signed:

4/4/16

By:

Printed Name:

*[Signature]*  
KEVIN KMETZ

Date Signed:

4-4-16

By:

Printed Name:

*[Signature]*  
STEPHEN KMETZ

Date Signed:

4/4/16

One 847 Columbia Street, Suite 508, Portland, OR 97208  
(503) 221-5500

CRP/MS/MS

*[Handwritten notes and signatures on the right margin]*  
KAK 4-19-16  
LK 4/19/16  
SK 4/19/16  
PES  
19 APRIL 2016  
PES  
13 APRIL 2016  
PES  
4/4/16

COMMERCIAL ASSOCIATION OF BROKERS OREGON/SW WASHINGTON  
PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY  
(Oregon Commercial Form)

---

AGENCY ACKNOWLEDGMENT

Buyer shall execute this Acknowledgment concurrent with the execution of the Agreement below and prior to delivery of that Agreement to Seller. Seller shall execute this Acknowledgment upon receipt of the Agreement by Seller, even if Seller intends to reject the Agreement or make a counter-offer. In no event shall Seller's execution of this Acknowledgment constitute acceptance of the Agreement or any terms contained therein.

Pursuant to the requirements of Oregon Administrative Rules (OAR 863-015-0215), both Buyer and Seller acknowledge having received the Oregon Real Estate Agency Disclosure Pamphlet, and by execution below acknowledge and consent to the agency relationships in the following real estate purchase and sale transaction as follows:

(a) Seller Agent: \_\_\_\_\_ of \_\_\_\_\_ firm (the "Selling Firm") is the agent of (check one):  
 Buyer exclusively;  Seller exclusively;  both Seller and Buyer ("Disclosed Limited Agency").

(b) Buyer Agent: Tony Reser of Kidder Mathews firm (the "Buying Firm") is the agent of (check one):  
 Buyer exclusively;  Seller exclusively; both Seller and Buyer ("Disclosed Limited Agency").

If the name of the same real estate firm appears in both Paragraphs (a) and (b) above, Buyer and Seller acknowledge that a principal broker of that real estate firm shall become the Disclosed Limited Agent for both Buyer and Seller, as more fully set forth in the Disclosed Limited Agency Agreements that have been reviewed and signed by Buyer, Seller and the named real estate agent(s).

ACKNOWLEDGED

Buyer: (print)	<u>P. Eric Swanson</u>	(sign)	<u>P. Eric Swanson</u>	Date:	<u>15 MARCH 2016</u>
Buyer: (print)	_____	(sign)	_____	Date:	_____
Seller: (print)	_____	(sign)	_____	Date:	_____
Seller: (print)	_____	(sign)	_____	Date:	_____

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[No further text appears on this page.]

PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY

This PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY (this "Agreement") is accepted, made and entered into on the later of the two dates shown beneath the parties' signatures on the signature page attached hereto (the "Execution Date"):

BETWEEN: Walter J. Kmetic, Trustee and/or Kenneth Kmetic ("Seller")

Address: 22023 S. Monte Carlo Way, Oregon City, OR 97045

Home Phone: \_\_\_\_\_

Office Phone: \_\_\_\_\_

Fax No.: \_\_\_\_\_

E-Mail: \_\_\_\_\_

AND: City of Gladstone, Oregon ("Buyer")

Address: 525 Portland Avenue, Gladstone, OR 97027

Attn: Mr. Eric Swanson, City Ad

Home Phone: \_\_\_\_\_

Office Phone: (503) 557-2767

Fax No.: \_\_\_\_\_

E-Mail: swanson@cigladstone.or.us

1. Purchase and Sale.

1.1 Generally. In accordance with this Agreement, Buyer agrees to buy and acquire from Seller, and Seller agrees to sell to Buyer the following, all of which are collectively referred to in this Agreement as the "Property:" (a) the real property and all improvements thereon generally described or located at 18505 Portland Avenue, Gladstone, OR and consisting of three (3) buildings totaling 3,720 SF on 84,271 SF of land, legally described as 228 Meldrum Block in the City of Gladstone, County of Clackamas, Oregon, Map #22E19AA/02000, Parcel #00520118) (if no legal description is attached, the legal description shall be based on the legal description provided in the Preliminary Report (described in Section 5), subject to the review and approval of both parties hereto), including all of Seller's right, title and interest in and to all fixtures, appurtenances, and easements thereon or related thereto; (b) all of Seller's right, title and interest, if any, in and to any and all lease(s) to which the Real Estate is subject (each, a "Lease"); and (c) any and all personal property located on and used in connection with the operation of the Real Estate and owned by Seller (the "Personal Property"). If there are any Leases, see Section 21.1, below. The occupancies of the Property pursuant to any Leases are referred to as the "Tenancies" and the occupants thereunder are referred to as "Tenants." If there is any Personal Property, see Section 21.2, below.

1.2 Purchase Price. The purchase price for the Property shall be Eight Hundred Twenty Five Thousand dollars (\$825,000.00) (the "Purchase Price"). The Purchase Price shall be adjusted, as applicable, by the net amount of credits and debits to Seller's account at Closing (defined below) made by Escrow Holder pursuant to the terms of this Agreement. The Purchase Price shall be payable as follows:

1.2.1 Earnest Money Deposit.

(a) Within three (3) days of the Execution Date, Buyer shall deliver into Escrow (as defined herein), for the account of Buyer, Fifty Thousand Dollars (\$50,000) as earnest money (the "Earnest Money") in the form of:

Promissory note (the "Note");  Check; or  Cash or other immediately available funds.

49 If the Earnest Money is being held by the  Selling Firm  Buying Firm, then the firm holding such Earnest  
50 Money shall deposit the Earnest Money in the  Escrow (as hereinafter defined)  Selling Firm's Client Trust  
51 Account  Buying Firm's Clients' Trust Account, no later than 5:00 PM Pacific Time three (3) business days after  
52 such firm's receipt, but in no event later than the date set forth in the first sentence of this Section 1.2.1(a).

53  
54 (b) If the Earnest Money is in the form of a Note, it shall be due and payable  no later  
55 than 5:00 PM Pacific Time three (3) days after the Execution Date;  after satisfaction or waiver by Buyer of the  
56 conditions to Buyer's obligation to purchase the Property set forth in this Agreement; or  Other: \_\_\_\_\_. If the  
57 terms of the Note and this Agreement conflict, the terms of this Agreement shall govern. If the Note is not redeemed  
58 and paid in full when due, then: (i) the Note shall be delivered and endorsed to Seller (if not already in Seller's  
59 possession); (ii) Seller may collect the Earnest Money from Buyer, either pursuant to an action on the Note or an  
60 action on this Agreement; and (iii) Seller shall have no further obligations under this Agreement.

61  
62 (c) The purchase and sale of the Property shall be accomplished through an escrow (the  
63 "Escrow") that Seller has established or will establish with Lawyers Title Company, 121 SW Morrison Street, Suite  
64 500 Portland, OR 97204 Attn: Peggy Neikirk (the "Escrow Holder") within three (3) days after the Execution Date.  
65 Except as otherwise provided in this Agreement: (i) any interest earned on the Earnest Money shall be considered  
66 to be part of the Earnest Money; (ii) the Earnest Money shall be non-refundable upon satisfaction or waiver of all  
67 Conditions as defined in Section 2.1; and (iii) the Earnest Money shall be applied to the Purchase Price at Closing.

68  
69 1.2.2 Balance of Purchase Price. Buyer shall pay the balance of the Purchase Price at Closing  
70 by  cash or other immediately available funds; or  Other: \_\_\_\_\_.

71  
72 1.3 Section 1031 Like-Kind Exchange. Each party acknowledges that either party (as applicable, the  
73 "Exchanging Party") may elect to engage in and affect a like-kind exchange under Section 1031 of the Internal  
74 Revenue Code of 1986, as amended, involving the Property (or any legal lot thereof) (a "1031 Exchange"). The non-  
75 exchanging party with respect to a 1031 Exchange is referred to herein as the "Cooperating Party." Buyer and Seller  
76 each hereby agrees to reasonably cooperate with the other in completing each such 1031 Exchange; provided,  
77 however, that such cooperation shall be at the Exchanging Party's sole expense and shall not delay the Closing for  
78 the Property. Accordingly, the Exchanging Party may assign the Exchanging Party's rights with respect to the  
79 Property (or any legal lot thereof) to a person or entity for the purpose of consummating a 1031 Exchange  
80 ("Intermediary"), provided that such assignment does not delay the Closing for the Property (or applicable legal lot  
81 thereof), or otherwise reduce or diminish the Exchanging Party's liabilities or obligations hereunder. Such  
82 assignment by the Exchanging Party shall not release the Exchanging Party from the obligations of the Exchanging  
83 Party under this Agreement. The Cooperating Party shall not suffer any costs, expenses or liabilities for cooperating  
84 with the Exchanging Party and shall not be required to take title to the exchange property. The Exchanging Party  
85 agrees to indemnify, defend and hold the Cooperating Party harmless from any liability, damages and costs arising  
86 out of the 1031 Exchange. See also, Addendum, Section 1033 Exchange.

## 87 88 2. Conditions to Purchase.

89  
90 2.1 Buyer's obligation to purchase the Property is conditioned on the following:

- 91  
92  None;
- 93  Within \_\_\_\_\_ days of the Execution Date, Buyer's approval of the results of (collectively, the  
94 "General Conditions"); (a) the Property inspection described in Section 3 below; (b) the  
95 document review described in Section 4 below; and (c) (describe any other condition) \_\_\_\_\_;
- 96  Within \_\_\_\_\_ days of the Execution Date, Buyer's receipt of confirmation of satisfactory  
97 financing (the "Financing Condition"); and/or
- 98  Other See Addendum [Other conditions must be specifically identified].

99 The General Conditions, Financing Conditions or any other Conditions noted shall be defined as "Conditions."

100  
101 2.2 If, for any reason in Buyer's sole discretion, Buyer has not timely given written waiver of the  
102 Conditions set forth in Section 2.1, or stated in writing that such Conditions have been satisfied, by notice given to  
103 Seller within the time periods for such conditions set forth above, this Agreement shall be deemed automatically  
104 terminated, the Earnest Money shall be promptly returned to Buyer, and thereafter, except as specifically provided to  
105 the contrary herein, neither party shall have any further right or remedy hereunder.

106  
107 3. Property Inspection. Seller shall permit Buyer and its agents, at Buyer's sole expense and risk, to enter  
108 the Property at reasonable times after reasonable prior notice to Seller and after prior notice by Seller to the Tenants  
109 as required by the applicable Leases, if any, to conduct any and all inspections, tests, and surveys concerning the  
110 structural condition of the improvements, all mechanical, electrical and plumbing systems, hazardous materials, pest  
111 infestation, soils conditions, wetlands, Americans with Disabilities Act compliance, zoning, and all other matters  
112 affecting the suitability of the Property for Buyer's intended use and/or otherwise reasonably related to the purchase  
113 of the Property including the economic feasibility of such purchase. If the transaction contemplated in this  
114 Agreement fails to close for any reason (or no reason) as a result of the act or omission of Buyer or its agents, Buyer  
115 shall promptly restore the Property to substantially the condition the Property was in prior to Buyer's performance of  
116 any inspections or work. To the extent permitted by the Oregon Constitution and Oregon Tort Claims Act Buyer  
117 shall indemnify, hold harmless, and defend Seller from all liens, costs, and expenses, including reasonable  
118 attorneys' fees and experts' fees, arising from or relating to Buyer's entry on and inspection of the Property. This  
119 agreement to indemnify, hold harmless, and defend Seller shall survive Closing or any termination of this  
120 Agreement.

121  
122 4. Seller's Documents. Within five (5) days after the Execution Date, Seller shall deliver to Buyer or  
123 Buyer's designee, legible and complete copies of the following documents, including without limitation, a list of the  
124 Personal Property, and other items relating to the ownership, operation, and maintenance of the Property to the  
125 extent now in existence and to the extent such items are or come within Seller's possession or control, including but  
126 not limited to: all building plans, environmental assessments, boundary surveys, records of roof repairs and  
127 inspection reports, DEQ environmental testing reports, real estate tax records and assessments and vendor  
128 contracts to include maintenance and service contracts; any leases and agreements related to occupancy of the  
129 property.

130  
131 5. Title Insurance. Within ten (10) days after the Execution Date, Seller shall cause to be delivered to  
132 Buyer a preliminary title report from the title company (the "Title Company") selected by Seller (the "Preliminary  
133 Report"), showing the status of Seller's title to the Property, together with complete and legible copies of all  
134 documents shown therein as exceptions to title ("Exceptions"). Buyer shall have fourteen (14) days after receipt of a  
135 copy of the Preliminary Report and Exceptions within which to give notice in writing to Seller of any objection to such  
136 title or to any liens or encumbrances affecting the Property. Within seven (7) days after receipt of such notice  
137 from Buyer, Seller shall give Buyer written notice of whether it is willing and able to remove the objected-to  
138 Exceptions. Without the need for objection by Buyer, Seller shall, with respect to liens and encumbrances that can  
139 be satisfied and released by the payment of money, eliminate such exceptions to title on or before Closing. Within  
140 fourteen (14) days after receipt of such notice from Seller (the "Title Contingency Date"), Buyer shall elect whether  
141 to: (i) purchase the Property subject to those objected-to Exceptions which Seller is not willing or able to remove; or  
142 (ii) terminate this Agreement. If Buyer fails to give Seller notice of Buyer's election, then such inaction shall be  
143 deemed to be Buyer's election to terminate this Agreement. On or before the Closing Date (defined below), Seller  
144 shall remove all Exceptions to which Buyer objects and which Seller agrees, or is deemed to have agreed, Seller is  
145 willing and able to remove. All remaining Exceptions set forth in the Preliminary Report and those Exceptions  
146 caused by or agreed to by Buyer shall be deemed "Permitted Exceptions."

148 6. Default; Remedies. Notwithstanding anything to the contrary contained in this Agreement, in the event  
149 Buyer fails to deposit the Earnest Money in Escrow strictly as and when contemplated under Section 1.2.1 above,  
150 Seller shall have the right at any time thereafter, but prior to Buyer's deposit of the Earnest Money to Escrow, to  
151 terminate this Agreement and all further rights and obligations hereunder by giving written notice thereof to Buyer. If  
152 the conditions, if any, to Buyer's obligation to consummate this transaction are satisfied or waived by Buyer and  
153 Buyer fails, through no fault of Seller, to close on the purchase of the Property, Seller's sole remedy shall be to retain  
154 the Earnest Money paid by Buyer. In the event Seller fails, through no fault of Buyer, to close the sale of the  
155 Property, Buyer shall be entitled to pursue any remedies available at law or in equity, including without limitation, the  
156 return of the Earnest Money paid by Buyer or the remedy of specific performance. In no event shall either party be  
157 entitled to punitive or consequential damages, if any, resulting from the other party's failure to close the sale of the  
158 Property.

159  
160 7. Closing of Sale.

161  
162 7.1 Buyer and Seller agree the sale of the Property shall be consummated, in Escrow,  on or before  
163 \_\_\_\_\_ or  not later than thirty (30) days after the conditions set forth in Sections 2.1, 3, 4 and 5 have been  
164 satisfied or waived in writing by Buyer (the "Closing" or the "Closing Date"). The sale of the Property shall be  
165 deemed closed when the document(s) conveying title to the Property is/are delivered and recorded and the  
166 Purchase Price is disbursed to Seller.

167  
168 7.2 At Closing, Buyer and Seller shall deposit with the Escrow Holder all documents and funds  
169 required to close the transaction in accordance with the terms of this Agreement. At Closing, Seller shall  
170 deliver a certification in a form provided by the Escrow Holder confirming whether Seller is or is not a "foreign  
171 person" as such term is defined by applicable law and regulations.

172  
173 7.3 At Closing, Seller shall convey fee simple title to the Property to Buyer by  statutory warranty  
174 deed or  \_\_\_\_\_ (the "Deed"). At Closing, Seller shall cause the Title Company to deliver to Buyer a standard  
175 ALTA form owner's policy of title insurance (the "Title Policy") in the amount of the Purchase Price insuring fee  
176 simple title to the Property in Buyer subject only to the Permitted Exceptions and the standard preprinted exceptions  
177 contained in the Title Policy. Seller shall reasonably cooperate in the issuance to Buyer of an ALTA extended form  
178 policy of title insurance. Buyer shall pay any additional expense resulting from the ALTA extended coverage and  
179 any endorsements required by Buyer.

180  
181 8. Closing Costs; Prorations. Seller shall pay the premium for the Title Policy, provided, however, if Buyer  
182 elects to obtain an ALTA extended form policy of title insurance and/or any endorsements, Buyer shall pay the  
183 difference in the premium relating to such election. Seller and Buyer shall each pay one-half (1/2) of the escrow fees  
184 charged by the Escrow Holder. Any excise tax and/or transfer tax shall be paid in accordance with the local custom  
185 determined by the Title Company and applicable law. Real property taxes for the tax year of the Closing,  
186 assessments (if a Permitted Exception), personal property taxes, rents and other charges arising from existing  
187 Tenancies paid for the month of Closing, interest on assumed obligations, and utilities shall be prorated as of the  
188 Closing Date. If applicable, prepaid rents, security deposits, and other unearned refundable deposits relating to  
189 Tenancies shall be assigned and delivered to Buyer at Closing.  Seller  Buyer  N/A shall be responsible for  
190 payment of all taxes, interest, and penalties, if any, upon removal of the Property from any special assessment or  
191 program.

192  
193 9. Possession. Seller shall deliver exclusive possession of the Property, subject to the Tenancies (if any)  
194 existing as of the Closing Date, to Buyer  on the Closing Date or  \_\_\_\_\_.

195  
196 10. Condition of Property. Seller represents that Seller has received no written notices of violation of any  
197 laws, codes, rules, or regulations applicable to the Property ("Laws"). Seller represents that, to the best of Seller's

198 knowledge without specific inquiry, Seller is not aware of any such violations or any concealed material defects in  
199 the Property. Unless caused by Buyer, Seller shall bear all risk of loss and damage to the Property until Closing,  
200 and Buyer shall bear such risk at and after Closing. Except for Seller's representations set forth in this Section 10  
201 and the attached Exhibit E, Buyer shall acquire the Property "AS IS" with all faults and Buyer shall rely on the results  
202 of its own inspection and investigation in Buyer's acquisition of the Property. It shall be a condition of Buyer's  
203 Closing obligation that all of Seller's representations and warranties stated in this Agreement are materially true and  
204 correct on the Closing Date. Seller's representations and warranties stated in this Agreement shall survive Closing  
205 for two (2) years.

206  
207 10.1 Code Violations.

208 Seller shall effectuate such repairs or other cures that may become necessary to remedy any  
209 violations of applicable zoning ordinances and building codes.

210  
211 10.2 Operation of Real Estate.

212 Seller agrees that prior to Closing:

213 10.2.1 Seller shall manage and operate the Real Estate in the ordinary and usual manner and  
214 use commercially-reasonable efforts to preserve its relations with all suppliers and others having business dealing  
215 with it.

216 10.2.2 Seller shall maintain the Real Estate in its present order and condition.

217 10.2.3 Seller shall not make any commitment or incur any liability to any labor union, through  
218 negotiations or otherwise.

219 10.2.4 Seller shall keep in effect all building permits, certificates of occupancy, licenses,  
220 conditional use permits and other specific entitlements and approvals issued with respect to the Real Estate by any  
221 applicable public authority and required for the continued use and operation of the Improvements, and shall  
222 undertake in a timely manner all actions necessary to extend and/or renew the same.

223  
224 10.3 Liens.

225 Seller shall keep the Real Estate free and clear of all liens (other than the lien of current property  
226 taxes and assessments), claims or demands, including, but not limited to, mechanics' liens, in connection with work  
227 performed and materials provided before the Closing, and if any such lien is filed or levied, Seller shall secure its  
228 release within ten (10) days after it is notified of the filing or levy. Seller shall not cause or allow any encumbrance,  
229 lien, mortgage, deed of trust or similar financial lien (whether or not recorded) to be placed against the Real Estate  
230 without the prior written consent of Buyer.

231  
232 10.4 New Contracts.

233 Seller shall not become a party to any new Contracts that will be the obligation of Buyer on or after  
234 the Closing with respect to all or any portion of the Real Estate without Buyer's prior written consent.

235  
236 11. REPRESENTATIONS AND WARRANTIES OF SELLER

237 11.1 Representations and Warranties.

238 Seller covenants, represents and warrants to Buyer that:

239  
240 11.1.1 Copies of Documents and Records.

241 Seller has or shall, in accordance with Section 4.2.5, provide Buyer with, or make  
242 available to Buyer, true, complete and correct copies of all executed documents, plans, specifications, reports,  
243 warranties, governmental consents, permits and approvals, Contracts, and all other agreements entered into by  
244 Seller or outstanding with respect to the Real Estate which are in Seller's possession or control.

245  
246 11.1.2 Service Contracts.

247 No portion of the Real Estate shall be subject to any Contract after the Closing Date  
248 except for those Contracts approved by Buyer in writing prior to the Closing Date. All Contracts are valid and in full  
249 force and effect and unmodified, and (i) no party has breached any material condition or provision of any Contract,  
250 (ii) no party is in default in any material respect under the terms of any Contract, and (iii) no event has occurred  
251 which with the giving of notice or the passage of time, or both, would constitute a material default.

252 11.1.3 Hazardous Substances.

253 To the best of Seller's knowledge, no governmental authority has notified Seller of the  
254 need to take corrective action regarding elimination or control of Hazardous Materials, defined below, on or about  
255 the Real Estate. To Seller's current, actual knowledge, without duty of investigation or inquiry, neither Seller nor any  
256 other tenant, occupant or user of the Real Estate used, generated, manufactured, installed, released, discharged,  
257 stored or disposed of any Hazardous Materials on, under, in or about the Real Estate, or transported any Hazardous  
258 Materials to or from the Real Estate, and to Seller's current, actual knowledge, without duty of investigation or  
259 inquiry, there are no Hazardous Materials or underground storage tanks located on, under, in or about the Real  
260 Estate. The term "Hazardous Materials" shall mean any substance, material or waste which is or becomes regulated  
261 by any local governmental authority, the State of Oregon, or the United States Government, including, but not limited  
262 to, any material or substance which is (i) petroleum, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) designated as a  
263 "hazardous substance" pursuant to Section 311 of the Clean Water Act, 22 U.S.C 1251 et seq. (33 U.S.C. 1321) or  
264 listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. 1317), (v) defined as a "Hazardous waste" pursuant  
265 to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et seq. (42 U.S.C. 6903) or (vi)  
266 defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response,  
267 Compensation, and Liability Act, 42 U.S.C. 9601 et seq. (42 U.S.C. 9601).

268  
269 11.1.4 Legal Actions.

270 To the best of the Seller's knowledge there are no condemnation, environmental, zoning  
271 or other land-use regulation proceedings, either instituted, or planned to be instituted, or any other litigation, actions,  
272 suits or proceedings pending or threatened which would affect the use, occupancy or operation of the Real Estate  
273 for its intended purpose or Seller's ability to perform hereunder or the value of the Real Estate, nor has Seller  
274 received notice of any pending or threatened special assessment proceedings affecting the Real Estate.

275  
276 11.1.5 Documents.

277 All the documents executed by Seller which are to be delivered to Buyer at the Closing  
278 are and at the time of Closing will be duly authorized, executed, and delivered by Seller.

279  
280 11.1.6 Compliance with Laws.

281 In connection with the conduct of the business of the Real Estate, Seller has complied in  
282 all material respects with all applicable laws, ordinances, rules and regulations (including without limitation those  
283 relating to zoning and the requirements of Title III of the Americans with Disabilities Act of 1990 (42 U.S.C. 12181, et  
284 seq., The Provisions Governing Public Accommodations and Services Operated by Private Entities), and all  
285 regulations promulgated thereunder, and all amendments, revisions or modifications thereto), and Seller has not  
286 been informed of a violation of any such laws, rules or regulations.

287  
288 11.1.7 Non-Foreign Person.

289 Seller is not a "foreign person" as such term is defined in Section 1445(f) of the Internal  
290 Revenue Code of 1986, as amended, and Seller is not subject to withholding under the Oregon tax code.

291  
292 11.1.8 Physical Condition.

293 To Seller's current, actual knowledge, without duty of investigation or inquiry, there are no  
294 material defects in the Improvements, including, without limitation, the structure or roof of the Improvements. To  
295 Seller's current, actual knowledge, without duty of investigation or inquiry, the Improvements and tangible Personal



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14. Attorneys' Fees. In the event a suit, action, arbitration, or other proceeding of any nature whatsoever, including without limitation any proceeding under the U.S. Bankruptcy Code, is instituted, or the services of an attorney are retained, to interpret or enforce any provision of this Agreement or with respect to any dispute relating to this Agreement, the prevailing or non-defaulting party shall be entitled to recover from the losing or defaulting party its attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and expenses actually incurred in connection therewith (the "Fees"). In the event of suit, action, arbitration, or other proceeding, the amount of Fees shall be determined by the judge or arbitrator, shall include all costs and expenses incurred on any appeal or review, and shall be in addition to all other amounts provided by law.

15. Statutory Notice. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009.

16. Cautionary Notice About Liens. UNDER CERTAIN CIRCUMSTANCES, A PERSON WHO PERFORMS CONSTRUCTION-RELATED ACTIVITIES MAY CLAIM A LIEN UPON REAL PROPERTY AFTER A SALE TO THE PURCHASER FOR A TRANSACTION OR ACTIVITY THAT OCCURRED BEFORE THE SALE. A VALID CLAIM MAY BE ASSERTED AGAINST THE PROPERTY THAT YOU ARE PURCHASING EVEN IF THE CIRCUMSTANCES THAT GIVE RISE TO THAT CLAIM HAPPENED BEFORE YOUR PURCHASE OF THE PROPERTY. THIS INCLUDES, BUT IS NOT LIMITED TO, CIRCUMSTANCES WHERE THE OWNER OF THE PROPERTY CONTRACTED WITH A PERSON OR BUSINESS TO PROVIDE LABOR, MATERIAL, EQUIPMENT OR SERVICES TO THE PROPERTY AND HAS NOT PAID THE PERSONS OR BUSINESS IN FULL.

17. Brokerage Agreement. For purposes of Sections 14 and 17 of this Agreement, the Agency Acknowledgement on page 1 this Agreement is incorporated into this Agreement as if fully set forth herein. Seller agrees to pay a commission to Selling Firm in the amount of either:  \_\_\_\_\_ percent (\_\_\_\_%) of the Purchase Price or  \$\_\_\_\_. Such commission shall be divided between Selling Firm and Buying Firm such that Selling Firm receives \_\_\_\_\_ percent (\_\_\_\_%) and Buying Firm receives \_\_\_\_\_ percent (\_\_\_\_%). Seller shall cause the Escrow Holder to deliver to Selling Firm and Buying Firm the real estate commission on the Closing Date or upon Seller's breach of this Agreement, whichever occurs first. If the Earnest Money is forfeited by Buyer and retained by Seller in accordance with this Agreement, in addition to any other rights the Selling Firm and Buying Firm may have, the Selling Firm and the Buying Firm, together, shall be entitled to the lesser of: (i) fifty percent (50%) of the Earnest Money; or (ii) the commission agreed to above, and Seller hereby assigns such amount to the Selling Firm and the Buying Firm. NO BROKERAGE FEE SHALL BE PAID BY SELLER INCIDENT TO THIS TRANSACTION. A BROKERAGE FEE OF FOUR PERCENT (4%) OF THE SALES PRICE WILL BE PAID BY THE CITY OF GLADSTONE.

18. Notices. Unless otherwise specified, any notice required or permitted in, or related to this Agreement must be in writing and signed by the party to be bound. Any notice will be deemed delivered: (a) when personally delivered; (b) when delivered by facsimile or electronic mail transmission (in either case, with confirmation of

396 delivery); (c) on the day following delivery of the notice by reputable overnight courier; or (d) on the day following  
397 delivery of the notice by mailing by certified or registered U.S. mail, postage prepaid, return receipt requested; and in  
398 any case shall be sent by the applicable party to the address of the other party shown at the beginning of this  
399 Agreement, unless that day is a Saturday, Sunday, or federal or Oregon State legal holiday, in which event such  
400 notice will be deemed delivered on the next following business day.

401  
402 19. Miscellaneous. Time is of the essence of this Agreement. If the deadline under this Agreement for  
403 delivery of a notice or performance of any obligation is a Saturday, Sunday, or federal or Oregon State legal holiday,  
404 such deadline will be deemed extended to the next following business day. The facsimile and/or electronic mail  
405 transmission of any signed document including this Agreement in accordance with Section 18 shall be the same as  
406 delivery of an original. At the request of either party, the party delivering a document by facsimile and/or electronic  
407 mail will confirm such transmission by signing and delivering to the other party a duplicate original document. This  
408 Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall  
409 constitute one and the same Agreement. This Agreement contains the entire agreement and understanding of the  
410 parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous  
411 agreements between them. Without limiting the provisions of Section 12 of this Agreement, this Agreement shall be  
412 binding upon and shall inure to the benefit of Buyer and Seller and their respective successors and assigns. Solely  
413 with respect to Sections 14 and 17, Selling Firm and Buying Firm are third party beneficiaries of this Agreement.  
414 The person signing this Agreement on behalf of Buyer and the person signing this Agreement on behalf of Seller  
415 each represents covenants and warrants that such person has full right and authority to enter into this Agreement  
416 and to bind the party for whom such person signs this Agreement to its terms and provisions. Neither this  
417 Agreement nor a memorandum hereof shall be recorded unless the parties otherwise agree in writing.

418  
419 20. Governing Law. This Agreement is made and executed under, and in all respects shall be governed  
420 and construed by, the laws of the State of Oregon.

421  
422 21. Lease(s) and Personal Property.

423  
424 21.1 Leases.

425  
426 21.1.1 If required by Buyer or Buyer's lender and provided for in such Tenant's Lease, Seller  
427 shall use commercially reasonable efforts to deliver to Buyer, at least three (3) days (three (3) if not filled in) before  
428 the Closing Date, a Tenant estoppel certificate, reasonably acceptable to Buyer, pertaining to each Lease at the  
429 Property in effect as of the Closing Date (each, a "Tenant Estoppel"). Such Tenant Estoppels shall be dated no  
430 more than fifteen (15) days (fifteen (15) if not filled in) prior to the Closing Date and shall certify, among other  
431 things: (a) that the Lease is unmodified and in full force and effect, or is in full force and effect as modified, and  
432 stating the modifications; (b) the amount of the rent and the date to which rent has been paid; (c) the amount of any  
433 security deposit held by Seller; and (d) that neither party is in default under the Lease or if a default by either party is  
434 claimed, stating the nature of any such claimed default. If Seller has not obtained Tenant Estoppels from all  
435 Tenants of the Property, then Seller shall execute and deliver to Buyer a Tenant Estoppel with respect to any such  
436 Lease setting forth the information required by this Section 21.1 and confirming the accuracy thereof.

437  
438 21.1.2 If applicable, the assignment of the Lease(s) by Seller, and assumption of the Lease(s) by  
439 Buyer shall be accomplished by executing and delivering to each other through Escrow an Assignment of Lessor's  
440 Interest under Lease substantially in the form of Exhibit B attached hereto (the "Assignment").

441  
442 21.2 Personal Property. If applicable, Seller shall convey all Personal Property to Buyer by  
443 executing and delivering to Buyer at Closing through Escrow (as defined below), a Bill of Sale substantially in the  
444 form of Exhibit C attached hereto (the "Bill of Sale"). A list of such Personal Property shall be attached to the Bill of  
445 Sale.

446  
447 22. Residential Lead-Based Paint Disclosure. IF THE PROPERTY CONSISTS OF RESIDENTIAL  
448 HOUSING BUILT PRIOR TO 1978, BUYER AND SELLER MUST COMPLETE THE LEAD-BASED PAINT  
449 DISCLOSURE ADDENDUM ATTACHED HERETO AS EXHIBIT D.

450  
451 23. Addenda: Exhibits. The following named addenda and exhibits are attached to this Agreement and  
452 incorporated within this Agreement:

- 453  Exhibit A – Legal Description of Property [REQUIRED]  
454  Exhibit B – Assignment of Lessor's Interest under Lease (if applicable)  
455  Exhibit C – Bill of Sale (if applicable)  
456  Exhibit D – Lead Paint Disclosure Addendum (if applicable)  
457  Exhibit E – AS IS Exceptions (if applicable)  
458  
459

460 24. Time for Acceptance. If Seller does not return to Buyer a signed and dated version of this Agreement  
461 on or before 5:00 PM Pacific Time on April 1, 2016, then the Earnest Money shall be promptly refunded to Buyer  
462 and thereafter, neither party shall have any further right or obligation hereunder.

463  
464 25. OFAC Certification. The Federal Government, Executive Order 13224, requires that business persons  
465 of the United States not do business with any individual or entity on a list of "Specially Designated nationals and  
466 Blocked Persons" - that is, individuals and entities identified as terrorists or other types of criminals. Buyer  
467 hereinafter certifies that:

468  
469 25.1 It is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation  
470 named by any Executive Order or the United States Treasury Department as a terrorist, specially designated  
471 national and/or blocked person, entity, nation, or transaction pursuant to any law, order, rule, or regulation that is  
472 enforced or administered by the Office of Foreign Assets Control; and

473  
474 25.2 It has not executed this Agreement, directly or indirectly on behalf of, or instigating or  
475 facilitating this Agreement, directly or indirectly on behalf of, any such person, group, entity, or nation.

476  
477 Buyer hereby agrees to defend, indemnify, and hold harmless Seller from and against any and all claims, damages,  
478 losses, risks, liabilities, and expenses (including attorney's fees and costs) arising from or related to any breach of  
479 the foregoing certification. This certification by Buyer and agreement to indemnify, hold harmless, and defend Seller  
480 shall survive Closing or any termination of this Agreement.

481  
482 Buyer Signature: P. C. Watson Date: 15 MARCH 2016  
483

484 CONSULT YOUR ATTORNEY. THIS DOCUMENT HAS BEEN PREPARED FOR SUBMISSION TO YOUR  
485 ATTORNEY FOR REVIEW AND APPROVAL PRIOR TO SIGNING. NO REPRESENTATION OR  
486 RECOMMENDATION IS MADE BY THE COMMERCIAL ASSOCIATION OF BROKERS OREGON/SW  
487 WASHINGTON OR BY THE REAL ESTATE AGENTS INVOLVED WITH THIS DOCUMENT AS TO THE LEGAL  
488 SUFFICIENCY OR TAX CONSEQUENCES OF THIS DOCUMENT.

489  
490 THIS FORM SHOULD NOT BE MODIFIED WITHOUT SHOWING SUCH MODIFICATIONS BY REDLINING,  
491 INSERTION MARKS, OR ADDENDA.

492  
493 Buyer The City of Gladstone, Oregon  
494 By P. C. Watson  
495 Title City Administrator

496 Date \_\_\_\_\_

497

498 Seller Acceptance. By execution of this Agreement, Seller agrees to sell the Property on the terms and conditions in  
499 this Agreement.

500

501 Seller Walter J. Kmetc, Trustee and/or Kenneth Kmetc

502 By \_\_\_\_\_

503 Title \_\_\_\_\_

504 Date \_\_\_\_\_

505 By \_\_\_\_\_

506 Date \_\_\_\_\_

507

508  
509  
510  
511  
512  
513  
514

CRITICAL DATE LIST:

The last party to execute this Agreement shall complete the information below (the "Critical Date List"), initial where indicated, and return a copy of the same to the other party for such party's review. This Critical Date List is for reference purposes only and, in the event of a conflict between this Critical Date List and the Agreement, the terms of the Agreement shall prevail.

	DATE:
• Execution Date (Introductory paragraph):	_____
• Earnest Money due date (Section 1.2.1(a)):	_____
• Seller shall open Escrow with the Escrow Holder (Section 1.2.1(a)):	Before _____
• Seller shall deliver Seller's documents to Buyer (Section 4):	Within _____ days after the Execution Date
• Seller shall deliver Preliminary Report to Buyer (Section 5):	Within _____ days after the Execution Date
• Buyer's title objection notice due to Seller (Section 5):	Within _____ days after receipt of the Preliminary Report
• Seller's title response due to Buyer (Section 5):	Within _____ days after receipt of Buyer's title objection notice
• Title Contingency Date (Section 5):	Within _____ days after receipt of Seller's title response
• Expiration date for satisfaction of General Conditions (Section 2.1):	Within _____ days of the Execution Date
• Expiration date for satisfaction of Financing Condition (Section 2.1):	Within _____ days of the Execution Date
• By this date, Buyer must deliver the notice to proceed contemplated in Section 2.2.	Within _____ days of the Execution Date
• Closing Date (Section 7.1):	_____

515  
516

Initials of Buyer: \_\_\_\_\_      Initials of Seller: \_\_\_\_\_  
Initials of Buyer: \_\_\_\_\_      Initials of Seller: \_\_\_\_\_

EXHIBIT A  
LEGAL DESCRIPTION OF PROPERTY

---

EXHIBIT B

1 RECORDING REQUESTED BY \_\_\_\_\_ AND \_\_\_\_\_  
2 WHEN RECORDED MAIL TO:  
3 Company: \_\_\_\_\_  
4 Address: \_\_\_\_\_  
5 City, State, Zip \_\_\_\_\_  
6

7 ASSIGNMENT OF LEASES

8  
9 THIS ASSIGNMENT OF LEASES (this "Assignment") is made and entered into as of this \_\_\_\_\_ day of  
10 \_\_\_\_\_, by and between \_\_\_\_\_, a \_\_\_\_\_ ("Assignor"), and \_\_\_\_\_, a \_\_\_\_\_ ("Assignee").  
11

12 RECITALS

13  
14 This Assignment is entered into on the basis of and with respect to the following facts, agreements and  
15 understandings:  
16

17 A. On \_\_\_\_\_, \_\_\_\_\_, Assignor, as "Lessor," and \_\_\_\_\_, \_\_\_\_\_ as "Lessee," entered into a certain Lease,  
18 pursuant to which said Lessor leased to said Lessee certain real property in the City of \_\_\_\_\_, County of \_\_\_\_\_,  
19 State of \_\_\_\_\_ (the "Premises"), which Premises are a portion of the property more particularly described on  
20 Exhibit A, attached hereto and made part hereof by this reference (the "Property"). Said Lease is hereinafter  
21 referred to as the "Lease."  
22

23 B. By an instrument dated of even date herewith and recorded prior to this instrument, Assignor sold and  
24 conveyed its fee interest in and to the Property to Assignee and, in conjunction therewith, Assignor agreed to assign  
25 its interest as Lessor under the Lease to Assignee and Assignee agreed to assume the obligations of the Lessor  
26 under the Lease, all as more particularly set forth in this Assignment.  
27

28 NOW, THEREFORE, for good and valuable consideration, including the mutual covenants and agreements  
29 set forth herein, Assignor and Assignee agree as follows:  
30

31 1. Assignment. Assignor hereby sells, assigns, grants, transfers and sets over to Assignee, its heirs,  
32 personal representatives, successors and assigns, all of Assignor's right, title and interest as Lessor under the  
33 Lease.  
34

35 2. Acceptance of Assignment and Assumption of Obligations. Assignee hereby accepts the  
36 assignment of the Lessor's interest under the Lease and, for the benefit of Assignor, assumes and agrees faithfully  
37 to perform all of the obligations which are required to be performed by the Lessor under the Lease on or after the  
38 Effective Date (defined below).  
39

40 3. Effective Date. The effective date of this Assignment and each and every provision hereof is and  
41 shall be \_\_\_\_\_ (the "Effective Date"). (If no dated is identified, the Effective Date shall be the date the deed  
42 from Assignor to Assignee is recorded.)  
43

44 4. Assignor's Indemnity of Assignee. Assignor hereby agrees to defend (with counsel reasonably  
45 satisfactory to Assignee) and indemnify Assignee, its heirs, personal representatives, successors and assigns, and  
46 each of them, from and against any and all claims, suits, demands, causes of action, actions, liabilities, losses,  
47 damages, costs and expenses (including attorneys' fees) arising out of or resulting from any act or omission  
48 committed or alleged to have been committed by Assignor as Lessor under the Lease, including without limitation

49 any breach or default committed or alleged to have been committed by the Lessor under the Lease, prior to the  
50 Effective Date.

51  
52 5. Assignee's Indemnity of Assignor. Assignee, for itself and on behalf of its heirs, personal  
53 representatives, successors and assigns, hereby agrees to defend (with counsel reasonably satisfactory to  
54 Assignor) and indemnify Assignor, its partners, and their respective directors, officers, employees, agents,  
55 representatives, successors and assigns, and each of them, from and against any and all claims, suits, demands,  
56 causes of action, actions, liabilities, losses, damages, costs and expenses (including attorneys' fees) arising out of  
57 or resulting from any act or omission committed or alleged to have been committed by Assignee, its heirs, personal  
58 representatives, successors and assigns, as Lessor under the Lease, including without limitation any breach or  
59 default committed or alleged to have been committed by the Lessor under the Lease, on or after the Effective Date.

60  
61 6. Successors and Assigns. This Assignment, and each and every provision hereof, shall bind and  
62 inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and  
63 assigns.

64  
65 7. Governing Law. This Assignment shall be construed and interpreted and the rights and  
66 obligations of the parties hereto determined in accordance with the laws of the state where the Property is located.

67  
68 8. Headings and Captions. The headings and captions of the paragraphs of this Assignment are for  
69 convenience and reference only and in no way define, describe or limit the scope or intent of this Assignment or any  
70 of the provisions hereof.

71  
72 9. Gender and Number. As used in this Assignment, the neuter shall include the feminine and  
73 masculine, the singular shall include the plural and the plural shall include the singular, as the context may require.

74  
75 10. Multiple Counterparts. This Assignment may be executed in counterparts, each of which shall be  
76 deemed an original, but all of which together shall constitute one and the same instrument.

77  
78 11. Attorneys' Fees. In the event a suit, action, arbitration, or other proceeding of any nature  
79 whatsoever, including without limitation any proceeding under the U.S. Bankruptcy Code, is instituted, or the  
80 services of an attorney are retained, to interpret or enforce any provision of this Assignment or with respect to any  
81 dispute relating to this Assignment, the prevailing or non-defaulting party shall be entitled to recover from the losing  
82 or defaulting party its attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and  
83 expenses actually incurred in connection therewith (the "Fees"). In the event of suit, action, arbitration, or other  
84 proceeding, the amount of Fees shall be determined by the judge or arbitrator, shall include all costs and expenses  
85 incurred on any appeal or review, and shall be in addition to all other amounts provided by law.

86  
87 IN WITNESS WHEREOF, the parties hereto have executed this Assignment on the respective dates set  
88 opposite their signatures below, but this Assignment on behalf of such party shall be deemed to have been dated as  
89 of the date first above written.

90 ASSIGNOR: \_\_\_\_\_

91  
92  
93 ASSIGNEE: \_\_\_\_\_

94  
95 *[Acknowledgement page follows.]*  
96

97 Acknowledgment for Assignor

98  
99 STATE OF \_\_\_\_\_ )  
100 ) ss.  
101 County of \_\_\_\_\_ )

102  
103 This instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_, by  
104 \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_ a(n) \_\_\_\_\_, on behalf  
105 of the \_\_\_\_\_.

106  
107 \_\_\_\_\_  
108 Notary Public for Oregon  
109 Printed Name: \_\_\_\_\_  
110 My Commission Expires: \_\_\_\_\_  
111

112  
113 Acknowledgment for Assignee

114  
115  
116 STATE OF \_\_\_\_\_ )  
117 ) ss.  
118 County of \_\_\_\_\_ )

119  
120 This instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_, by  
121 \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_ a(n) \_\_\_\_\_, on behalf  
122 of the \_\_\_\_\_.

123  
124 \_\_\_\_\_  
125 Notary Public for Oregon  
126 Printed Name: \_\_\_\_\_  
127 My Commission Expires: \_\_\_\_\_  
128

EXHIBIT C  
BILL OF SALE

\_\_\_\_ a \_\_\_\_ ("Seller"), for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby bargain, transfer, convey and deliver to \_\_\_\_, a \_\_\_\_ ("Buyer"), its successors and/or assigns:

All of the personal property owned by Seller (collectively, "Personal Property") located in or on the real property located at \_\_\_\_ in the City of \_\_\_\_, County of \_\_\_\_, State of \_\_\_\_, which Personal Property is more particularly described on Schedule 1 attached hereto and incorporated herein by reference.

Seller hereby covenants with Buyer that said Personal Property is free and clear of and from all encumbrances, security interests, liens, mortgages and claims whatsoever and that Seller is the owner of and has the right to sell same. Seller, on behalf of itself and its successors, does hereby warrant and agree to defend the title in and to said Personal Property unto Buyer, its successors or assigns against the lawful claims and demands of all persons claiming by or through Seller.

IT IS UNDERSTOOD AND AGREED THAT BUYER HAS EXAMINED THE PERSONAL PROPERTY HEREIN SOLD AND THAT THIS SALE IS MADE "AS IS, WHERE IS" AND SELLER DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTY OTHER THAN THE WARRANTY OF TITLE SET FORTH ABOVE, AS TO THE PERSONAL PROPERTY INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Buyer and Seller agree that this Bill of Sale shall be effective upon the delivery thereof by Seller to Buyer.

IN WITNESS WHEREOF, the parties have caused this Bill of Sale to be executed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

SELLER:

BUYER:

1 EXHIBIT D  
2 LEAD-BASED PAINT DISCLOSURE ADDENDUM  
3 (TO BE COMPLETED IF THE PROPERTY CONSISTS OF RESIDENTIAL HOUSING BUILT PRIOR TO 1978)  
4

5 Seller and Buyer are parties to that certain Commercial Association of Brokers Oregon / SW Washington Purchase  
6 and Sale Agreement and Receipt for Earnest Money (Oregon Commercial Form) dated \_\_\_\_\_, 20\_\_\_\_ (the  
7 "Purchase Agreement") for the sale of the Property described therein. Capitalized terms used in this addendum  
8 without definition shall have the meanings given them in the Purchase Agreement. Except as expressly modified by  
9 this addendum and any other addendum to the Purchase Agreement executed by Buyer and Seller, the Purchase  
10 Agreement is unmodified. This addendum and the Purchase Agreement may not be modified except in a writing  
11 signed by both Seller and Buyer.

12 LEAD WARNING STATEMENT

13 EVERY PURCHASER OF ANY INTEREST IN RESIDENTIAL REAL PROPERTY ON WHICH A RESIDENTIAL  
14 DWELLING WAS BUILT PRIOR TO 1978 IS NOTIFIED THAT SUCH PROPERTY MAY PRESENT EXPOSURE TO  
15 LEAD FROM LEAD-BASED PAINT THAT MAY PLACE YOUNG CHILDREN AT RISK OF DEVELOPING LEAD  
16 POISONING. LEAD POISONING IN YOUNG CHILDREN MAY PRODUCE PERMANENT NEUROLOGICAL  
17 DAMAGE, INCLUDING LEARNING DISABILITIES, REDUCED INTELLIGENCE QUOTIENT, BEHAVIORAL  
18 PROBLEMS AND IMPAIRED MEMORY. LEAD POISONING ALSO POSES A PARTICULAR RISK TO PREGNANT  
19 WOMEN. THE SELLER OF ANY INTEREST IN RESIDENTIAL REAL PROPERTY IS REQUIRED TO PROVIDE  
20 THE BUYER WITH ANY INFORMATION ON LEAD-BASED PAINT HAZARDS FROM RISK ASSESSMENTS OR  
21 INSPECTIONS IN THE SELLER'S POSSESSION AND NOTIFY THE BUYER OF ANY KNOWN LEAD-BASED  
22 PAINT HAZARDS. A RISK ASSESSMENT OR INSPECTION FOR POSSIBLE LEAD-BASED PAINT HAZARDS IS  
23 RECOMMENDED PRIOR TO PURCHASE.  
24

25 AGENT'S ACKNOWLEDGMENT

26 Seller Agent has informed Seller of Seller's obligations under 42 U.S.C. 4852(d) and Agent is aware of  
27 his/her responsibility to ensure compliance.  
28

29 SELLER'S DISCLOSURE

30 **.1 Presence of lead-based paint and/or lead-based paint hazards (check one below):**

31  Seller has knowledge of lead-based paint and/or lead-based paint hazards in the housing (explain).  
32 \_\_\_\_\_  
33 \_\_\_\_\_  
34

35  Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.  
36  
37

38 **.2 Records and reports available to Seller (check one below):**

39  Seller has provided Buyer with all available records and reports relating to lead-based paint and/or lead-based  
40 paint hazards in the housing (list documents below):  
41 \_\_\_\_\_  
42 \_\_\_\_\_  
43

44  Seller has no reports or records relating to lead-based paint and/or lead-based paint hazards in the housing.  
45  
46  
47

48 The following parties have reviewed the information above and certify, to the best of their knowledge, that the  
49 information they provided is true and accurate. A photocopy of this completed LEAD-BASED PAINT DISCLOSURE  
50 ADDENDUM, together with a copy of any documents listed in Section 2 of Seller's Disclosure above, may be treated  
51 as an original.

Seller Agent \_\_\_\_\_ Date \_\_\_\_\_ ← Seller \_\_\_\_\_ Date \_\_\_\_\_ ←  
Selling Firm \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_ ←

52

53 BEFORE BUYER IS OBLIGATED TO PURCHASE THIS PROPERTY UNDER ANY PURCHASE AND SALE  
54 AGREEMENT, BUYER'S AND SELLER'S SIGNATURES ARE REQUIRED ON THE FORM BELOW.

55

56 BUYER'S ACKNOWLEDGMENT

57 .1 Buyer has received copies of all information listed above in Section 2 of Seller's Disclosure of  
58 this form.

59

60 .2 Buyer has received the pamphlet "Protect Your Family from Lead in Your Home."

61

62 .3 Buyer has (check one below):

63  Elected a ten (10) day opportunity (or mutually agreed upon period) to conduct a  risk assessment or   
64 inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards, providing Buyer the  
65 right to rescind the Purchase Agreement by written notice to Seller no later than the end of such agreed upon 10 day  
66 period if Buyer is not satisfied in Buyer's sole discretion with the results of such risk assessments or inspection, as  
67 applicable. Buyer and Seller hereby agree the ten (10) day period described in the preceding sentence shall begin  
68 \_\_\_\_\_ and end \_\_\_\_\_. Buyer's failure to provide written notice of Buyer's election to rescind the Purchase  
69 Agreement to Seller on or before \_\_\_\_\_, 20\_\_\_\_ shall be deemed a waiver of Buyer's right to rescind as  
70 provided in this addendum. If Buyer timely elects to rescind the Purchase Agreement as provided herein, the  
71 Earnest Money shall be returned to Buyer, together with any interest thereon.

72  Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or  
73 lead-based paint hazards.

Buyer \_\_\_\_\_ Date \_\_\_\_\_ ←

Buyer \_\_\_\_\_ Date \_\_\_\_\_ ←

74

75

CERTIFICATION OF ACCURACY

76

77 This section must be signed by Buyer before Seller signs lines below. The following parties have reviewed  
78 the information and certify, to the best of their knowledge, that the information they provided herein is true and  
79 accurate.

Buyer \_\_\_\_\_ Date \_\_\_\_\_ ← Seller \_\_\_\_\_ Date \_\_\_\_\_ ←

Buyer \_\_\_\_\_ Date \_\_\_\_\_ ← Seller \_\_\_\_\_ Date \_\_\_\_\_ ←

Buyer Agent \_\_\_\_\_ Date \_\_\_\_\_ ← Seller Agent \_\_\_\_\_ Date \_\_\_\_\_ ←

Buying Firm \_\_\_\_\_ Seller Firm \_\_\_\_\_

80

LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE

EXHIBIT E  
AS IS EXCEPTIONS

<input type="checkbox"/>	None
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____

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**Addendum to Purchase and Sale  
Agreement Between  
Walter J. Kmetic, Trustee and/or Kenneth Kmetic, Seller,  
And  
City of Gladstone, Oregon, Buyer  
Dated March 14, 2016**

1. **Buyer's Conditions to Purchase:** This offer to purchase is contingent upon satisfaction of the following contingencies in Buyer's sole and absolute discretion within the below-specified time limits.
  - a) **Document Disclosure:** Within seven (7) days following mutual execution of this Agreement Seller shall deliver the documents referenced in Paragraph 4 of the Purchase and Sale Agreement to Buyer for Buyer's review. Buyer shall have ninety (90) days from receipt of Seller's documents to review said documents. At Buyer's sole, absolute and unfettered discretion, said review of the underlying documents may be judged by Buyer to be unsatisfactory, in which case Buyer shall inform Seller in writing. Failure of Buyer to inform Seller in writing within the above-defined time period shall be deemed to be failure to approve said underlying documents.
  - b) **Condition of Property/Inspection by Buyer:** Buyer shall have ninety (90) days from receipt of Seller's Documents referenced above to conduct a physical inspection of the Property and determine its suitability for Buyer's purposes to include satisfaction as to environmental condition, roof condition and structural integrity of the buildings, compatibility of the buildings for Buyer's intended use, and zoning acceptability. At Buyer's sole, absolute and unfettered discretion, said physical evaluation may be judged by Buyer to be unsatisfactory; in which case Buyer shall inform Seller in writing. Failure of Buyer to inform Seller in writing within the above defined time period shall be deemed to be failure to approve the physical condition.
  - c) **Approvals:** The Gladstone City Council must approve the purchase of the property through a resolution passed by a majority of the Gladstone City Council prior to closing.
  - d) **Satisfaction of Buyer's Contingencies/Nonrefundability of Earnest Money:** Upon the satisfaction or waiver of the above contingencies, Buyer's Fifty Thousand and no/100ths dollars (\$50,000) Promissory Note shall be converted to cash and shall become non-refundable. The earnest money of Fifty Thousand and no/100ths dollars (\$50,000) shall be applied to the purchase price.
2. **Section 1033 Exchange:** Subject purchase by the City of Gladstone is contemplated as an acquisition in lieu of condemnation (involuntary conversion). As such, the proceeds of said sale may be eligible for tax deferred for up to three (3) years under Section 1033 of the Internal Revenue Code. If either party desires to transfer the property through an exchange transaction under Internal Revenue Code Section 1033 (the "Exchanging Party"), the other party ("Other Party") agrees to cooperate with such exchange so long as, a) the Other Party bears no expense in connection with such

cooperation, b) the Other Party incurs and assumes no additional risk or liability, c) the exchange will not result in any impairment or restriction of any remedies or rights of the Other Party, d) the closing is not delayed as a result of the exchange, and e) the Other Party is not required to take or hold title to any exchange property. The Exchanging Party agrees to indemnify, protect, hold harmless, and defend the Other Party from and against any and all claims, damages, costs, liabilities, losses, and expenses, (including reasonable attorney fees) arising out of the exchange transaction. This indemnity shall survive the closing of the transaction contemplated by this Agreement.

**CONTRACT AGREEMENT ON THE PROVISION OF SERVICES  
FOR THE SUPPLY OF WATER AND SEWERAGE SERVICES**

**ARTICLE 1 - SCOPE OF SERVICES**

The contract shall consist of the management and operation of the water supply system and the sewerage system in the territory of the Municipality of ...

The contract shall also include the maintenance and repair of the infrastructure of the water supply system and the sewerage system.

The contract shall be awarded to the contractor who offers the lowest price, provided that the offer meets the technical specifications.

The contract shall be signed by the Municipality and the contractor.

The contract shall be subject to the provisions of the Law on Public Procurement.

*[Handwritten signature]* \_\_\_\_\_ *[Handwritten date]* \_\_\_\_\_  
\_\_\_\_\_

1. The Board of Directors of the Corporation shall have the authority to...  
2. The Board of Directors shall have the authority to...  
3. The Board of Directors shall have the authority to...  
4. The Board of Directors shall have the authority to...  
5. The Board of Directors shall have the authority to...

6. The Board of Directors shall have the authority to...  
7. The Board of Directors shall have the authority to...  
8. The Board of Directors shall have the authority to...  
9. The Board of Directors shall have the authority to...  
10. The Board of Directors shall have the authority to...

11. The Board of Directors shall have the authority to...  
12. The Board of Directors shall have the authority to...  
13. The Board of Directors shall have the authority to...  
14. The Board of Directors shall have the authority to...  
15. The Board of Directors shall have the authority to...

16. The Board of Directors shall have the authority to...  
17. The Board of Directors shall have the authority to...  
18. The Board of Directors shall have the authority to...  
19. The Board of Directors shall have the authority to...  
20. The Board of Directors shall have the authority to...

21. The Board of Directors shall have the authority to...  
22. The Board of Directors shall have the authority to...  
23. The Board of Directors shall have the authority to...  
24. The Board of Directors shall have the authority to...  
25. The Board of Directors shall have the authority to...



**EXHIBIT V**



Mr. Kenneth Kmetic  
Mr. Steven Kmetic  
Mr. Kevin Kmetic

**Re: City of Gladstone Purchase of 18505**

Dear Sellers:

The City of Gladstone has requested an Extension of the due diligence period for removal of their Environmental/Property Condition contingency until September 18, 2016.

The purpose of this sixty (60) day extension is for the City to satisfy itself there are no adverse environmental conditions existing on the Property.

As you are aware, there is an open DEQ file for a formerly Leaking Underground Storage Tank (LUST) which existed on the Property but has since been removed.

The City of Gladstone is not prepared to remove the environmental Condition to Purchase until the Sellers secure a No Further Action (NFA) Letter and Closure of the file from Oregon DEQ.

We have requested the sixty (60) days extension to hopefully allow Sellers to secure the NFA and file closure within this time frame. Please give me a call should you have any questions regarding this request.

Sincerely,

A handwritten signature in cursive script that reads 'Tony Reser'.

Tony Reser

Enc.

Cc: City of Gladstone

FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

This FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT dated March 28, 2016 between City of Gladstone, Oregon, "Buyer", and Walter J. Kmetic, Trustee, and/or Kenneth Kmetic, "Seller"

Said Agreement is hereby amended as follows:

1. Buyer's Conditions to Purchase: Buyer's contingency for Condition of Property/Inspection by Buyer shall be extended by sixty (60) days to September 18, 2016. *OK*
2. Closing of Sale: Closing of Sale shall be extended to on or before ~~November 30, 2016~~ *OCTOBER 30, 2016* *PKS* *6-8-16*

BUYER:

The City of Gladstone, Oregon

By: *P. Swanson*

Printed Name: P. Eric Swanson

Date: 24 MAY 2016

SELLER:

By: *Kenneth J Kmetic*

Printed Name: Kenneth J. Kmetic

Date: 5/20/16

By: *Kevin Kmetic*

Printed Name: Kevin Kmetic

Date: 5-26-16

By: *Steven Kmetic*

Printed Name: Steven Kmetic

Date: 5/24/16

September 13, 2016

Mr. Steve Kmetic  
Mrs. Lynne Kmetic  
steve@irpdx.com  
lmk6337@gmail.com

Dear Steve and Lynne:

I have spoken to your environmental consultant Roger Smith who indicated that while the DEQ project manager concurs with Roger's recommendation for closure of the open LUST file, it is unlikely that a No Further Action Letter will be received by September 18.

The City of Gladstone is also awaiting the final Geotechnical Report of the soil borings which were taken on site on August 8-9.

As such, the City is unable to remove its conditions of sale relating to environmental and property condition until the No Further Action Letter is received from DEQ and the City has an opportunity to review and approve the Geotechnical Report.

As such, we are requesting an extension for removal of the environmental and property condition contingencies until October 30 and a delay of closing of sale to not later than November 30.

I have enclosed a copy of the Amendment for Seller's execution.

Sincerely,



Tony Reser

Cc: City of Gladstone  
Enc: Second Amendment; DEQ Communication

**SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT**

This SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT dated March 28, 2016 between City of Gladstone, Oregon, "Buyer", and Walter J. Kmetc, Trustee, and/or Kenneth Kmetc, "Seller"

Said Agreement is hereby amended as follows:

1. Buyer's Conditions to Purchase: Buyer's contingency for Condition of Property/Inspection by Buyer shall be extended to October 30, 2016.
2. Closing of Sale: Closing of Sale shall be extended to on or before November 15, 2016.

**BUYER:**

The City of Gladstone, Oregon

By: [Signature]

Printed Name: Eric Swanson

Date: 9.14.16

**SELLER:**

By: [Signature]

Printed Name: Kenneth G Kmetc

Date: 9/15/16

By: KEVIN KMETIC

Printed Name: Kevin Kmetic

Date: 9-16-16

By: [Signature]

Printed Name: STEVE KMETIC

Date: 9-16-16

**THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT**

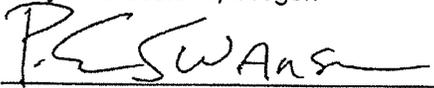
This THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT dated March 28, 2016 between City of Gladstone, Oregon, "Buyer," and Walter J. Kmetic, Trustee, and/or Kenneth Kmetic, "Seller"

Said Agreement is hereby amended as follows:

1. Buyer's Conditions to Purchase: Buyer's contingency for Condition of Property/Inspection by Buyer shall be extended to November 30, 2016.
2. Closing of Sale: Closing of Sale shall be extended to on or before fourteen (14) days following removal of Buyer's Condition of Property/Inspection contingency.

**BUYER:**

The City of Gladstone, Oregon

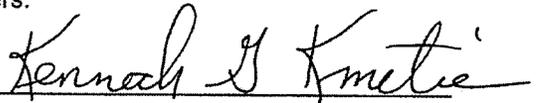
BY: 

PRINTED NAME: Eric Swanson

DATE: 27 Oct 16

**AGREED and ACCEPTED**

Sellers:

BY: 

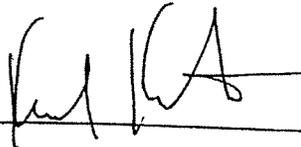
PRINTED NAME: Kenneth G. Kmetic

DATE: 10/27/16

BY: 

PRINTED NAME: Steven Kmetic

DATE: 10/27/16

BY: 

PRINTED NAME: Kevin Kmetic

DATE: 10-27-16



# City of Gladstone Staff Report

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**Report Date** : October 28, 2016  
**Meeting Date** : November 9, 2016  
**To** : City Council  
**From** : Jim Whynot, Public Works Director

## **AGENDA ITEM:**

Approve Resolution No. 1094, a resolution to establish a Technical Plan Review – Development Engineering Fee in the amount of 5% of the construction cost, to be dedicated at 2.5% toward plan review and 2.5% toward inspection costs.

## **History/Background:**

Historically, the City has not collected fees for technical plan review and development engineering costs for new site development. This has led to a loss of revenue for the city, and also the inability for the city to recoup the cost of staff time that must be devoted to planning and oversight of private development within the city. Site development processes typically require the following expenditure of city staff time:

- Pre-application meeting with developer, contractor, and the city's contracted engineer, in order to address water/sewer/stormwater/erosion control issues;
- Project technical review team meetings with developers, contractors, and the city's contracted Engineer; and any other stakeholders;
- Interdepartmental meetings with Clackamas County Department of Transportation and Development;
- Site development oversight requiring on-site visits during construction and development phase to monitor compliance with city codes, ordinances, erosion control compliance, citizen complaints of noise, etc.
- Daily oversight, inspection and approval to insure proper and adequate installation of private water, sewer stormwater infrastructure, and safe and correct connections to city water, sewer and stormwater pipes.
- Determination of impervious surfaces, monitoring private stormwater treatment facilities such as bioswales and detention ponds, catch basins, etc.
- Final inspection and approval of site development.
- Annual and spot-check monitoring of private property structural stormwater facilities to comply with our DEQ NPDES stormwater permit.
- Follow up with post construction road and street conditions to insure that any street openings were properly repaired and mitigate as necessary.

**Proposal:**

Public Works proposes adopting a Technical Plan Review – Developmental Engineering fee of 5 % of construction cost. Of this percentage, 2.5% would go toward the offset of plan review costs and 2.5% would help offset inspection costs.

Development fees such as the one proposed herein is standard with most municipalities. In the case of the City of Gladstone, since most of the city has been built out, the city lost opportunity to collect revenue to pay for upfront and ongoing costs expended for Public Works to maintain and inspect the required regulatory oversight associated with private development. Lack of development fees has resulted in the residents of Gladstone bearing a disproportionate cost of private development, thereby essentially subsidizing private development.

While we do not anticipate that a 5% fee for Technical Plan Review – Development Engineering will cover all the costs for Public Works staff to meet the regulatory requirements, and provide development oversight, it will help defray some of the costs that the city now bears.

**Options:**

Option 1- Establish a Technical Plan Review – Development Engineering Fee.

Option.2- Do not establish a Technical Plan Review – Development Engineering Fee.

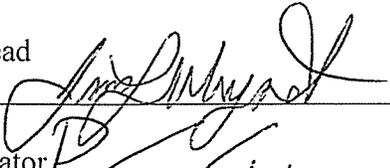
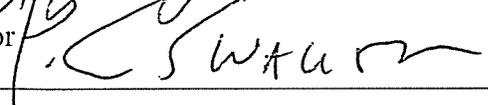
**Cost Impact:**

Since the city does not currently collect a Technical Plan Review – Development Engineering Fee, the cost impact would be additional revenue to help offset the development costs carried entirely by the city.

**Recommended Staff Action:**

Staff recommends Council approval by making the following motion:

**“I make a motion to approve Resolution No. 1094, a resolution to establish a Technical Plan Review – Development Engineering Fee in the amount of 5 percent of the construction cost, to be dedicated at 2.5% toward plan review and 2.5% toward inspection costs.”**

Department Head  
Signature:   
City Administrator  
Signature: 

Date: 11/3/16

Date: 11.2.16

**RESOLUTION NO. 1094  
CITY OF GLADSTONE, OREGON**

*A Resolution to establish a Technical Plan Review-Development Engineering Fee in the amount of 5% of construction cost, to be apportioned at 2.5% for review and 2.5% for inspection costs.*

**WHEREAS**, The City does not currently have a Technical Plan Review – Development Engineering fee as part of its standard fee schedule, and

**WHEREAS**, the City expends municipal funds to provide upfront technical plan review and daily oversight and inspection of private developments;

**NOW, THEREFORE, BE IT RESOLVED** by the Common Council of the City of Gladstone, a municipal corporation of the State of Oregon, the following:

**Section 1:** A Technical Plan Review – Development Engineering Fee of 5% of construction cost shall be included in the city’s standard fee schedule.

**Section 2:** This fee shall be applied at 2.5% towards review and 2.5% towards inspection.

This Resolution is effective November 9, 2016.

This Resolution adopted by the Gladstone City Council and approved by the Mayor this 9th day of November, 2016.

ATTEST:

\_\_\_\_\_  
Thomas Mersereau, Mayor

\_\_\_\_\_  
Jacque Betz, Interim Assistant City Administrator



# City of Gladstone Staff Report

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Report Date : November 2, 2016  
Meeting Date : November 9, 2016  
To : City Council  
From : Jacque Betz, Interim Assistant City Administrator

**THIS ITEM IS A PLACEHOLDER. IF RESOLUTION NO. 1094 IS NOT APPROVED  
THEN THIS ITEM SHALL BE PULLED FROM THE AGENDA**

## **AGENDA ITEM:**

Approve Resolution No. 1095, a resolution adopting a revised Master Fee Schedule and Repealing Resolution No. 1079

## **History/Background:**

City Council set rates for the Master Fee Schedule. Each time there is a change in that schedule the City Council needs to amend the existing resolution.

## **Proposal:**

On November 9, 2016 The City Council adopted Resolution No. 1094, a resolution to establish a Technical Plan Review-Development Engineering Fee. The resolution states that 5% of the total construction cost shall be apportioned at 2.5% for review and 2.5% for inspection costs. The next step is to amend the existing Master Fee Schedule by repealing Resolution No. 1079 and approving Resolution No. 1095, a new Master Fee Schedule, attached as Exhibit "A".

## **Options:**

Option 1- Approve the inclusion of a Technical Plan Review – Development Engineering Fee into the city's fee schedule.

Option.2- Do not approve the inclusion of a Technical Plan Review – Development Engineering Fee into the city's fee schedule

## **Cost Impact:**

Since the city does not currently collect a Technical Plan Review – Development Engineering Fee, the cost impact would be additional revenue to help offset the development costs carried entirely by the city.

**Recommended Staff Action:**

Staff recommends Council approval by making the following motion:

**“I make a motion to approve Resolution No. 1095, a resolution adopting a revised Master Fee Schedule to include the Technical Plan Review- Development Engineering Fee, and Repealing Resolution No. 1079”.**

Department Head

Signature:

Date

Date:



City Administrator

Signature:

**RESOLUTION NO. 1095**

*A Resolution Adopting a Revised  
Master Fee Schedule and Repealing Resolution 1079*

**WHEREAS**, on November 9, 2016, the City Council adopted Resolution No. 1094, a resolution to establish a Technical Plan Review-Development Engineering Fee; and

**WHEREAS**, Resolution No. 1094 states that the 5% of the construction cost shall be apportioned at 2.5% for review and 2.5% for inspection costs; and

**WHEREAS**, the City Council will set the rates for the Technical Plan Review-Development engineering fees by resolution; and

**WHEREAS**, the City Council finds that development fees such as the one approved in Resolution No. 1094 is standard with most municipalities and the City should collect revenue to pay upfront and ongoing costs expended for Public Works to maintain and inspect the required regulatory daily oversight associated with private development, and

**WHEREAS**, the City Council desires to adopt an updated master fee schedule to set the rates for fees established in Resolution No. 1094.

**NOW, THEREFORE, BE IT RESOLVED** by the Common Council of the City of Gladstone, a municipal corporation of the State of Oregon, the following:

**SECTION 1.** The City of Gladstone repeals Resolution 1079 and adopts the revised master fee schedule as set forth in the attached Exhibit A.

**SECTION 2:** This resolution shall become effective November 9, 2016 upon adoption by the City Council.

ADOPTED this 9<sup>th</sup> day of November, 2016.

ATTEST:

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Thomas Mersereau, Mayor

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Jacque Betz, Interim, Assistant City Administrator



City of Gladstone

Resolution No. 1095, Exhibit "A" - Master Fee Schedule

	FEE
<b>ADMINISTRATION</b>	
Adopted Budget	\$ 45.00
Blasting Permit Fee	\$ 5,000.00
Blasting Permit Inspections each (after first two inspections)	\$ 2,000.00
Business License Base Fee	\$ 100.00
Business License Commencing July-December	\$ 50.00
Business License fee for each FTE	\$ 5.00
Business License for Rental Property in Gladstone (per address)*	\$ 25.00
Business License Past Due Fee per month	\$ 10.00
Electronic Copy of a Recorded Meeting	\$ 20.00
Franchise Administrative Review	\$ 5,000.00
Home Occupation	\$ 50.00
Liquor License Review	
Original Application	\$ 100.00
Change in ownership, location, or privilege	\$ 75.00
Renewal or temporary application	\$ 35.00
Lien Search	\$ 30.00
Notary Fee (Non-Resident)	\$ 10.00
Notary Fee (Resident)	\$ 5.00
NSF Check Charge	\$ 35.00
Parking Permits	\$ 25.00
Penalty for work commencing before application approval	Investigation fee equal to permit fee
Photocopies B&W up to 8 x 14	\$ 0.25
Postage and Handling Flat Fee + actual cost of postage	\$ 1.00
Public Records Administrative Research per hour (quarter hour increment charge)	based on hourly rate
Public Records Clerical Research per hour (quarter hour increment charge)	based on hourly rate
Public Records Legal Research per hour (quarter hour increment charge)	based on hourly rate
Public Records Request Deposit (large) toward hourly rate	\$ 100.00
Public Records Request Deposit (small) toward hourly rate	\$ 25.00
Returned Check Charge/processing	\$ 35.00
Road Re-Naming	\$ 150.00

Special Event Application* (plus actual staff costs for employees specifically needed to work the event)	\$	100.00
<b>FIRE</b>		
Fire Log Report	\$	15.00
<b>LIBRARY</b>		
Annual Out-of-District Resident Library Card	\$	95.00
Damaged Items		Replacement Cost
Late Charge (per day); Maximum per item: \$3 children/\$5 adult	\$	0.25
Lost Cultural Pass (varies from \$15.00-\$200.00)		Replacement Cost
Lost Items		Replacement Cost
Lost Library Card	\$	1.00
Photocopies (first two pages of non-circulating materials are free)		
Black and White Copies (per page)	\$	0.10
Color Copies (per page)	\$	0.40
Missing/Damaged Part (Barcode Replacement, CD Booklet or Missing Artwork, CD Case, DVD)	\$	2.00
<b>PARKS AND RECREATION</b>		
Softball/Baseball Tournaments (per day/per field)	\$	55.00
Softball/Baseball Non-Gladstone Leagues Only (per team)	\$	27.50
(per field)	\$	11.00
Softball/Baseball Picnic Use (per day/per field)	\$	11.00
Soccer Field Reservation (per day/per field)	\$	44.00
Soccer League Play for Gladstone Residents (per team/per field)	\$	5.00
Soccer League Play for Non-Gladstone Residents (per team/per field)	\$	20.00
<b>PLANNING AND BUILDING</b>		
The City of Gladstone contracts with Clackamas County for planning and building services, fees for those applications and services are set by the County		
<b>POLICE</b>		
A-Frame Sign Permit	\$	100.00
Address Record Print (per address)	\$	5.00

Alarm Permit*		
Initial Permit or Renewal		25.00
Late Fee (after 30 days expiration or installation)		25.00
Second False Alarm (within permit year)		50.00
Third False Alarm (within permit year)		100.00
Fourth and Each Subsequent Alarm (within permit year)		150.00
Failure to obtain Alarm Permit		90.00
Animal Permit Application (per year)	\$	25.00
Block Party	\$	35.00
Human Resources Police Application (due at submission)	\$	20.00
ID Theft		Victim Free
Local History Printout (per record)	\$	5.00
Noise variance	\$	75.00
Nuisance Property Abatement		Actual Cost
Officer's Notes (per entry)	\$	5.00
Police Report (first 5 pages)	\$	10.00
Police Report (page 6 and over) each page	\$	1.00
Radar Certification (per record)	\$	5.00
Temporary Storage Container		50.00
Vehicle Impound (after business hours)	\$	125.00
Vehicle Impound (during regular business hours)	\$	100.00
<b>PUBLIC WORKS</b>		
<u>Technical Plan Review-Development Engineering Fee</u>		
Review	\$	2.5% of the construction cost
Inspection	\$	2.5% of the construction cost
Barricade Delivery and Pickup Fee	\$	50.00
Contractor Hydrant Hook-up Application (plus water meter costs)*	\$	50.00
Dye Test Residential/Commercial	\$	100.00
Erosion Control Violation	\$	300.00
Fire Hydrant Water Permit (per hook up + cost of actual water)*	\$	50.00
Street Opening Inspection Fee	\$	85.00
Street Opening Permit Fee	\$	150.00
Street Opening Re-Inspection Fee	\$	85.00



Registration Fee		\$	50.00
License Application Fee		\$	50.00
Right-of-Way Use Fee			5% of gross revenues** or Minimum Annual Right-of-Way Use Fee, whichever is greater
Minimum Annual Right-of-Way Use Fee			
	<u>TOTAL LINEAR FEET OF UTILITY FACILITIES IN RIGHT OF WAY</u>		<u>MINIMUM ANNUAL FEE***</u>
	Up to 5,000		5,000.00
	5,001 to 10,000		7,500.00
	10,001 to 20,000		10,000.00
	More than 20,000		15,000.00
Attachment Fee			\$5,000*** per attachment
<b>SENIOR CENTER</b>			
Building Rental (per hour) Non-Profit		\$	40.00
Building Rental (per hour) Private Party		\$	50.00
Building Rental (per hour) Profit Making		\$	70.00
Fax (per page - staff only)		\$	1.00
Kitchen Fee		\$	50.00
Meal (suggested donation) under 60 years		\$	5.00
Meal (suggested donation) over 60 years		\$	2.50
Newsletter Subscription (per year)		\$	8.00
Photocopy (per page)		\$	0.25
Van Donation (suggested donation) each way		\$	1.00
Friday Excursions (\$7-\$25)			varies
<b>SEWER DEPARTMENT</b>			
Sewer Inspection Fee, except mobile homes, motor homes and travel trailers		\$	100.00
Sewer Insepection Fee for mobile homes, motor homes, and travel trailers		\$	50.00
Oak Lodge Monthly Retail Sewer Fee (portion retained by City)		\$	6.60
Tri-City Sewer District Monthly Retail Sewer Fee (portion retained by City)		\$	9.65
Clackamas County Sewer District #1 Monthly Retail Sewer Fee (portion retained by City)		\$	9.65
<b>UTILITIES</b>			

Low Income Rate Violation -	ORS 164.125 sets fee
Mailed Late Notice/Shut Off Notification	7.00
Shut Off Door Hanger (2nd Late Fee)	\$ 25.00
Shut Off Water	\$ 25.00
Turn On Water (during business hours)	\$ 25.00
Turn On Water (after business hours)	\$ 175.00
* Fee in effect only after applicable code provisions have become effective	
**"Gross revenues" means any and all amounts, of any kind, nature or form, without deduction for expense, less net uncollectibles, derived from the operation of utility facilities and the provision of utility services in the City, subject to all applicable limitations in federal or state law.	
***This rate shall increase 3% annually on January 1st of each year beginning January 1, 2017.	

## City of Gladstone Staff Report

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Report Date: November 1, 2016  
Meeting Date: November 9, 2016  
To: Council  
From: Eric Swanson, City Administrator

### AGENDA ITEM

Authorization for 2.75% Cost of Living Adjustment (COLA) for non-represented employees.

### History/Background

Both bargaining units, Gladstone Police Association and AFSCME (subject to a vote the membership conducts before the December 13<sup>th</sup> Council meeting) have bargained COLA's at 2.75% for FY 2016-17 budget year. If City Council authorizes the COLA for non-represented employees they will receive the same increase.

For the past three years the COLA increases have been 0.5% for non-represented employees.

### Cost Impact

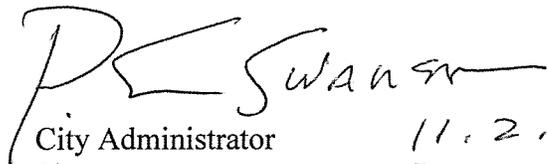
Approximate budget impact is \$58,773 and is included in the FY 2016-17 budget.

### Recommended Staff Action

Staff recommends City Council authorize a 2.75% COLA for non-represented employees retroactive to July 1, 2016.

Department Head  
Signature

Date

  
City Administrator  
Signature

11.2.16  
Date



**BUSINESS  
CARRIED  
FORWARD**



City of Gladstone  
Staff Memo



To: Mayor and Council  
From: Eric Swanson, City Administrator  
Date: November 9, 2016  
Re: Attorney Fees for City Projects

A handwritten signature in black ink, appearing to read "Eric Swanson", is written over the "From:" line of the memo header.

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For the past few months there have been numerous requests for attorney bills either during council meetings, on social media, or in the form of public records requests. Correspondence between the City (client) and City Attorney may include legally privileged, confidential, or exempt information.

However, to increase transparency staff will prepare a monthly statement that depicts attorney fees applied towards city projects. A copy of allocations from July- October 2016 is attached. This information will be provided in the Council packet the first meeting of each month.

**Attorney Fees City Projects**

	<b>July 2016</b>	<b>Aug 2016</b>	<b>Sept 2016</b>	<b>Oct 2016</b>	<b>Totals</b>
City Charter	841.30	157.50	2,092.50	0.00	
Elections	490.00	1,380.00	751.00	112.50	
Finance	0.00	382.50	260.00	0.00	
ROW	0.00	0.00	889.89	512.59	
General	192.50	696.75	497.20	831.86	
Governance/City Council	1,311.56	598.90	1,172.95	472.50	
Meeting Attendance	2,623.08	2,905.58	2,383.08	1,918.72	
Intergovernmental	624.36	135.00	0.00	0.00	
Library	874.53	0.00	1,496.25	0.00	
Land Use/ Community Development	660.00	495.00	517.50	487.50	
Meeting Attendance	614.36	633.11	0.00	574.36	
Parks & Recreation	464.36	90.00	472.50	599.36	
Personnel/Labor	647.50	1,065.00	1,786.20	200.00	
AFSCME	2,143.08	1,640.61	864.36	1,869.80	
GPA	1,186.86	1,505.25	890.00	997.50	
Personnel Handbook	1,663.70	143.90	120.00	0.00	
Meeting Attendance	0.00	0.00	1,470.00	1,100.00	
Public Records & Meetings	0.00	90.00	22.50	0.00	
Public Safety	120.00	1,151.10	248.98	22.50	
Public Works	242.50	364.50	67.50	355.00	
ROW	2,375.00	495.00	112.50	0.00	
Real Property Transactions	260.00	0.00	607.50	1,367.54	
Risk Management/Capital IGA Library					
Dispute	140.00	0.00	7,321.08	4,521.00	
Urban Renewal	0.00	0.00	272.20	45.00	
<b>Total</b>	<b>17,474.69</b>	<b>13,929.70</b>	<b>24,315.69</b>	<b>15,987.73</b>	<b>71,707.81</b>



