CITY OF OREGON CITY
CITY COMMISSION REGULAR MEETING - REVISED
AGENDA

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, October 18, 2023 at 7:00 PM

EXECUTIVE SESSION OF THE CITY COMMISSION:

The Executive Session will begin after the adjournment of the City Commission Regular Meeting.

- Pursuant to ORS 192.660(2)(i): To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing.

REGULAR MEETING OF THE CITY COMMISSION

Ways to participate in this public meeting:

• Attend in person, location listed above

• Register to provide electronic testimony (email recorderteam@orcity.org or call 503-496-1509 by 3:00 PM on the day of the meeting to register)

• Email recorderteam@orcity.org (deadline to submit written testimony via email is 3:00 PM on the day of the meeting)

• Mail to City of Oregon City, Attn: City Recorder, P.O. Box 3040, Oregon City, OR 97045

1. CONVENE MEETING AND ROLL CALL

2. FLAG SALUTE

3. CEREMONIES AND PROCLAMATIONS

3a. Extra Mile Day Proclamation

3b. Oregon City - West Linn Rivalry Day Proclamation

3c. Domestic Violence Awareness Month Proclamation

4. CITIZEN COMMENTS

Citizens are allowed up to 3 minutes to present information relevant to the City but not listed as an item on the agenda. Prior to speaking, citizens shall complete a comment form and deliver it to the City Recorder. The City Commission does not generally engage in dialog with those making comments but may refer the issue to the City Manager.

Complaints shall first be addressed at the department level prior to addressing the City Commission.

5. PRESENTATIONS

6. ADOPTION OF THE AGENDA

7. CONSENT AGENDA

This section allows the City Commission to consider routine items that require no discussion and can be approved in one comprehensive motion. An item may only be discussed if it is pulled from the consent agenda.

7a. Personal Services Agreement for Phone System Replacement

7b. Purchase of three (3) 2024 Dodge Durango Police Utility Vehicle AWD

7c. Minutes of the August 8, 2023 Work Session

7d. Minutes of the September 12, 2023 Work Session

8. PUBLIC HEARINGS

9. GENERAL BUSINESS

9a. Downtown Oregon City Association Memorandum of Understanding ("DOCA")

9b. First Reading of Ordinance No. 23-1005, Revising the Oregon City Municipal Code Title 5.04 – Business Licenses

9c. Second Reading of Ordinance No. 23-1009, Declaring a Ban on Psilocybin Service Centers and the Manufacturing of Psilocybin Products

10. COMMUNICATIONS

City Manager

Commissioners

Mayor

11. ADJOURNMENT

ORDINANCE NOTICE

If an ordinance is noticed above in this agenda, the text of the ordinance is available online with the posted agenda packet. In addition, three copies are provided for public review in the Office of the City Recorder upon request.

PUBLIC COMMENT GUIDELINES

Complete a Comment Card prior to the meeting and submit it to the City Recorder. When the Mayor/Chair calls your name, proceed to the speaker table, and state your name and city of residence into the microphone. Each speaker is given three (3) minutes to speak. To assist in tracking your speaking time, refer to the timer on the table.

As a general practice, the City Commission does not engage in discussion with those making comments.

Electronic presentations are permitted but shall be delivered to the City Recorder 48 hours in advance of the meeting.

ADA NOTICE

The location is ADA accessible. Hearing devices may be requested from the City Recorder prior to the meeting. Individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503-657-0891.

Agenda Posted at City Hall, Pioneer Community Center, Library, City Website.

Video Streaming & Broadcasts: The meeting is streamed live on the Oregon City's website at www.orcity.org and available on demand following the meeting. The meeting can be viewed on Willamette Falls Television channel 28 for Oregon City area residents as a rebroadcast. Please contact WFMC at 503-650-0275 for a programming schedule.

PROCLAMATION

Whereas, Oregon City, Oregon is a community which acknowledges that a special vibrancy exists within the entire community when its individual citizens collectively "go the extra mile" in personal effort, volunteerism, and service; and

Whereas, Oregon City, Oregon is a community which encourages its citizens to maximize their personal contribution to the community by giving of themselves wholeheartedly and with total effort, commitment, and conviction to their individual ambitions, family, friends, and community; and

Whereas, Oregon City, Oregon is a community which chooses to shine a light on and celebrate individuals and organizations within its community who "go the extra mile" in order to make a difference and lift up fellow members of their community; and

Whereas, Oregon City, Oregon acknowledges the mission of the Extra Mile America to create 550 Extra Mile cities in America and is proud to support "Extra Mile Day" on November 1, 2023.

Now, Therefore, I, Denyse C. McGriff, Mayor of Oregon City, do hereby proclaim

November 1, 2023

as

Extra Mile Day

And encourage Oregon City citizens to take time on this day to not only "go the extra mile" in their own lives, but to also acknowledge all those who are inspirational in their efforts and commitment to make their organizations, families, community, country, or world a better place.

In Witness Whereof, I have hereunto set my hand this 18th day of October 2023.

____

DENYSE C. MCGRIFF, Mayor

P R O C L A M A T I O N

"Oregon City - West Linn Rivalry Day"

Whereas, the Cities of Oregon City and West Linn wish to recognize the efforts of their citizens to create and maintain a positive family environment where children can learn the value of constructive competition; and

Whereas, the Cities of Oregon City and West Linn value tradition and history as essential parts of their communities; and

Whereas, Oregon City High School and West Linn High School, formerly known as Union High School, have competed valiantly in the sport of football continuously since 1921 (except during the pandemic of 2020); and

Whereas, on October 27, 2023, the teams representing these schools will renew their annual rivalry for the 103rd time; and

Whereas, this is the longest continuously-played rivalry west of the Mississippi and therefore worthy of recognition; and

Whereas, the City Commission of Oregon City desires that the Pioneers again defeat the Lions and the City Council of West Linn desires that the Lions again defeat the Pioneers.

Now Therefore, we, the City Commission of Oregon City and the City Council of West Linn, hereby recognize and commend all citizens who have participated in this annual gridiron classic and support the efforts of the current teams by proclaiming October 27, 2023, to be "Oregon City-West Linn Rivalry Day." We further recommend, in the spirit of the day, that all citizens wear clothing of the appropriate colors, and refrain from crossing the river, unless business requires, until game time.

______________________________	______________________________
The Honorable Denyse McGriff, Mayor City of Oregon City	The Honorable Rory Bialostosky, Mayor City of West Linn

October 2023

PROCLAMATION

Whereas, domestic violence is a serious crime in Clackamas County that affects people of all races, ages, gender, and income levels; and

Whereas, family is the foundation of a safe and healthy community and it is the goal of Clackamas County for our communities to be safe; and

Whereas, 1 in 3 women, 1 in 4 men and nearly half of LGBTQ+ people will experience domestic violence by an intimate partner in their lifetime; and

Whereas, 32.5% of families involved with the Department of Human Services Child Welfare department had domestic violence as a component of their case in 2021; and

Whereas, 1,152 victims of domestic violence requested a protection order in Clackamas County in 2022;

Whereas, there were 1,553 in-person visits to A Safe Place Family Justice Center in 2022, from people seeking assistance and safety from violence; and

Whereas, victims should have help to find the compassion, comfort, and healing they need, and abusers should be held accountable to the fullest extent of the law; and

Whereas, only a coordinated community effort will put a stop to this serious crime; and

Whereas, Domestic Violence Awareness Month provides an excellent opportunity for people to learn more about preventing domestic violence and to show support for the numerous organizations and individuals who provide critical advocacy, services and assistance to victims.

Now, Therefore, I, Denyse C. McGriff, Mayor of Oregon City, do hereby proclaim

October 2023

as

Domestic Violence Awareness Month

And encourage all citizens of the County to join in this observance and to learn more about what they can do to help end domestic violence both individually and collectively.

In Witness Whereof, I have hereunto set my hand this 18th day of October 2023.

____

DENYSE C. MCGRIFF, Mayor

Jakob Wiley

From: Ashlee Pieri <ashleepieri6302@gmail.com>
Sent: Wednesday, October 18, 2023 6:01 PM
To: recorderteam
Subject: Request for Traffic Light

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

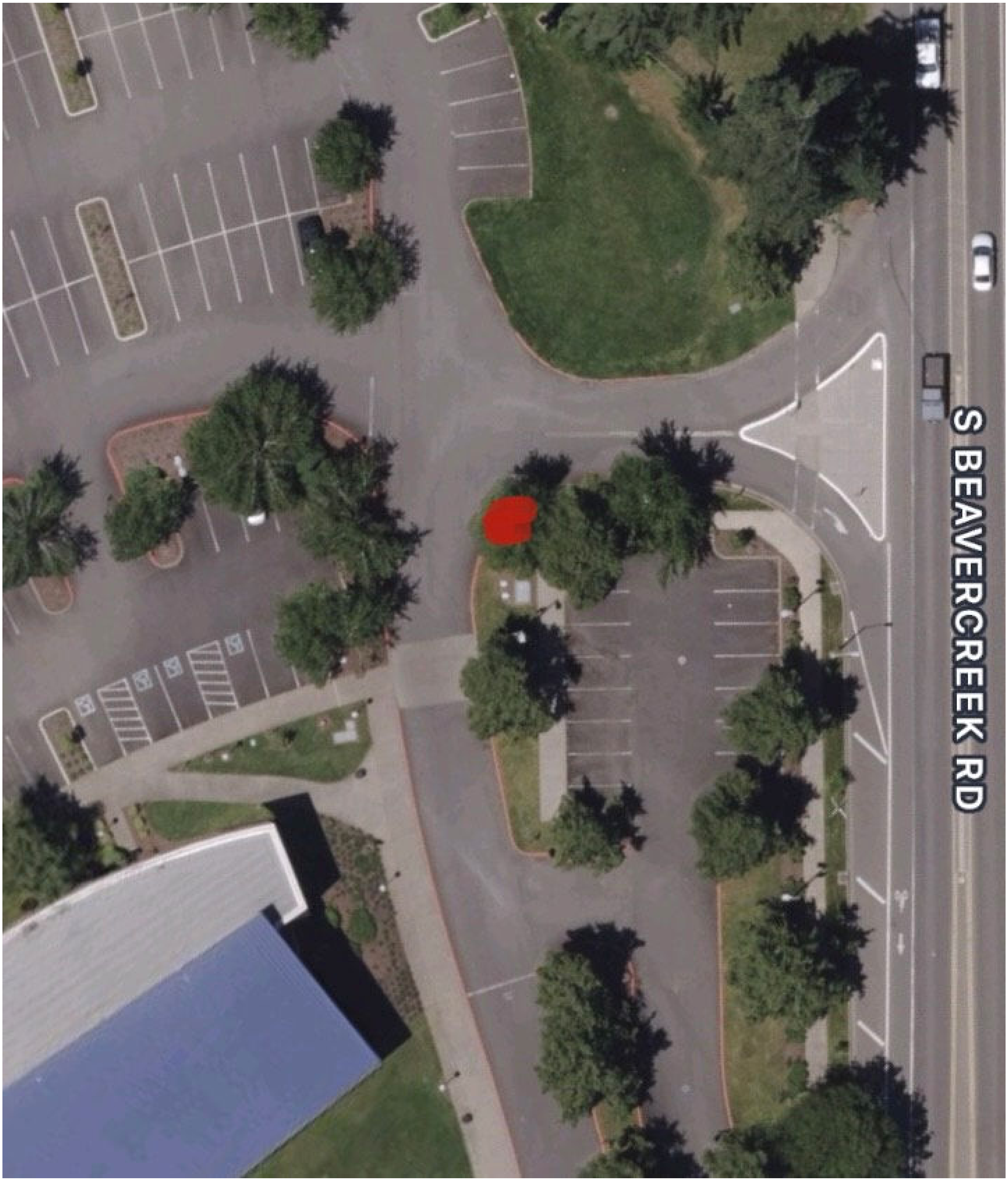
Hello! This request is for the city commission and public works. I would like this request to be part of the record at the next city commission meeting.

I am requesting for a traffic light to be installed at Marjorie Ln and Beavercreek Rd in Oregon City, OR 97045. The traffic from the new construction has made it very difficult for the tenants of Kingsberry Heights to turn left to exit.

Thank You!
Ashlee Pieri
ashleepieri6302@gmail.com

From: Eliz83abeth Apollo <eliz83abeth@gmail.com>
Sent: Wednesday, October 18, 2023 2:57 PM
To: recorderteam
Subject: Public Comment 10/18 Meeting

Hello,
I’m Elle Butler-Parrish, and I am hoping to talk to you all about a stop sign I want put in in the parking lot of Oregon City High school.
Attached is a photo of the Ariel view of the school and where I would like it, there is a 4 way intersection and only stop signs on 2 of the sides. Having one here would make the intersection safer and prevent crashes.
Best, Elle Butler-Parrish


S BEAVERCREEK RD

Jakob Wiley

From: David Stromberg <d.stromberg94@gmail.com>
Sent: Wednesday, October 18, 2023 7:09 PM
To: recorderteam
Subject: King Rd Speed Bump

This comment is for the city commission and public works and I would like it to be part of the record at the next city commission meeting:

Can we please add a speed bump on King Rd (between King Elementary, now a high school, and Warner Parrott)? The stretch between the school speed bump and the Warner Parrott stop sign is MAYBE 100', but teenagers and parents both floor it from the sign to the bump and vice versa. This road is limited at 20MPH and less than 150' long, but people still find the need to fly up and down it. An additional speed bump in the middle of the stretch would be very helpful.

David Stromberg - 1017 King Rd, Oregon City.

CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission **Agenda Date:** 10/18/2023

From: IT Director Michael Dobaj

SUBJECT:

The city of Oregon City Phone Systems Replacement

STAFF RECOMMENDATION:

Staff recommends approving the 36 Month contract to replace the current telephone systems with the cloud-based Ring Central phone system.

EXECUTIVE SUMMARY:

Currently the city is using two phone systems to support staff's communication needs as well as support citizens' ability to contact the city.

Although these systems are currently operational, they are at the end of their life and need upgrading or replacing.

To bring the city's phone system current, Information Technology reviewed upgrading or replacing the existing phone systems with a single and more current and capable environment.

After comparing 4 providers, the chosen system is the Ring Central phone system which not only replaces our existing services but adds additional functionality such as e-Faxing, voice and texting from the same number and improved ability for Staff to manage and support communications for items such as inclement weather events.

BACKGROUND:

Historically the existing phone systems have supported the city well and we have been able to accomplish what was needed.

However, there have been limitations and workarounds put in place to support unique requests for the Police Department, Library, and other city departments. Even during our network outage, it was difficult to route incoming calls to a functional number so we could continue to support communication to and from our citizens.

This new phone system will give us the ability and flexibility to improve upon our current services, more easily support communications in an emergency and supply the city with updated and new functionality.

OPTIONS:

1. Approve agreement for a period of 3-Years.
2. Request more information from staff.
3. Reject the recommended agreement.

BUDGET IMPACT:

Amount: $118,655.64 ($39,551.88 / Year)

FY(s): 2024, 2025, 2026

Funding Source(s): 100-170-6154 (General Fund)

Documents:

1. VOIP vender comparison
2. Ring Central Quote
3. Ring Central MSA & Order Form
4. Ring Central Professional Services SOW

Company Name	City of Oregon City
Date	10/5/2023
Contract Length	36 Months
Payment	Monthly
Quote Status	Approved
Free Service Credits	3

Recurring Service Costs

RingCentral MVP	User Count	List Price	Discount Amount	Adjusted Price	Total Cost
RingCentral Digital Line Standard MVP (Message/Video/Phone/SMS/Fax)	280	$30.00	$24.00	$6.00	$1,680.00
RingCentral Digital Line Basic (Conference or Common Area Phone Lines)	10	$15.00	$10.50	$4.50	$45.00
e911	290	$1.00	$0.00	$1.00	$290.00
Compliance and Administrative Cost Recovery Fee (CRF)	290	$3.50	$0.00	$3.50	$1,015.00
Additional Local Numbers	1	$4.99	$3.00	$1.99	$1.99
Monthly Recurring Service Costs					$3,031.99
Hardware Rental (If applicable)					$264.00
Monthly Total					**$3,295.99**
Total Annual Recurring Costs					$39,551.88
36 month contract, monthly payment					

Hardware Rental	Phone Count	Rental Price	Discount	Adjusted Price	Total Cost
Poly VVX 450 Business IP Phone	30	$9.50	$5.70	$3.80	$114.00
Poly VVX 350 Business IP Phone	100	$8.00	$6.50	$1.50	$150.00
Phone Rental Total					**$264.00**

Hardware Purchase	Phone Count	Purchase Price	Discount	Adjusted Price	Total Cost
Poly VVX 250 Business IP Phone	151	$178.00	$178.00	$0.00	$0.00
Phone Purchase Total					**$0.00**

Implementation Cost	Qty	Purchase Price	Discount	Adjusted Price	Total Cost
Remote MVP User Build	281	$63.00	$22.68	$40.32	$11,329.92
Remote Site Build	1	$750.00	$110.00	$640.00	$640.00
Training (2 hr admin, 1 hr end user)	1	$1,200.00	$432.00	$768.00	$768.00
Implementation Total Cost					**$12,737.92**

Order Summary	
Total Monthly Recurring Cost	**$3,295.99**
Total Upfront Costs	**$12,737.92**
Estimated Free Service Credit Amount	**$11,001.57**

** Does not include costs for Federal universal or State and Local taxes*

** Pricing is in USD*

Vendor	Brand	Teams Integration	Monthly Cost (280 USERS no phones)	Onboarding O.T. cots
POA	Intermedia	OK	$3,682.71	$3,900
Inflow	RIngCentral	Very good	$3,657.99	$12,922.40
	DialPad	Less than OK	$2,998.88	$12,500
StratusIP	Vonage	Pretty good	$2,884.89	$6,250.00

Phone costs	Total Year 1	Total Year 2	Notes
$0 - YeaLink	$48,092.52	$44,192.52	Wants to make a deal or tweak prices. No autoattenda
$150-$230	$45,844.31	$43,895.88	Incoporated requested 3K onboarding discount. 3 Fre
$130-$200	$48,486.56	$35,986.56	Incoporated 3K onboarding discount. Admin users sam
$0 - YeaLink	$35,148.88	$34,618.68	2 months free service - $5719.80 credit on year 1)

ant editing
e Months extended. Can rent phones
ne as low end users - 3 year contract. Each DID at $3/mo. Inactive at $1/mo.dding lines at $3, inactive lines $

51. This could add up.

With Phone Rental

Monthly	Annual	On-Boarding	Total Year 1 with 3 Months Discount	Total Year 2
$ 4,392.99	$ 52,715.88	$ 12,737.92	$ 52,274.83	$ 52,715.88

With out Phone Rental

Monthly	Annual	On-Boarding	Total Year 1 with 3 Months Discount	Total Year 2
$ 3,648.19	$ 43,778.28	$ 12,737.92	$ 45,571.63	$ 43,778.28

Vendor	Item	Cost
Zayo	PRI	$ 27,000.00
Inflow	Support	$ 8,180.00
TCE	Support Allworx	$ 1,000.00
Azure	VM Run costs (Approximate)	$ 2,300.00
	Total	**$ 38,480.00**

Ring Central	
280 Monthly	
Phone Rental	
OneTime Setup	
One Time Credit	
	Total
Total - Phone Rental	

Delta current vs Ring Central

$	1,071.88	Including Phone Rental $1,071.88 more yearly
$	(2,096.12)	No phone rental $2,0965.12 savings

	Re-Occuring	
$ 36,383.88	$ 36,383.88	
$ 3,168.00	$ 3,168.00	(Note: Phone Rental not needed, purching the physical phones will be a c
$ 12,737.92		
$ (11,001.57)		
$ 41,288.23	**$ 39,551.88**	
$ 38,120.23	**$ 36,383.88**	

:apital expense, possible current phones are campatable)

RingCentral

INITIAL ORDER FORM

This Initial Order Form is a binding agreement between RingCentral, Inc. (**"RingCentral"**) and **City of Oregon City** (**"Customer"** or **"You"**) (together the **"Parties"**), for the purchase of the Services, licenses, and products listed herein. This Initial Order Form is subject to and incorporates the terms and conditions of: (i) the separate written agreement, executed by the Parties governing the purchase of the Services described in this Order Form, or (ii) the RingCentral Online Terms of Service available at https://www.ringcentral.com/legal/eulatos.html, if there is no written agreement in place (hereinafter (i) and (ii) referred to as the **"Agreement"**). Capitalized terms not defined herein shall have the same meanings as set forth in the applicable Agreement between the Parties. Unless agreed by both Parties in writing, any terms or conditions set forth in a Customer-issued purchase order or ordering document shall not apply.

Please note that RingCentral Office is now RingCentral MVP. All references to "RingCentral Office", whether in terms of service, advertising or product descriptions, mean "RingCentral MVP".

Customer
City of Oregon City

1234 Linn Ave.
Oregon City, OR 97045
United States

David Knoll
+1 503-496-1557
dknoll@orcity.org

Service Provider
RingCentral, Inc.

20 Davis Drive
Belmont, CA 94002
United States

Service Commitment Period

Start Date: October 19, 2023

Initial Term: 36 Months

Renewal Term: 36 Months

Payment Schedule: Monthly

RingCentral MVP Services

Recurring Services			
Summary of Service	**Qty**	**Rate**	**Subtotal**
DigitalLine Unlimited Advanced	**280**	**$10.50**	**$2,940.00**
DigitalLine Unlimited Advanced		$6.00	
Compliance and Administrative Cost Recovery Fee		$3.50	
e911 Service Fee		$1.00	
DigitalLine Basic	**10**	**$9.00**	**$90.00**
DigitalLine Basic		$4.50	
Compliance and Administrative Cost Recovery Fee		$3.50	
e911 Service Fee		$1.00	
Polycom VVX 450 Business IP Phone - Rental	**30**	**$3.80**	**$114.00**
Polycom VVX 350 Business IP Phone - Rental	**100**	**$1.50**	**$150.00**
Additional Local Number	**1**	**$1.99**	**$1.99**
		Monthly Recurring Services*	**$3,295.99**

One-Time Items			
Summary of Item(s)	**Qty**	**Rate**	**Subtotal**
Polycom VVX 250 Business IP Phone	**151**	**$0.00**	**$0.00**
		One-Time Total	**$0.00**

Total Initial Amount	**$3,295.99**

*Amounts are exclusive of applicable Taxes, Fees, and Shipping Charges.

Cost Center Billing

For customers with cost center billing, it is the customer's responsibility to provide cost center allocation information to RingCentral at least 10 days prior to the issuance of the invoice. After the information is received, itwill be reflected on future invoices, but will not be adjusted retroactively on past invoices. If purchasing additional services through the administrative portal, it is the customer's responsibility to assign cost centers at the time of purchase; otherwise, those services will not be allocated by cost center on the next invoice. Please note that cost center allocation is not available for certain items, such as minute bundles and credit memos. For additional questions, please contact the RingCentral invoice billing team at billingsupport@ringcentral.com.

Customer Reference. Customer agrees to provide RingCentral upon request, with a case study, press release/activity, blog post, written recommendation, video testimonial, public speaking opportunity or other similar public marketing activity which RingCentral is free to use in its reasonable discretion for marketing purposes.

Free Services Amount

Customer will receive 11,001.57 US Dollars (the "**Free Service Amount**"), which will be applied against charges for the recurring Services set forth in this Order Form and any applicable taxes and fees associated with those Services invoiced by RingCentral. The Free Service Amount is non-transferable and non-refundable and will expire upon termination of this Order Form. The Customer will be responsible for paying for any additional services and products ordered, and any applicable associated taxes and fees.

Add-on Services. RingCentral offers add-on services (where available), which are describ
https://www.ringcentral.com/legal/add-on-services.html.

IN WITNESS WHEREOF, the Parties have executed this Initial Order Form above through their duly authorized representatives.

Customer	RingCentral
City of Oregon City	**RingCentral, Inc.**
By: ______	By: ______
Name: ______	Name: Chris Donan
Title: ______	Title: VP Majors & Mid-Market Sales
Date: ______	Date: ______

MASTER SERVICES AGREEMENT

This Master Services Agreement is effective as of the date of last signature (**"Effective Date"**) and made between:

City of Oregon City ("Customer")

Address:

1234 Linn Ave.
Oregon City, OR 97045

RingCentral, Inc. ("RingCentral')

Address:

20 Davis Drive
Belmont, CA 94002

By: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

By: ______________________

Name: Chris Donan

Title: VP Majors & Mid-Market Sales

Date: ______________________

RingCentral and Customer are together referred to as the "Parties" and each individually as a "Party."

1. The Master Services Agreement (**"Agreement"**) consists of the terms and conditions contained herein, and any Service Attachments applicable to Customer's Services, and any other Attachments agreed by the Parties, are incorporated into and form a part of this Agreement.

Exhibit A – Definitions

Attachment A – RingCentral MVP Services

Attachment B – Security Addendum

THE PARTIES AGREE AS FOLLOWS:

2. Ordering and Term

A. Ordering Services. Customer may order the Services set forth in the relevant Attachments, attached hereto, by executing an Order Form in the format provided by RingCentral. Customer must submit the Order Form to RingCentral either in writing or electronically via the Administrative Portal. The Order Form will identify the Services requested by Customer together with: (i) the price for each Service; (ii) scheduled Start Date; (iii) and products rented, licensed, or sold to Customer, if any. An Order Form will become binding when it is executed by the Customer and accepted by RingCentral. RingCentral may accept an Order Form by commencing performance of the requested Services. The Services and invoicing for those Services will begin on the Start Date, as identified in the applicable Order Form or on the day Services are ordered via the Administrative Portal. Customer may purchase additional Services, software, and equipment via the Administrative Portal or by executing additional Order Forms.

B. Equipment. Subject to availability based on brand and Customer location, Customer may purchase or rent equipment from RingCentral for use with the Services. The terms and conditions that govern any such transaction can be found at:

i. Purchase: http://www.ringcentral.com/legal/ringcentral-hardware-terms-conditions.html:

ii. Rental: http://www.ringcentral.com/legal/lease-rental.html, and

iii. Device as a Services: https://www.ringcentral.com/legal/daas-agreement.html.

C. Term of this Agreement. The Term of this Agreement will commence on the Effective Date and continue until the last Order Form is terminated or expires, unless terminated earlier in accordance with its terms.

D. Services Term. The Services Term will begin on the Start Date of the initial Order Form and continue for the initial term set forth in the initial Order Form (**"Initial Term"**). Upon expiration of the Initial Term, unless otherwise set forth in the Order Form, the term recurring Services will automatically renew for successive periods as set forth in the initial Order Form (each a **"Renewal Term"**) unless either Party gives notice of non-renewal at least thirty (30) days before the expiration of the Initial Term or the then-current Renewal Term. The Term of any recurring Services added to your Account after the initial Order Form is executed will start on the Start Date in the applicable Order Form, will run coterminously with the then-current Term of any preexisting

Services unless otherwise extended in the applicable Order Form, and will be invoiced on the same billing cycle preexisting Services.

3. **Invoicing and Payment**

A. **Prices and Charges.** All prices are identified in US dollars on the Administrative Portal or in the applicable Order Form unless otherwise agreed by the Parties. Additional charges may result if Customer activates additional features, exceeds usage thresholds, or purchases additional Services or equipment. Customer will be liable for all charges resulting from use of the Services on its Account. Unless otherwise agreed between the Parties, recurring charges (such as charges for Digital Lines, product licenses, minute bundles, and equipment rental fees) for the Services begin on the Start Date identified in the Administrative Portal or in the applicable Order Form and will remain in effect for the Initial Term (as described in an Order Form) or, if applicable, the then-current Renewal Term. RingCentral will provide notice of any proposed increase in such charges no later than sixty (60) days before the end of the Initial Term or then-current Renewal Term, and any such increase will be effective on the first day of the next Renewal Term. Administrative Fees that RingCentral is entitled to pass on to its customers as a surcharge pursuant to applicable Law may be increased on thirty (30) days' written notice. Outbound calling rates will be applied based on the rate in effect at the time of use. Customer may locate the currently effective rates in the Administrative Portal.

B. **Invoicing and Payment.** Invoices will be issued in accordance with the payment terms set forth in the Order Form. If Customer chooses to pay by credit or debit card, by providing a valid credit or debit card, Customer is expressly authorizing all Services and equipment charges and fees to be charged to such payment card, including recurring payments billed on a monthly or annual basis. In addition, Customer's provided credit card shall be used for any in-month purchases of additional services and products, or where Customer has exceeded usage or threshold limits, any overage charges. Unless otherwise stated in the applicable Order Form, recurring charges are invoiced in advance in the frequency set forth in the Order Form, and usage-based and onetime charges are billed monthly in arrears. Customer shall make payment in full, without deduction or set-off, within thirty (30) days of the invoice date. Any payment not made when due may be subject to a late payment fee equivalent to the lesser of (i) one and a half percent (1.5%) per month or (ii) if applicable, the highest rate allowed by Law. In no event may payment be subject to delays due to Customer internal purchase order process.

C. **Taxes.** All rates, fees, and charges are exclusive of applicable Taxes, for which Customer is solely responsible. Taxes may vary based on jurisdiction and the Services provided. If any withholding tax is levied on the payments, then Customer must increase the sums paid to RingCentral so that the amount received by RingCentral after the withholding tax is deducted is the full amount RingCentral would have received if no withholding or deduction had been made. If Customer is a tax-exempt entity, tax exemption will take effect upon provision to and validation by RingCentral of certificate of tax exemption.

D. **Billing Disputes.** If a Customer reasonably and in good faith disputes any portion of RingCentral's invoice, it must provide written notice to RingCentral within thirty (30) days of the invoice date, identifying the reason for the dispute and the amount being disputed. Customer's dispute as to any portion of the invoice will not excuse Customer's obligation to timely pay the undisputed portion of the invoice. Upon resolution, Customer must pay any validly invoiced unpaid amounts within thirty (30) days. Any amounts that are found to be in error resulting in an overpayment by the Customer will be applied as a billing credit against future invoices. Customer will be reimbursed any outstanding billing credits at the expiration or termination of this Agreement.

4. **Provision of the Service**

A. **General Terms.** RingCentral will provide the Services as described in the relevant Service Attachment. RingCentral may enhance, replace, and/or change the features of the Services, but it will not materially reduce the core features, functions, or security of the Services during the Term without Customer's consent.

B. **Customer Care**

i. Customer must provide Helpdesk Support to Customer's End Users. RingCentral may require Customer's Helpdesk Support personnel to complete a designated series of training courses on RingCentral's Services. Such training will be provided to Customer online in English at no cost.

ii. RingCentral will make remote support available to Customer's Helpdesk Support personnel and/or Account Administrators via the Customer Care call center, which will be available 24/7, to attempt to resolve technical issues with, and answer questions regarding the use of the Services. Unless otherwise agreed by the parties, Customer Care support will be provided in English, and onsite and implementation services are not included in the Customer Care support.

iii. Customer may open a case with Customer Care following the process in place at the time. Any individual contacting Customer Care on behalf of Customer must be authorized to do so on behalf of the Account and will be required to follow applicable authentication protocols.

C. **Professional Services.** RingCentral offers a broad portfolio of professional services that includes onsite and remote implementation services; extended enterprise services including premium technical support; and consulting. Any such services are governed by this Agreement, the Professional Services terms, and any applicable Statement of Work (SOW), which may be attached hereto.

D. Advanced Support. Customer may purchase Advanced Support services from RingCentral for use with the Services. T and conditions that govern the Advanced Support can be found at: https://www.ringcentral.com/legal/enterprise-service-attachment.html.

E. Managed Services. Customer may purchase Managed Services from RingCentral for use with the Services. The terms and conditions that govern the Managed Services can be found at: https://www.ringcentral.com/legal/managed-services-attachment.html.

F. Subcontracting. RingCentral may provide any of the Services hereunder through any of its Affiliates or subcontractors, provided that RingCentral will bear the same degree of responsibility for acts and omissions for those subcontractors acting on RingCentral's behalf in the performance of its obligations under this Agreement as it would bear if such acts and omissions were performed by RingCentral directly.

5. Use of the Service

A. Service Requirements. The Services are dependent upon Customer's maintenance of sufficient Internet access, networks, and power as set forth in RingCentral's Technical Sufficiency Criteria, available at https://www.ringcentral.com/legal/policies/technical-sufficiency-criteria.html. RingCentral will not be responsible for any deficiencies in the provision of the Services if Customer's network does not meet RingCentral's Technical Sufficiency Criteria.

B. Use Policies. Customer and its End Users may use the Services only in compliance with this Agreement, applicable Law, and the Use Policies referenced below, which are incorporated into and form part of this Agreement. Customer must ensure that its End Users comply with the Use Policies. Any breach of this Section (Use Policies) will be deemed a material breach of this Agreement. RingCentral may update the Use Policies from time to time and will provide notice of material updates to Customer at the email address on file with the Account. All updates will become effective thirty (30) days after such notice to Customer or upon posting for non-material changes. Customer may object to a modification that negatively impacts its use of the Service by sending written notice ("Objection Notice") to RingCentral within thirty (30) days from the date of the notice of modification. If the Parties cannot reach agreement, then either Party may terminate the affected Services without penalty with thirty (30) days written notice to the other Party.

i. Acceptable Use Policy. The Services must be used in accordance with RingCentral's Acceptable Use Policy, available at https://www.ringcentral.com/legal/acceptable-use-policy.html. Notwithstanding anything to the contrary in this Agreement, RingCentral may act immediately and without notice to suspend or limit the Services if RingCentral reasonably suspects fraudulent or illegal activity in the Customer's Account, material breach of the Acceptable Use Policy, or use of the Services that could interfere with the functioning of the RingCentral Network provided such suspension or limitation may only be to the extent reasonably necessary to protect against the applicable condition, activity, or use. RingCentral will promptly remove the suspension or limitation as soon as the condition, activity or use is resolved and mitigated in full. If Customer anticipates legitimate but unusual activity on its Account, Customer should contact Customer Care in advance to avoid any Service disruption.

ii. Emergency Services. RingCentral's policy governing the provision of emergency services accessed via the Services is available at https://www.ringcentral.com/legal/emergency-services.html.

iii. Numbering Policy. The provision, use, and publication of numbers used in conjunction with the Services are governed by RingCentral's Numbering Policies, available at https://www.ringcentral.com/legal/policies/numbering-policy.html.

6. Termination

A. Termination for Cause. Either Party may terminate this Agreement and any Services purchased hereunder in whole or part by giving written notice to the other Party: i) if the other Party breaches any material term of this Agreement and fails to cure such breach within thirty (30) days after receipt of such notice; ii) at the written recommendation of a government or regulatory agency following a change in either applicable Law or the Services; or iii) upon the commencement by or against the other Party of insolvency, receivership or bankruptcy proceedings or any other proceedings or an assignment for the benefit of creditors.

B. Effect of Termination. If Customer terminates the Services, a portion of the Services, or this Agreement in its entirety due to RingCentral's material breach under Section 6(A) (Termination for Cause), Customer will not be liable for any fees or charges for terminated Services for any period subsequent to the effective date of such termination (except those arising from continued usage before the Services are disconnected), and RingCentral will provide Customer a pro-rata refund of any prepaid and unused fees or charges paid by Customer for terminated Services. If this Agreement or any Services are terminated for any reason other than as a result of a material breach by RingCentral or as otherwise permitted pursuant to Section 6(A) or as set forth in Section 14(I) (Regulatory and Legal Changes) the Customer must, to the extent permitted by applicable Law and without limiting any other right or remedy of RingCentral, pay within thirty (30) days of such termination all amounts that have accrued prior to such termination, as well as all sums remaining unpaid for the Services for the remainder of the then-current Term plus related Taxes and fees.

7. Intellectual Property

A. Limited License

i. Subject to, and conditional upon Customer's compliance with, the terms of this Agreement, RingCentral grants to Customer and its End User, a limited, personal, revocable, non-exclusive, non-transferable (other than as permitted under this Agreement), non-sublicensable license to use any software provided or made available by RingCentral to the Customer as part of the Services (**"Software"**) to the extent reasonably required to use the Services as permitted by this Agreement, only for the duration that Customer is entitled to use the Services and subject to the Customer being current on its obligations.

ii. Customer will not, and will not allow its End Users, to: (a) sublicense, resell, distribute or assign its right under the license granted under this Agreement to any other person or entity; (b) modify, adapt or create derivative works of the Software or any associated documentation; (c) reverse engineer, decompile, decrypt, disassemble or otherwise attempt to derive the source code for the Software; (d) use the Software for infringement analysis, benchmarking, or for any purpose other than as necessary to use the Services Customer is authorized to use; (e) create any competing Software or Services; or (f) remove any copyright or other proprietary or confidential notices on any Software or Services.

B. IP Rights

i. RingCentral's Rights. Except as expressly provided in this Agreement, the limited license granted to Customer under Section 7(A) (Limited License) does not convey any ownership or other rights or licenses, express or implied, in the Services (including the Software), any related materials, or in any Intellectual Property and no IP Rights or other rights or licenses are granted, transferred, or assigned to Customer, any End User, or any other party by implication, estoppel, or otherwise. All rights not expressly granted herein are reserved and retained by RingCentral and its licensors. The Software and Services may comprise or incorporate services, software, technology, or products developed or provided by third parties, including open-source software or code. Customer acknowledges that misuse of RingCentral Services may violate third-party IP rights.

ii. Customer Rights. As between RingCentral and Customer, Customer retains title to all IP Rights that are owned by the Customer or its suppliers. To the extent reasonably required or desirable for the provision of the Services, Customer grants to RingCentral a limited, personal, non-exclusive, royalty-free, license to use Customer's IP Rights in the same. Customer must provide (and is solely responsible for providing) all required notices and obtaining all licenses, consents, authorizations, or other approvals related to the use, reproduction, transmission, or receipt of any Customer Content that includes personal or Confidential Information or incorporates any third-party IP rights.

C. Use of Marks. Neither Party may use or display the other Party's trademarks, service mark or logos in any manner without such Party's prior written consent.

8. Confidentiality

A. Restrictions on Use or Disclosures by Either Party. During the Term of this Agreement and for at least one (1) year thereafter, the Receiving Party shall hold the Disclosing Party's Confidential Information in confidence, shall use such Confidential Information only for the purpose of fulfilling its obligations under this Agreement, and shall use at least as great a standard of care in protecting the Confidential Information as it uses to protect its own Confidential Information.

Each Party may disclose Confidential Information only to those of its employees, agents or subcontractors who have a need to it in order to perform or exercise such Party's rights or obligations under this Agreement and who are required to protect it against unauthorized disclosure in a manner no less protective than required under this Agreement. Each Party may disclose the other Party's Confidential Information in any legal proceeding or to a governmental entity as required by Law.

These restrictions on the use or disclosure of Confidential Information do not apply to any information which is independently developed by the Receiving Party or lawfully received free of restriction from another source having the right to so furnish such information; after it has become generally available to the public without breach of this Agreement by the Receiving Party; which at the time of disclosure was already known to the Receiving Party, without restriction as evidenced by documentation in such Party's possession; or which the Disclosing Party confirms in writing is free of such restrictions.

Upon termination of this Agreement, the Receiving Party will promptly delete, destroy or, at the Disclosing Party's request, return to the Disclosing Party, all Disclosing Party's Confidential Information in its possession, including deleting or rendering unusable all electronic files and data that contain Confidential Information, and upon request will provide the Disclosing Party with certification of compliance with this subsection.

9. Data Protection

A. Data Privacy. RingCentral respects Customer's privacy and will only use the information provided by Customer to RingCentral or collected in the provision of the Services in accordance with RingCentral's Data Processing Addendum, available at https://www.ringcentral.com/legal/dpa.html, incorporated by reference. RingCentral may update the Data Processing Addendum from time to time and will provide notice of any material updates to the Customer as required by applicable Laws at the email address on file with the Account. Such updates will be effective thirty (30) days after such notice to Customer.

B. Data Security. RingCentral will take commercially reasonable precautions, including, without limitation, technical (*e.g.,* firewalls and data encryption), organizational, administrative, and physical measures, to help safeguard Customer's Account, Account Data, and Customer Content against unauthorized use, disclosure, or modification. Customer must protect all End Points using commercially reasonable security measures. Customer is solely responsible to keep all user identifications and passwords secure. Customer must monitor use of the Services for possible unlawful or fraudulent use. Customer must notify RingCentral immediately if Customer becomes aware or has reason to believe that the Services are being used fraudulently or without authorization by any End User or third party. Failure to notify RingCentral may result in the suspension or termination of the Services and additional charges to Customer resulting from such use. RingCentral will not be liable for any charges resulting from unauthorized use of Customer's Account.

C. Software Changes. RingCentral may from time-to-time push software updates and patches directly to Customer's device(s) for installation and Customer will not prevent RingCentral from doing so. Customer must implement promptly all fixes, upgrades and replacements of software and third-party software that may be provided by RingCentral. RingCentral will not be liable for inoperability of the Services or any other Services failures due to failure of Customer to timely implement the required changes.

10. Limitations of Liability

A. Excluded Damages

IN NO EVENT WILL EITHER PARTY OR ITS AFFILIATES OR ITS OR THEIR SUPPLIERS BE LIABLE FOR (1) INDIRECT, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES; (2) LOSS OF USE OR LOSS OF DATA; (3) LOSS OF BUSINESS OPPORTUNITIES, REVENUES OR PROFITS; OR (4) COSTS OF PROCURING REPLACEMENT PRODUCTS OR SERVICES, IN ALL CASES WHETHER ARISING UNDER CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY), OR ANY OTHER THEORY OF LIABILITY, AND EVEN IF SUCH PARTY HAS BEEN INFORMED IN ADVANCE OF SUCH DAMAGES OR SUCH DAMAGES COULD HAVE BEEN REASONABLY FORESEEN.

B. Liability Caps

EXCEPT AS SET FORTH HEREIN, THE TOTAL CUMULATIVE LIABILITY OF THE PARTIES UNDER THIS AGREEMENT WILL NOT EXCEED THE AMOUNTS PAID OR PAYABLE UNDER THIS AGREEMENT DURING THE PREVIOUS SIX (6) MONTHS. LIMITATIONS UNDER THIS SECTION (LIABILITY CAPS) WILL NOT APPLY TO:

i. FEES OWED BY CUSTOMER

ii. EITHER PARTY'S LIABILITY FOR INFRINGEMENT OF THE OTHER PARTY'S IP RIGHTS

iii. EITHER PARTY'S LIABILITY RESULTING FROM GROSS NEGLIGENCE, FRAUD, OR WILLFUL OR CRIMINAL MISCONDUCT

iv. CUSTOMER'S LIABILITY RESULTING FROM USE OF THE SERVICES IN BREACH OF THE ACCEPTABLE USE POLICY OR EMERGENCY SERVICES POLICY

v. EITHER PARTY'S LIABILITY ARISING FROM DEATH OR PERSONAL INJURY CAUSED BY NEGLIGENCE, OR FOR ANY OTHER LIABILITY WHICH MAY NOT BE RESTRICTED, LIMITED, OR EXCLUDED PURSUANT TO APPLICABLE LAW.

11. Indemnification

A. Indemnification by RingCentral

i. RingCentral shall indemnify and hold harmless the Customer and its Affiliates for Indemnifiable Amounts, and shall defend any third-party claims or causes of action (a **"Third Party Claim"**) to the extent such Third Party Claim arises out of or alleges that:

a. The Services, as provided by RingCentral, infringe or misappropriate the patent, copyright, trademark, or trade secret rights of a third party.

ii. RingCentral will have no obligations under subsection (i) above to the extent the Third Party Claim arises from: (a) use of the Services in combination with data, software, hardware, equipment, or technology not provided or authorized by RingCentral in writing unless any of the foregoing are necessary for the proper operation of the Services; (b) modifications to the Services not made by RingCentral; (c) Customer Content; (d) failure to promptly install any updates of any software or firmware or accept or use any modified or replacement items provided free of charge by or on behalf of RingCentral; (e) breach of the Agreement; or (f) a Third Party Claim brought by Customer's Affiliate, successor, or assignee.

iii. If such a Third-Party Claim is made or appears possible, Customer agrees to permit RingCentral, at RingCentral's sole discretion and expense, to (a) modify or replace the Services, or component or part thereof, to make it non-infringing or (b) obtain the right for Customer to continue to use the Services. If RingCentral determines that neither alternative is commercially reasonable, RingCentral may terminate this Agreement in its entirety or with respect to the affected Service, component or part (a **"Discontinued Component"**), effective immediately on written notice to Customer, in which case Customer will not owe any fees or charges relating to the Discontinued Component for any period subsequent to the date of such termination, and will be entitled to receive a refund of any prepaid but unused fees relating to the Discontinued Component. In the event the removal of the Discontinued Component does not substantially affect Customer's use of the Services, the refund or fee abatement pursuant to the foregoing shall be a reasonable portion of the total fees owed by Customer for the Services as a whole based on the significance of the Discontinued Component to the total value of the Services as a whole. RingCentral's obligations under this Sub-Section will be RingCentral's sole and exclusive liability and Customer's sole and exclusive remedies with respect to any actual or alleged intellectual property violations.

B. Indemnification by Customer. To the extent permitted by the laws and the constitution of the jurisdiction of Customer, Customer shall indemnify, and hold harmless RingCentral and its Affiliates for Indemnifiable Amounts, and shall defend any Third Party Claims arising out of or in connection with: (i) material violation of applicable Law by the Customer, its Affiliates, or their respective End Users in connection with their use of the Services; (ii) use of the Services in breach of the Use Policies; (iii) failure to promptly install any updates of any software or firmware or accept or use modified or replacement items provided free of charge by or on behalf of RingCentral; or (iv) Customer Content.

C. Defense and Indemnification Procedures. Any Party seeking indemnification under this Section 11 (the **“Indemnifie** shall provide the Party from which it seeks such indemnification (the **“Indemnifying Party”**) with the following: (a) prompt written notice of the Third-Party Claim, (b) sole control over the defense and settlement of the Third-Party Claim, and (c) reasonable information, cooperation, and assistance (at the Indemnifying Party’s sole expense except for the value of the time of the Indemnified Party’s personnel) in connection with the defense and settlement of the Third-Party Claim. The Indemnified Party’s failure to comply with the foregoing obligations will not relieve the Indemnifying Party of its defense or indemnification obligations under this Section 11 (Indemnification) except to the extent that the Indemnifying Party is materially prejudiced by such failure. The Indemnified Party will have the right to participate (but not control), at its own expense, in the defense of such Third-Party Claim, including any related settlement negotiations. No such claim may be settled by the Indemnifying Party without the Indemnified Party’s express written consent (not to be unreasonably withheld, conditioned, or delayed) unless such settlement includes a full and complete release of all claims and actions against the Indemnified Party by each party bringing such Third-Party Claim, requires no admission of fault, liability, or guilt by the Indemnified Party, and requires no act by the Indemnified Party other than the payment of a sum of money fully indemnified by the Indemnifying Party.

12. Warranties

A. RingCentral Warranty. RingCentral will provide the Services using a commercially reasonable level of skill and care, in material compliance with all applicable Laws and otherwise subject to the terms of this Agreement. To the extent permitted by Law, RingCentral shall pass through to Customer any and all warranties RingCentral receives in connection with equipment provided to Customer by or on behalf of RingCentral.

B. Customer Warranty. Customer’s and its End Users’ use of the Services must always comply with all applicable Laws and this Agreement. Further, when Customer’s subscription for Services exceeds one (1) fiscal year, Customer warrants that it shall exercise due diligence and best efforts to secure an adequate appropriation of funds on time from its legislative or similar government body to pay for the contracted Services in the follow-on fiscal year(s).

C. Disclaimer of Warranties. EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT AND TO THE FULLEST EXTENT PERMITTED BY LAW, THE SERVICES ARE PROVIDED “AS IS” AND “AS AVAILABLE,” AND RINGCENTRAL MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, QUIET ENJOYMENT, AND FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING OR USAGE IN TRADE, TOGETHER WITH SIMILAR WARRANTIES, WHETHER ARISING UNDER ANY LAW OR OTHERWISE. TO THE EXTENT THAT RINGCENTRAL CANNOT DISCLAIM ANY SUCH WARRANTY AS A MATTER OF APPLICABLE LAW, THE SCOPE AND DURATION OF SUCH WILL BE LIMITED TO THE FULLEST EXTENT PERMITTED BY LAW.

13. Dispute Resolution

A. Governing Law. Any dispute arising out of or relating to this Agreement shall be governed and construed in accordance with the laws of Oregon, without regard to its choice of law rules, and the parties agree to submit to the jurisdiction of, and venue in, the courts in that state. The United Nations Convention on Contracts for the International Sale of Goods does not apply to this Agreement or Customer’s use of the products or Services.

B. Good Faith Attempt to Settle Disputes. In the event of a dispute, each Party shall appoint a duly authorized representative who shall use all reasonable endeavors to resolve in good faith any dispute within reasonable timescales.

C. Equitable Relief. Any breach of either Party’s IP Rights may cause that Party irreparable harm for which monetary damages will be inadequate and such Party may, in addition to other remedies available at Law or in equity, obtain injunctive relief without the necessity of posting a bond or other security, proof of damages, or similar requirement, in additional to any other relief to which such Party may be entitled under applicable Law.

14. Miscellaneous

A. Relationship of the Parties. RingCentral and Customer are independent contractors, and this Agreement will not establish any relationship of partnership, joint venture, employment, franchise or agency between RingCentral and Customer.

B. Assignment. Neither Party may assign the Agreement or any portion thereof without the other Party’s prior written consent (which such consent may not be unreasonably withheld or delayed), however either Party may assign the Agreement and all of that Party’s rights and obligations thereunder without consent (a) to an Affiliate; (b) to the Party’s successor or surviving entity in connection with a merger, acquisition, consolidation, sale of all or substantially all of its assets used in connection with the provision of Services under this Agreement; or (c) as part of the transfer or disposition of more than fifty percent (50%) of a Party’s voting control or assets. This Agreement will bind and inure to the benefit of the Parties, and their permitted assigns and successors.

C. Notices. Except where otherwise expressly stated in the Agreement, all notices or other communications must be in English and are deemed to have been fully given when made in writing and delivered in person, upon delivered email, confirmed facsimile, or five days after deposit with an reputable overnight courier service, and addressed as follows: To RingCentral at RingCentral, Inc., Legal Dept., 20 Davis Drive, Belmont, CA 94002 USA, with a copy to legal@ringcentral.com, and to Customer at either the physical address or email address associated with the Customer Account.

Customer acknowledges and agrees that all electronic notices have the full force and effect of paper notices. The addresses to which notices may be given by either Party may be changed (a) by RingCentral upon written notice given to Customer pursuant to this Section or (b) by Customer in the Administrative Portal.

D. Force Majeure. Excluding either Party's payment obligations under the Agreement, neither Party will be responsible for any failure to perform or delay in performing to the extent resulting from any event or circumstance that is beyond that Party's reasonable control, including without limitation any act of God; national emergency; third-party telecommunications networks; riot; war; terrorism; governmental act or direction; change in Laws; fiber, cable, or wire cut; power outage or reduction; rebellion; revolution; insurrection; earthquake; storm; hurricane; flood, fire, or other natural disaster; strike or labor disturbance; or other cause, whether similar or dissimilar to the foregoing, not resulting from the actions or inactions of such Party.

E. Third-Party Beneficiaries. RingCentral and Customer agree that there will be no third-party beneficiaries to this Agreement.

F. Headings, Interpretation. The headings, section titles, and captions used in the Agreement are for convenience of reference only and will have no legal effect. All defined terms include related grammatical forms, and, whenever the context may require, the singular form of nouns and pronouns include the plural, and vice versa. The Parties agree that this Agreement will be deemed to have been jointly and equally drafted by them, and that the provisions of this Agreement therefore should not be construed against a Party or Parties on the grounds that the Party or Parties drafted or was more responsible for drafting the provision(s).

G. Anti-Bribery. Each Party represents that in the execution of this Agreement and in the performance of its obligations under this Agreement it has complied and will comply with all applicable anti-bribery Laws and regulations, including, without limitation, the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, and similar applicable Laws.

H. Export Control. Any services, products, software, and technical information (including, but not limited to, services and training) provided pursuant to the Agreement may be subject to U.S. export Laws and regulations. Customer will not use distribute, transfer, or transmit the services, products, software, or technical information (even if incorporated into other products) except in compliance with U.S. and other applicable export regulations.

I. Regulatory and Legal Changes. In the event of any change in Law, regulation or industry change that would prohibit or otherwise materially interfere with RingCentral's ability to provide Services under this Agreement, RingCentral may terminate the affected Services or this Agreement or otherwise modify the terms thereof.

J. Entire Agreement. The Agreement, together with any exhibits, Order Forms, Use Policies, and Attachments, each of which is expressly incorporated into this Agreement with this reference, constitutes the entire agreement between the Parties and supersedes and replaces any and all prior or contemporaneous understandings, proposals, representations, marketing materials, statements, or agreements, whether oral, written, or otherwise, regarding such subject. RingCentral expressly rejects in their entirety any additional or conflicting terms or conditions contained in Customer purchase order, or similar Customer document, which the Parties agree are solely for the Customer's convenience.

K. Order of Precedence. In the event of any conflict between the documents comprising this Agreement, precedence will be given to the documents in the following descending order: (i) the applicable Order Form; (ii) the applicable Attachment; (iii) the main body of this Agreement; (iv) Use Policies and Data Processing Addendum incorporated by reference in this Agreement; and (v) and any other document expressly referred to in this Agreement which governs the Services. With respect to data processing, the Data Processing Addendum shall take precedence over any inconsistent terms in any of the documents listed in the previous sentence.

L. Amendments. Except as otherwise provided, this Agreement may only be modified by a written amendment executed by authorized representatives of both Parties. In no event will handwritten changes to any terms or conditions, including in the applicable Order Form, be effective.

M. Severability and Waiver. In the event any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, such provision(s) will be stricken and the remainder of this Agreement will remain legal, valid, and binding. The failure by either Party to exercise or enforce any right conferred by this Agreement will not be deemed to be a waiver of any such right or to operate so as to bar the exercise or enforcement of any such or other right on any later occasion. Except as otherwise expressly stated in this Agreement, all rights and remedies stated in the Agreement are cumulative and in addition to any other rights and remedies available under the Agreement, at Law, or in equity.

N. Publicity. Subject to Customer's prior written approval, which may not be unreasonably withheld or denied, in each instance, and notwithstanding anything to the contrary in this Agreement, RingCentral may identify Customer as a customer (including use of any Customer logo or trademark) and may refer to this Agreement during its earnings calls and in connection with its business deals, press releases, and marketing and/or promotional materials.

O. Execution. Each Party represents and warrants that: (a) it possesses the legal right and capacity to enter into the Agreement and to perform all of its obligations thereunder; (b) the individual signing the Agreement and (each executable part thereof) on that Party's behalf has full power and authority to execute and deliver the same; and (c) the Agreement will be a binding obligation of that Party. Each Party agrees that an Electronic Signature, whether digital or encrypted, is intended to authenticate this Agreement and to have the same force and effect as manual signatures.

P. Counterparts. This Agreement may be executed electronically and in separate counterparts each of which when taken together will constitute one in the same original.

Q. Survival. The rights and obligations of either Party that by their nature would continue beyond the expiration or termination of this Agreement or an Order Form will survive expiration or termination of this Agreement or the Order Form, including without limitation payment obligations, warranty disclaimers, indemnities, limitations of liability, definitions and miscellaneous.

R. Family Education Rights and Privacy Act (FERPA). Customer Content when in-transit on the RingCentral Network and when at-rest within RingCentral Data Centers may contain communications and/or educational records pertaining to students in connection with the performance of the Services pursuant to the Agreement. RingCentral shall only use or discl Customer Content as is reasonably necessary to provide the Services or for RingCentral to otherwise perform its obligations under the Agreement.

EXHIBIT A
DEFINITIONS

Definitions. Capitalized terms used in this Agreement but otherwise not defined have the following meaning:

1. **"Account"** means the numbered account established with RingCentral and associated with Customer and the Services provided to Customer under this Agreement. For billing and convenience purposes, multiple services, Digital Lines, or End Users may be in cluded in a single billing account, and/or a single Customer may have multiple billing accounts encompassing different geographic locations, business units, or other designations as requested by Customer and accepted by RingCentral.
2. **"Account Administrator"** means the person(s) who have been granted authority by Customer to set up, amend, or otherwise control settings and/or make additional purchases for the Account via the Administrative Portal. Account Administrators may have varying levels of Account rights, skills, or permissions.
3. **"Account Data"** means: any business contact information provided with the Account; RingCentral-generated logs of calling or other metadata developed or collected in the provision of the Services; configuration data; and records of Digital Lines a nd any Services purchased under this Agreement.
4. **"Administrative Fees"** means any administrative recovery fees, 911 cost recovery fees and the like separately charged by RingCentral to Customer.
5. **"Administrative Portal"** means the online administrative portal through which Account Administrators control settings and/or make additional purchases for the Account.
6. **"Affiliate(s)"** means a person or entity that is controlled by a Party hereto, controls a Party hereto, or is under common control with a Party hereto, and "control" means beneficial ownership of greater than fifty percent (50%) of an entity's then-outstanding voting securities or ownership interests.
7. **"Attachment(s)"** means documents appended to the contract containing additional terms for products and Services. Attachments and the terms and conditions contained therein are part of this Agreement.
8. **"Confidential Information"** means any information disclosed by or on behalf of the Disclosing Party) to the Receiving Party that should reasonably be considered as confidential given the nature of the information and the circumstances surrounding its dis closure.
9. **"Customer Care"** means Customer support operations delivered by RingCentral and/or its subcontractors.
10. **"Customer Content"** means the content of calls, facsimiles, SMS messages, voicemails, voice recordings, shared files, conferences, or other communications transmitted or stored through the Services.
11. **"Digital Line"** means a phone number assigned to an End User or a specifically designated location (e.g., conference room) and the associated voice service for inbound and outbound calling that permits an End User generally to make and receive calls to and from the public switched telephone network as well as to and from other extensions within the same Account.
12. **"Disclosing Party"** means the Party disclosing Confidential Information or on whose behalf Confidential Information is disclosed by such Party's agents, including but not limited to, its Affiliates, officers, directors, employees, and attorneys.
13. **"Electronic Signatures"** means an electronic sound, symbol, or process, including clicking a digital button to accept, attached to or logically associated with a contract or other record and executed or adopted by a person with the intent to sign the record.
14. **"End Point"** means an application or device through which any End-User might access and/or use any of the Services, including without limitation IP Desk Phones, Desktop Clients, Web Clients, Mobile Applications, and Software Integrations.
15. **"End User"** means an individual user to whom Customer makes the Services available, and may be a natural person, and may include but is not limited to Customer's employees, consultants, clients, external users, invitees, contractors, and agents.
16. **"Helpdesk Support"** shall mean the performance of the following tasks:
    - Standard feature/functionality ("how to") support for End Users (i.e. call forwarding, voice mail set-up, etc.).
    - Standard management of the Admin Interface within the product.
    - Support all moves, adds, changes, and deletes of employees.
17. **"Indemnifiable Amounts"** means all (X) damages and other amounts awarded against the Indemnified Party by a court of competent jurisdiction pursuant to a final judgment in connection with such Third-Party Claim; (Y) any amounts payable by the Indemnified Party or its Affiliates pursuant to a binding, written agreement settling the Third Party Claim, provided such ag reement is approved in advance in writing by the Indemnifying Party; and (Z) all reasonable costs and expenses paid to third parties by the Indemnified Party or its Affiliates in connection with the Indemnified Party's or its Affiliates' attorneys' fees and related expenses.
18. **"Indemnifying Party"** and **"Indemnified Party"** have the meanings set forth in Section 11(C) (Defense and Indemnification Procedures).
19. **"Initial Term"** has the meaning set forth in Section 2(D) (Services Term).

20. **"Intellectual Property Rights"** or **"IP Rights"** means all common law and statutory rights (whether registered or unregis recorded or unrecorded, regardless of method) arising out of or associated with: (a) patents and patent applications, inventi ons, industrial designs, discoveries, business methods, and processes; (b) copyrights and copyright registrations, and "moral" rights; (c) the protection of trade and industrial secrets and Confidential Information; (d) other proprietary rights relating to intangi ble property; (e) trademarks, trade names and service marks; (f) a person's name, likeness, voice, photograph or signature, including without limitation rights of personality, privacy, and publicity; (g) analogous rights to those set forth above; and (h) divisions, continuations, continuations-in-part, renewals, reissuances and extensions of the foregoing (as applicable).

21. **"Law"** means any law, statute, regulation, rule, ordinance, administrative guidance, treaty or convention, or court or administrative order or ruling of any governing Federal, State, local or non-U.S. governmental body with jurisdiction over the Services.

22. **"Order Form(s)"** means a request for Service describing the type and quantity of Services required by Customer and submitted and accepted by the Parties in accordance with Section 2(A) (Ordering Services). The Order Form may be presented and executed via the Administrative Portal.

23. **"Receiving Party"** means the Party or its agents, including, but not limited to its Affiliates, officers, directors, employees, and attorneys receiving Confidential Information.

24. **"Renewal Term"** has the meaning set forth in Section 2(D) (Services Term).

25. **"RingCentral Network"** means the network and supporting facilities between and among the RingCentral points of presence (**"PoP(s)"**), up to and including the interconnection point between the RingCentral's network and facilities, and the public Internet, and the Public Switched Telephone Network (PSTN). The RingCentral Network does not include the public Internet, a Customer's own private network, or the PSTN.

26. **"Service(s)"** means all services provided under this Agreement and set forth in one or more Order Form(s).

27. **"Start Date"** means the date so identified in the relevant Order Form or the date on which Customer orders Services via the Administrative Portal.

28. **"Taxes"** means any and all federal, state, local, municipal, foreign, and other taxes and fees charged or collected from Customers, including but not limited to any Universal Service Fund, TRS and 911 taxes and fees.

29. **"Term"** means the Initial Term plus any Renewal Terms.

30. **"Third Party Claim"** has the meaning set forth in Section 11(A) (Indemnification by RingCentral).

31. **"Use Policy"** refers to any of the policies identified in Section 5(B) (Use Policies).

ATTACHMENT A
SERVICE ATTACHMENT - RINGCENTRAL MVP SERVICES

This Service Attachment is a part of the Master Services Agreement (the **"Agreement"**) that includes the terms and conditions agreed by the Parties under which RingCentral will provide to the Customer the RingCentral MVP Services as described under the applicable Order Form (the **"Services"**).

1. Service Overview

The Services are a cloud-based unified communications service that includes enterprise-class voice, fax, call handling, mobile apps, and bring-your-own-device (BYOD) capability that integrates with a growing list of applications.

The Services include:

- Voice Services, including extension-to-extension calling and the ability to make and receive calls to and from the public switched telephone network (PSTN)
- Video and audio-conferencing service, including screen sharing
- Collaboration Tools, including One-to-One and Team Chat, File Sharing, task management, SMS/Texting (where available), and other innovative tools

The Services may be accessed from a variety of user End Points, including IP Desk Phones, Desktop Clients, Web Clients, Mobile Applications, and Software Integrations.

2. RingCentral MVP Purchase Plans

A. Tiers of Service. The Services are made available in several pricing tiers, which are described more fully at https://www.ringcentral.com/office/plansandpricing.html. While RingCentral offers unlimited monthly plans for some of its products and services, RingCentral Services are intended for regular business use. "Unlimited" use does not permit any use otherwise prohibited by the Acceptable Use Policy, available at https://www.ringcentral.com/legal/acceptable-use-policy.html, including trunking, access stimulation, reselling of the Services, etc.

B. Minute and Calling Credit Bundles. Each plan includes a number of Toll-Free minutes, per month, which are pooled to create a single allotment of Toll-Free minutes available for the entire account. Core/Advanced/Ultra tier plans include a monthly allotment of 100/1000/10000 toll free minutes per account, respectively. Overage charges of 3.9¢ per minute apply to calls made in excess of allotment.

International Calling Credit Bundles can be purchased in addition to any base amount included with the purchased tier. International External Calls are charged against Calling Credits on the Account per destination rates, or as overage once Calling Credits are exceeded. Currently effective rates are available at https://www.ringcentral.com/support/international-rates.html.

Extension-to-Extension Calls within the Customer account never incur any usage fee and are unlimited, except to the extent that such calls are forwarded to another number that is not on the Customer account.

Additional Calling Credits may be purchased through the Auto-Purchase feature, which can be selected for automatic purchase in various increments on the Administrative Portal. Auto-Purchase is triggered when the combined usage of all End Users on an Account exceeds the total Calling Credits or when End Users make calls with additional fees (e.g., 411).

Minute Bundles and Calling Credit Bundles expire at the end of month and cannot roll over to the following month. Auto-Purchased Calling Credits expire twelve (12) months from date of purchase. Bundles may not be sold, transferred, assigned, or applied to any other customer.

C. Enhanced Business SMS Allotment and Pricing. Each plan includes a number of SMS per each user, per month, which are pooled to create a single allotment of SMS available to the entire account. Core/Advanced/Ultra tier plans include a monthly allotment of 25/100/200 SMS, per user respectively. Each SMS sent or received will be deducted from the pool of available SMS on the account. Overage charges apply to SMS sent or receive in excess of allotment and will be charged at the then-applicable rates, available at https://www.ringcentral.com/support/new-sms-rates.html. Additional SMS bundles are available for purchase at discounted prices. Customer must successfully register phone numbers with the SMS registar prior to using SMS. RingCentral may attempt to deliver SMS sent from unregistered phone numbers at its discretion, however unregistered SMS are excluded from the monthly allotment and any purchased SMS bundles, and will be charged at then-applicable unregistered SMS rates, available at https://www.ringcentral.com/support/new-sms-rates.html.

3. Operator Assisted Calling, 311, 511 and other N11 Calling

RingCentral does not support 0+ or operator assisted calling (including, without limitation, collect calls, third party billing calls, 900, or other premium line numbers or calling card calls). The Services may not support 211, 311, 411, 511 and/or N11 calling. To the extent they are supported, additional charges may apply for these calls.

4. Directory Listing Service

RingCentral offers directory listing (the **"Directory Listing Service"**). If Customer subscribes to the Directory Listing Service, RingCentral will share certain Customer Contact Data with third parties as reasonably necessary to include in the phone directory

(**"Listing Information"**). This information may include, but is not limited to, Customer's company name, address, an[d] numbers. Customer authorizes RingCentral to use and disclose the Listing Information for the purpose of publishing in, and making publicly available through, third-party directory listing services, to be selected by RingCentral or third-party service providers in their sole discretion. Customer acknowledges and agrees that by subscribing to the Directory Listing Service, Customer's Listing Information may enter the public domain and that RingCentral cannot control third parties' use of such information obtained through the Directory Listing Service.

A. Opt Out. Customer may opt out of the Directory Listing Service at any time; however, RingCentral is not obligated to have Customer's Listing Information removed from third-party directory assistance listing services that have already received Customer's information.

B. No Liability. RingCentral will have no responsibility or liability for any cost, damages, liabilities, or inconvenience caused by calls made to Customer's telephone number; materials sent to Customer, inaccuracies, errors or omissions with Listing Information; or any other use of such information. RingCentral will not be liable to Customer for any use by third parties of Customer's Listing Information obtained through the Directory Listing Service, including without limitation the use of such information after Customer has opted out of the Directory Listing Service.

5. RingCentral Global MVP or RingCentral Global Office. RingCentral Global MVP (which is also known as RingCentral Global Office and references in the Service Description to Global MVP shall also refer to Global Office) provides a single communications system to companies that have offices around the world, offering localized service in countries for which Global MVP is available. Additional information related to Global MVP Services is available at http://www.ringcentral.com/legal/policies/global-office-countries.html. This section sets forth additional terms and conditions concerning RingCentral's Global MVP for customers that subscribe to it.

A. Emergency Service Limitations for Global MVP. RingCentral provides access to Emergency Calling Services in many, but not all, countries in which RingCentral Global MVP is available, allowing End Users in most countries to access Emergency Services. Emergency Services may only be accessed within the country in which the Digital Line is assigned, e.g., an End User with a Digital Line assigned in Ireland may dial Emergency Services only within Ireland. Access to Emergency Calling Services in RingCentral Global MVP countries, where available, is subject to the Emergency Services Policy, available at https://www.ringcentral.com/legal/emergency-services.html. Customer must make available and will maintain at all times traditional landline and/or mobile network telephone services that will enable End Users to call the applicable Emergency Services number. Customer may not use the RingCentral Services in environments requiring fail-safe performance or in which the failure of the RingCentral Services could lead directly to death, personal injury, or severe physical or environmental damage.

B. Global MVP Provided Only in Connection with Home Country Service. RingCentral provides Global MVP Service only in connection with Services purchased in the Home Country. RingCentral may immediately suspend or terminate Customer's Global MVP Services if Customer terminates its Digital Lines in the Home Country. All invoicing for the Global MVP Services will be done in the Home Country on the Customer's Account, together with other Services purchased under this Agreement, using the Home Country's currency. Customer must at all times provide a billing address located in the Home Country. RingCentral will provide all documentation, licenses, and services in connection with the Global MVP Service in English; additional language support may be provided at RingCentral's sole discretion.

C. Primary Place of Use of Global MVP Service. Customer represents and warrants that the primary place of use of the Global MVP Services will be the country in which the Digital Line is assigned, e.g., an End User with a Digital Line assigned in Ireland will primarily use that Digital Line in Ireland.

D. Relationships with Local Providers. In connection with the provision of RingCentral Global MVP Services, RingCentral relies on local providers to supply certain regulated communication services; for example (i) for the provision of local telephone numbers within local jurisdictions; (ii) to enable you to place local calls within local jurisdictions; and (iii) to enable you to receive calls from non-RingCentral numbers on Customer's Global MVP telephone number(s), by connecting with the local public switched telephone network. Customer hereby appoints RingCentral as Customer's agent with power of attorney (and such appointment is coupled with an interest and is irrevocable during the Term) to conclude and enter into agreements with such local providers on Customer's behalf to secure such services. RingCentral's locally licensed affiliates provide all telecommunications services offered to Customer within the countries in which such affiliates are licensed; in some cases, RingCentral may obtain services from locally licensed providers on Customer's behalf. RingCentral is responsible for all contracting, billing, and customer care related to those services. Customer is responsible for providing RingCentral with all information necessary for RingCentral to obtain numbers in Global MVP countries.

6. **Additional Services.** RingCentral offers add-on services for the Services (where available), which are desc https://www.ringcentral.com/legal/microsoft-teams-services-attachment.html. Additional terms or charges may apply, depending on the selected features.

7. **Bring Your Own Carrier (BYOC) Services.** RingCentral offers a software-as-a-service in which customers provide and maintain their own local telecommunications services, which may be connected to RingCentral's cloud PBX, videoconferencing, and team messaging services. BYOC and additional terms are described and available at https://www.ringcentral.com/legal/BYOC-service-description.html.

8. **Definitions.** Terms used herein but not otherwise defined have the meanings ascribed to them in the Agreement. For purposes of this Service Attachment, the following terms have the meanings set forth below:

   A. **"Digital Line"** means a phone number assigned to an End User or a specifically designated location (e.g., conference room) and the associated voice service for inbound and outbound calling that permits the End User generally to make and receive calls to and from the public switched telephone network as well as to and from other extensions within the same Account.

   B. **"End Point"** means an application or device through which any End-User might access and/or use any of the Services, including without limitation IP Desk Phones, Desktop Clients, Web Clients, Mobile Applications, and Software Integrations.

   C. **"Extension-to-Extension Calls"** means calls made and received between End Points on the Customer Account with RingCentral, regardless of whether the calls are domestic or international.

   D. **"External Calls"** means calls made to or received from external numbers on the PSTN that are not on the Customer Account with RingCentral.

   E. **"Home Country"** means the United States or the country that is otherwise designated as Customer's primary or home country in the Order Form.

ATTACHMENT B
RINGCENTRAL SECURITY ADDENDUM

1. Scope

This document describes the Information Security Measures (**"Measures"**) that RingCentral has in place when processing Protected Data through RingCentral Services.

2. Definitions

For purposes of this Security Addendum only, capitalized terms, not otherwise defined herein, have the meaning set forth in the Agreement.

A. **"Ring Central Services"**, or **"Services"**, means services offered by RingCentral and acquired by the Customer.

B. **"Customer"** means the entity that entered into the Agreement with RingCentral.

C. **"Protected Data"** means Customer and partner data processed by RingCentral Services, as defined in the applicable RingCentral DPA or Agreement, including "personal data" and "personal information" as defined by applicable privacy laws, confidential data as defined in the Agreement, account data, configuration data, communication content including messages, voicemail, and video recording.

D. **"Agreement"** means the agreement in place between RingCentral and the Customer for the provision of the Services.

E. **"Personnel"** means RingCentral employees, contractors or subcontracted Professional Services staff.

3. Information Security Management

A. Security Program

RingCentral maintains a written information security program that:

i. Includes documented policies or standards appropriate to govern the handling of Protected Data in compliance with the Agreement and with applicable law.

ii. Is managed by a senior employee responsible for overseeing and implementing the program.

iii. Includes administrative, technical, and physical safeguards reasonably designed to protect the confidentiality, integrity, and availability of Protected Data.

iv. Is appropriate to the nature, size, and complexity of RingCentral's business operations.

B. Security Policy Management

RingCentral's security policies, standards, and procedures:

i. Align with information security established industry standards.

ii. Are subject to ongoing review.

iii. May be revised to reflect changes in industry best practices.

C. Risk Management

RingCentral:

i. Performs cybersecurity risk assessments to identify threats to their business or operations at least annually.

ii. Updates RingCentral policies, procedures and standards as needed to address threats to RingCentral's business or operations.

4. Independent security assessments

A. External Audit

RingCentral:

i. Uses qualified independent third-party auditors to perform security audits covering systems, environments, and networks where Protected Data is processed, including

a. SOC2 Type II

b. IES/ISO 27001.

ii. maintains additional audits and compliance certifications as appropriate for RingCentral's business and as identified at www.ringcentral.com/trust-center.html.

B. Distribution of Reports

Copies of relevant audit reports and certifications:

i. Will be provided to Customer on request.

ii. Are subject to Non-Disclosure Agreement.

C. Annual Risk Assessment Questionnaire

Customer may, on one (1) occasion within any twelve (12) month period, request that RingCentral complete a third-party risk assessment questionnaire within a reasonable time frame.

In case of conflict between this section and the equivalent section in the RingCentral DPA, the DPA takes precedence.

5. Human Resource Security

A. Background Checks

RingCentral requires pre-employment screenings of all employees. RingCentral ensures criminal background searches on its employees to the extent permitted by law. Each background check in the US includes:

i. An identity verification (SSN trace).

ii. Criminal history checks for up to seven (7) years for felony and misdemeanors at the local, state, and federal level, where appropriate.

iii. Terrorist (OFAC) list search, as authorized by law.

Internationally, criminal history checks are conducted as authorized by local law.

Background checks are conducted by a member of the National Association of Professional Background Screeners or a competent industry-recognized company in the local jurisdiction.

B. Training

RingCentral will ensure that all employees including contractors:

i. Complete annual training to demonstrate familiarity with RingCentral's security policies.

ii. Complete annual training for security and privacy requirements, including CyberSecurity awareness, GDPR, and CCPA.

iii. Have the reasonable skill and experience suitable for employment and placement in a position of trust within RingCentral.

C. Workstation Security

RingCentral ensures that:

i. RingCentral employees either use RingCentral owned and managed devices in the performance of their duties or Bring Your Own Device (BYOD) device.

ii. All devices, whether RingCentral owned and managed or Bring Your Own Device (BYOD) device, are enrolled in the full RingCentral managed device program.

D. Data Loss Prevention

RingCentral employs a comprehensive system to prevent the inadvertent or intentional compromise of RingCentral data and Protected Data.

E. Due Diligence Over Sub-Contractors

RingCentral will:

i. maintain a security process to conduct appropriate due diligence prior to engaging sub-contractors.

ii. assess the security capabilities of any such sub-contractors on a periodic basis to ensure subcontractors' ability to comply with the Measures described in this document.

iii. apply written information security requirements that oblige sub-contractors to adhere to RingCentral's key information security policies and standards consistent with and no less protective than these Measures.

F. Non-Disclosure

RingCentral ensures that employees and contractors/sub-contractors who process Protected Data are bound in writing by obligations of confidentiality.

6. Physical Security

A. General

RingCentral:

i. Restricts access to, controls, and monitors all physical areas where RingCentral Services process Protected Data (**"Secure Areas"**).

ii. Maintains appropriate physical security controls on a 24-hours-per-day, 7-days-per-week basis (**"24/7"**).

iii. Revokes any physical access to Secure Areas promptly after the cessation of the need to access buildings and system(s).

iv. Performs review of access rights on at least an annual basis.

B. Access and Authorization Processes

RingCentral maintains a documented access authorization and logging process. The authorization and logging process will include at minimum:

i. Reports detailing all access to Secure Areas, including the identities and dates and times of access.

ii. Reports to be maintained for at least one year as allowed by law.

iii. Video surveillance equipment to monitor and record activity at all Secure Areas entry and exit points on a 24/7 basis to the extent permitted by applicable laws and regulations.

iv. Video recording to be maintained for at least 30 days or per physical location provider's policies.

C. Data Centers

To the extent that RingCentral is operating or using a data center, RingCentral ensures that physical security controls are in alignment with industry standards such as ISO 27001 and SSAE 16 or ISAE 3402 or similar standard including:

i. Perimeter security including fencing/barriers and video surveillance.

ii. Secure access including security guard/reception.

iii. Interior access controlled through RFID cards, 2FA, anti-tailgating controls.

iv. Redundant utility feeds and support for continuous delivery through backup systems.

v. Redundant network connection from multiple providers.

7. Logical Security

A. User Identification and Authentication

RingCentral:

i. Maintains a documented user management lifecycle management process that includes manual and/or automated processes for approved account creation, account removal and account modification for all Information Resources and across all environments.

ii. Ensures that RingCentral users have an individual accounts for unique traceability.

iii. Ensures that RingCentral users do not use shared accounts; where shared accounts are technically required controls are in place to ensure traceability.

iv. RingCentral user passwords are configured aligned with current NIST guidance.

For the customer facing applications, Customers may choose to integrate with SSO (Single Sign on) so that Customer retains control over their required password settings including Customer's existing MFA/2FA solutions.

B. User Authorization and Access Control

RingCentral:

i. Configures remote access to all networks storing or transmitting Protected Data to require multi-factor authentication for such access.

ii. Revokes access to systems and applications that contain or process Protected Data promptly after the cessation of the need to access the system(s) or application(s).

iii. Has the capability of detecting, logging, and reporting access to the system and network or attempts to breach security of the system or network.

RingCentral employs access control mechanisms that are intended to:

i. Limit access to Protected Data to only those Personnel who have a reasonable need to access said data to enable RingCentral to perform its obligations under the Agreement.

ii. Prevent unauthorized access to Protected Data.

iii. Limit access to users who have a business need to know.

iv. Follow the principle of least privilege, allowing access to only the information and resources that are necessary.

v. Perform review access controls on a minimum annual basis for all RingCentral's systems that transmit, process, or store Protected Data.

8. Telecommunication and Network Security

A. Network Management

RingCentral:

i. Maintains network security program that includes industry standard firewall protection and two-factor authentication for access to RingCentral's networks.

ii. Deploys an Intrusion Detection Systems (IDS) and/or Intrusion Prevention Systems (IPS) to generate, monitor, and respond to alerts which could indicate potential compromise of the network and/or host.

iii. Monitors web traffic from the Internet and from internal sources to detect cyber-attacks including Distributed Denial of Service (DDoS) attacks against web sites / services and to block malicious traffic.

B. Network Segmentation

RingCentral:

i. Implements network segmentation between the corporate enterprise network and hosting facilities for Services.

ii. Ensures separation between environments dedicated to development, staging, and production.

iii. Restricts access between environments to authorized devices.

iv. Controls configuration and management of network segregation and firewall rules through a formal request and approval process.

C. Network Vulnerability Scanning

RingCentral:

i. Runs internal and external network vulnerability scans against information processing systems at least quarterly.

ii. Evaluates findings based on (where applicable) CVSS score and assessment of impact, likelihood, and severity.

iii. Remediates findings following industry standard timelines.

9. Operations Security

A. Asset Management

RingCentral:

i. Maintains an accurate and current asset register covering hardware and software assets used for the delivery of services.

ii. Maintains accountability of assets throughout their lifecycle.

iii. Maintains processes to wipe or physically destroy physical assets prior to their disposal.

B. Configuration Management

RingCentral:

i. Maintains baseline configurations of information systems and applications based on industry best practices including:

- **a.** Removal of all vendor-provided passwords.
- **b.** Remove/disable unused services and settings.
- **c.** Anti-malware/endpoint protection as technically feasible.

ii. Enforces security configuration settings for systems used in the provision of the Services.

iii. Ensures that clocks of all information processing systems are synchronized to one of more reference time sources.

C. Malicious Code Protection

i. To the extent practicable, RingCentral has endpoint protection in place, in the form of Endpoint Detection and Response (EDR) and/or antivirus software, installed and running on servers and workstations.

ii. EDR alerts are monitored, and immediate action is taken to investigate and remediate any abnormal behavior.

iii. Where used, antivirus software will be current and running to scan for and promptly remove or quarantine viruses and other malware on Windows servers and workstations.

D. Vulnerability, Security Patching

RingCentral:

i. Monitors for publicly disclosed vulnerabilities and exposures for impact to Supplier's information systems and products.

ii. Ensures quality assurance testing of patches prior to deployment.

iii. Ensures that all findings resulting from network vulnerability scanning and relevant publicly disclosed vulnerabi exposures are remediated according to industry best practices, including CVSS score and assessment of impact, likelihood and severity and are remediated following industry standard timelines.

E. Logging and Monitoring

RingCentral shall ensure that:

i. All systems, devices or applications associated with the access, processing, storage, communication and/or transmission of Protected Data, generate audit logs.

ii. Access to Protected Data is logged.

iii. Logs include sufficient detail that they can be used to detect significant unauthorized activity.

iv. Logs are protected against unauthorized access, modification, and deletion.

v. Logs are sent to a centralized location for aggregation and monitoring.

10. Software Development and Maintenance

A. Secure Development Lifecycle

RingCentral:

i. Applies secure development lifecycle practices, including, during design, development, and test cycles.

ii. Ensures that products are subject to security design review including threat considerations and data handling practices.

iii. Ensures that Services are subject to a secure release review prior to promotion to production.

B. Security Testing

As part of the secure development lifecycle, RingCentral:

i. Performs rigorous security testing, including, as technically feasible:

- **a.** static code analysis.
- **b.** source code peer reviews.
- **c.** dynamic and interactive security testing.
- **d.** security logic, or security "QA" testing.

ii. Ensures that Internet-facing applications are subject to application security assessment reviews and testing to identify common security vulnerabilities as identified by industry-recognized organizations (e.g., OWASP Top 10 Vulnerabilities, CWE/SANS Top 25 vulnerabilities).

iii. For all mobile applications (i.e. running on Android, Blackberry, iOS, Windows Phone) that collect, transmit or display Protected Data, conducts an application security assessment review to identify and remediate industry-recognized vulnerabilities specific to mobile applications.

iv. Does NOT use Protected Data for testing.

v. Makes all reasonable effort to identify and remediate software vulnerabilities prior to release.

C. Annual Penetration Testing

RingCentral:

i. Engages qualified, independent third-party penetration testers to perform annual penetration test against its Products and environments where Protected Data is hosted.

ii. Requires sub-processors to perform similar penetration testing against their systems, environments, and networks.

iii. Ensures remediation of all findings in a commercially reasonable period of time.

D. Product Vulnerability Management

RingCentral:

i. Uses commercially reasonable efforts to regularly identify software security vulnerabilities in RingCentral Services.

ii. Provides relevant updates, upgrades, and bug fixes for known software security vulnerabilities, for any software provided or in which any Protected Data is processed.

iii. Ensures that all findings resulting from internal and external testing are evaluated according to industry best practices, including CVSS score and assessment of impact, likelihood and severity and are remediated following industry standard timelines.

E. Open Source and Third-Party Software

RingCentral:

i. Maintains an asset registry of all third-party software (TPS) and open-source software (OSS) incorporated into the Services.

ii. Uses commercially reasonable efforts to ensure the secure development and security of open-source software and third-party software used by RingCentral.

iii. Uses commercially reasonable efforts to evaluate, track and remediate vulnerabilities of open-source software (OSS) and other third-party libraries that are incorporated into the Services.

11. Data Handling

A. Data Classification

RingCentral maintains data classification standards including:

i. Public data, data that is generally available or expected to be known to the public.

ii. Confidential data, data that is not available to the general public.

Protected Data is classified as RingCentral Confidential Data.

B. Data Segregation

RingCentral:

i. Ensures physical or logical segregation of Protected Data from other customers' data.

ii. Ensures physical separation and access control to segregate Protected Data from RingCentral data.

C. Encryption of Data

RingCentral:

i. Shall ensure encryption of Protected Data in electronic form in transit over all public wired networks (e.g., Internet) and all wireless networks (excluding communication over Public Switch Telephone Networks).

ii. Excepting the Engage Communities feature of Engage Digital, shall ensure encryption of Protected Data in electron ic form when stored at rest.

iii. Uses industry standard encryption algorithms and key strengths to encrypt Protected Data in transit over all public wired networks (e.g., Internet) and all wireless networks.

D. Destruction of Data

RingCentral shall:

i. Ensure the secure deletion of data when it is no longer required.

ii. Ensure that electronic media that has been used in the delivery of Services to the Customer will be sanitized before disposal or repurposing, using a process that assures data deletion and prevents data from being reconstructed or read.

iii. Destroy any equipment containing Protected Data that is damaged or non-functional.

12. Incident Response

RingCentral's incident response capability is designed to comply with statutory and regulatory obligations governing incident response. As such, RingCentral:

A. Maintains an incident response capability to respond to events potentially impacting the confidentiality, integrity and/or availability of Services and/or data including Protected Data.

B. Has a documented incident response plan based on industry best practices.

C. Has a process for evidence handling that safeguards the integrity of evidence collected to including allowing detection of unauthorized access to.

D. Will take appropriate steps and measures to comply with statutory and regulatory obligations governing incident response.

When RingCentral learns of or discovers a security event which impacts Protected Data, RingCentral will notify Customer without undue delay and will take commercially reasonable steps to isolate, mitigate, and/or remediate such event.

13. Business Continuity and Disaster Recovery

A. Business Continuity

RingCentral:

i. Ensures that responsibilities for service continuity are clearly defined and documented and have been allocated to an individual with sufficient authority.

ii. Has a business continuity plan (BCP) in place designed to provide ongoing provision of the Services to Customer

iii. Develops, implements, and maintains a business continuity management program to address the needs of the business and Services provided to the Customer. To that end, RingCentral completes a minimum level of business impact analysis, crisis management, business continuity, and disaster recovery planning.

iv. Ensures that the scope of the BCP encompasses all relevant locations, personnel and information systems used to provide the Services.

v. Ensure that its BCP includes, but is not limited to, elements such location workarounds, application workarounds, vendor workarounds, and staffing workarounds, exercised at minimum annually.

vi. Reviews, updates, and tests the BCP at least annually.

B. Disaster Recovery

RingCentral:

i. Maintains a disaster recovery plan, which includes, but is not limited to, infrastructure, technology, and system(s) details, recovery activities, and identifies the people/teams required for such recovery, exercised at least annually.

ii. Ensures that the disaster recovery plan addresses actions that RingCentral will take in the event of an extended outage of service.

iii. Ensures that its plans address the actions and resources required to provide for (i) the continuous operation of RingCentral, and (ii) in the event of an interruption, the recovery of the functions required to enable RingCentral to provide the Service s, including required systems, hardware, software, resources, personnel, and data supporting these functions.

RingCentral Professional Services
Statement of Work

This RingCentral Professional Services Statement of Work is executed by RingCentral, Inc. ("**RingCentral**"), and **City of Oregon City** (the "**Customer**") on this ___________, ____ (the "**SOW**"). This SOW is incorporated into the Master Services Agreement dated ______________, between the parties (the "MSA"). In the event of a conflict between this SOW and the MSA, this SOW shall control.

Customer:	**City of Oregon City**
Quote/SOW Number:	**U2023-03036917**
Labor Cost:	**$12,737.92 USD**

SOW Expiration: This SOW, and all applicable pricing related to it, shall expire if the SOW is not fully executed by both Parties by 09/30/2023. Stated rates are only applicable for this offer and subject to change upon expiration.

Multiphase Project – Per Milestone

Milestones will be jointly agreed during the project plan creation.

Phase Name	SOW Detail	Phase Total (USD) Excluding taxes & fees
Remote 1 NRA	281 Users @ $40.32 per user	$11,329.92 Phase1 Users that deploy in a given month will be invoiced on a monthly basis. Any users listed in this SOW that are not deployed will be invoiced at the stated implementation rate upon Project Completion.

Core MVP Build - Per Site/User Group	1 Unique Site/User Group @ $640.00 per site/group	$640.00 Phase2 Sites/User Groups that deploy in a given month will be invoiced on a monthly basis. Any sites/user groups listed in this SOW that are not deployed will be invoiced at the stated implementation rate upon Project Completion.
Training	Instructor-Led Virtual Admin Training & End User Training - up to 281 users	$768.00 Phase3 All the Professional Services described in Section 4.
		$12,737.92 USD

If applicable, the following activities shall be performed at the location(s) and for the number of Users and Sites indicated in the attached Appendices:

1. **General**
   1.1. **Assignment of a designated Project Manager ("PM") –** For a period of up to Eight (8) weeks, the RingCentral PM will act as Single Point of Contact for delivery services, following the Project Management Institute (PMI) standard methodology. The RingCentral Project Manager will be responsible for the following activities in connection with this Statement of Work (SOW):
      i. Internal and external kickoff session hosted by RingCentral
      ii. Creation and management of project governance, to include
         a. Project plan and Schedule
         b. Communication plan, resource plan, escalation plan, change plan, test plan
         c. Action and risk register
      iii. Completing resource assignment and scheduling in alignment with project schedule
      iv. Set up of project documentation and timelines in collaboration with designated Customer Single Point of Contact
      v. Identifying, communicating, and mitigating project risks and issues
      vi. Alignment of scope of services with customer expectations during kickoff
      vii. Developing, reviewing, authorizing, implementing, and managing change requests and interventions (Perform Change Management) to achieve project outputs

viii. Facilitating and leading regular status update meetings, organize planning sessions and Customer steering committees, as applicable
ix. Completing scoped migration and go live support; and
x. Performing closure procedures at the conclusion of project activities

2. RingCentral Office Planning and Design

2.1. RingCentral Planning and Design (“P&D”) and Business Requirements Document (“BRD”)

RingCentral will initiate the Planning and Design process and introduce the Business Requirements Document to the Customer at the beginning of the project and will consist of structured planning activities to support locations and users identified in the table below:

Scope	Counts
Remote Project Duration in Months	**Up to 2 Months**
Network Assessments	**Up to 1**
Users	**Up to 281**
Sites / User Groups with Unique Call flows	**Up to 1**
Training – Instructor Led Virtual – Admin & End User	**Up to 281 total users**

i. RingCentral has included up to two (2) Planning and Design session(s) with this project delivery. The Customer will provide required data over the period defined in Section 1, commencing with a single data collection session, and contribute to the universal design documentation across all lines of business / business units. Additional data collections are available to the customer for further breakout via change request at an additional expense if data collection needs to take place for additional locations.
ii. Additional data collections are available to the customer for further breakout via change request at an additional expense if data collection needs to take place by country or user group
iii. Details within the data collection include:
   a. Customer Site Information
   b. User Upload
   c. Data collection for End-User and Administrator Training
   d. Porting data
   e. Unique call flow(s)
      a. Configuration of one (1) main number
      b. Up to 5 custom rules per main number
      c. Up to 2 menus (IVR) per main number
      d. A combination of up to eight (8) call queues & ring groups per main number
   f. Roles and Permissions
   g. Delivery Overview
   h. BRD completion

iv. The fully reviewed BRD is signed off by Customer's Project Manager and RingCentral's Project Manager prior to moving to deployment.
    a. Material changes to the BRD made after mutual execution are available to the customer via change request
v. Delay in completing and returning Customer documentation may result in an adjustment of project timeline and additional fees.

2.2. Network Readiness Assessment

i. RingCentral will provide the Customer with one (1) assessment of the Customer's primary Internet Service Provider (ISP) connection to and from RingCentral. This connection will be at the Customer's firewall (edge).
ii. RingCentral's Network Engineer will provide the following:
    a. RingCentral Network Requirements Documentation
    b. Satellite installation guide
    c. Assistance with satellite installation
    d. Document and share results of network assessment for Customer reference
iii. Site assessments not completed prior to Go-Live will result in the forfeiture of the assessment for this project.
iv. Additional network assessments or consultations are available to the Customer via an executed Change Order and will result in additional fees
    a. This may include additional ISP links or sites.

3. <u>RingCentral Office Build</u>

3.1. RingCentral User Interface ("UI") Single Phased Build Out

i. RingCentral will remotely configure the following parameters in the system ("UI Build Out") based on the specifications agreed to between the parties in the BRD.
    a. Up to 281 users
    b. Up to 1 location
    c. Setup to support required Call Flows by site or user groups
    d. Setup a maximum of ten (10) Call Queue or Ring Groups
    [Including up to ten (10) users for standard Report access, if applicable]
ii. Customization is available to the customer at an additional cost via executed Change Order
iii. Substitute Caller ID (Spoofing) configuration is not included. It is available at an additional cost via executed Change Order.

3.2. Remote Delivery and Go Live Services

i. RingCentral will provide remote go live services to complete the following:
    a. Delivery resource during remote Go Live as defined in Appendix B
    b. Document open issues in action log
    c. Transition into support services
    d. Perform closure procedures at the conclusion of project activities
ii. Customer responsibilities:

a. Customer is responsible for handset placement at locations listed in Appendix B
   - RingCentral to provide instructions and best practices for handset placement, test, and endpoint registration

b. Customer is responsible for decommission and disposal of any legacy equipment

4. <u>RingCentral Training Services</u>

4.1. RingCentral Online Product Training

i. The following training resources are available to the customer for learning the RingCentral MVP product

ii. Standard RingCentral product training includes:

   a. Get Started videos and quick guides, available at https://support.ringcentral.com/get-started.html.
   b. Online training for users and administrators, available at RingCentral University – university.ringcentral.com.
   c. Free Webinars, live and on-demand, available at go.ringcentral.com/ringcentral-university-webinars.html.

iii. For a list of paid instructor-led training courses offered, and detailed course descriptions, review the Live Training Catalog at university.ringcentral.com

iv. For information on how to purchase additional training (Remote and On-site Instructor-led Courses), please contact your account representative or your client partner

4.2. Admin Training – RingCentral Professional Services will provide resources to complete the following:

i. Up to two (2) hours of remote admin training to be provided by a RingCentral University Training Specialist

ii. Sessions cover the following:

   a. Building, activating, disabling, and deleting users
   b. Managing user settings with role, templates, and User groups (if applicable)
   c. Managing system setup and maintenance via the Admin Portal including phone company info, caller ID, and directory assistance
   d. Managing phones and numbers including assisted provisioning
   e. Call flow management
   f. Reports and call logs; and
   g. Familiarization with Support/Training/Help resources

iii. Session recordings included at no additional cost

iv. Online, self-service end user training at RingCentral University included at no additional cost

   a. Webinars & Videos, Getting Started Tutorials, and User Guides

v. Custom end user training, documentation, and videos available at an additional cost via change request

vi. Additional end user sessions are available to the customer via Change Request at an additional charge

vii. Customer agrees that cancellation of confirmed training, in writing, within 24 hours of the training date/time will release RingCentral's obligation to deliver the training

a. Rescheduling of the cancelled training will be at RingCentral's discretion and shall not delay execution of the Professional Services Project Completion Form

viii. Customer will have up to 90 days from time of SOW completion to complete training

4.3. End User Training - RingCentral Professional Services will provide resources to complete the following:

i. Any combination of the following one (1) hour remote end user training sessions for a total of up to number (1) sessions to be provided by RingCentral University Training Specialist:
   a. Standard End User
   b. Train the Trainer (Standard End User)
   c. Exec Assistant/Front Desk

ii. Session recordings included at no additional cost

iii. Online, self-service end user training at RingCentral University included at no additional cost
   a. Webinars & Videos, Getting Started Tutorials, and User Guides

iv. Custom end user training, documentation, and videos available at an additional cost via change request

v. Additional end user sessions are available to the customer via Change Request at an additional charge

vi. Customer agrees that cancellation of confirmed training, in writing, within 24 hours of the training date/time will release RingCentral's obligation to deliver the training
   a. Rescheduling of the cancelled training will be at RingCentral's discretion and shall not delay execution of the Professional Services Project Completion Form

vii. Customer will have up to 90 days from time of SOW completion to complete training

5. <u>Testing</u>

5.1. Quality Assurance Testing

i. RingCentral will perform quality assurance following final configuration prior to turning over the solution to the Customer to start User Acceptance Testing (UAT)

5.2. UAT Assumptions

i. During UAT, the Customer will designate users to complete application testing in mock real-world scenarios to validate the RingCentral build matches the agreed design documentation

ii. Customer will define the UAT scenarios or stories by phase and the mutually agreed criteria is recorded as an Appendix in the design documentation prior to mutual execution as the document of record
   a. If UAT scenarios are not specified by the Customer, then work is deemed accepted and ready for go live upon notice from RingCentral that the work is complete and ready for testing

iii. Customer resources participating in UAT must complete all pre-recorded online training sessions for agent, supervisor, and/or admin related to their job role prior to starting UAT
   a. RingCentral Implementation Engineer may provide up to one (1) hour of additional guided training to UAT participants, as requested by the Customer, specific to the test criteria

iv. The outcome of all UAT scenarios are documented by the Customer in a written format and provided to RingCentral at completion of testing

a. Any variation in expected results (errors, flaws, failures, adjustments) are provided in writing to the RingCentral Project Manager for review and resolution
b. RingCentral will provide an expected variation resolution date and submit back to the Customer for additional testing

v. Upon completion of all UAT scenarios, the Customer will submit final written completion of testing to RingCentral prior to scheduling go live
   a. RingCentral will append the design document output to include completed UAT criteria in the final published output document

5.3. UAT Requirements

i. Customer and RingCentral will enact a mutual software / code freeze prior to start of QA and UAT
ii. Customer shall perform UAT within seven (7) calendar days of application handoff from RingCentral for any Deliverables, unless otherwise mutually agreed by the parties considering the nature or scope of the Deliverable in writing prior to start of testing
iii. Any Customer changes in software or code following written UAT completion resulting in new application behaviors may result in additional charges to the Customer via Change Request for troubleshooting and issue resolution
iv. Additional days of UAT support are available to the Customer via Change Request at an additional charge

6. **Optional Services** – During the course of the project, additional services may be ordered by Customer via the Change Order process as described in Section 13, as per the rates outlines in Appendix E.

7. **Customer Responsibilities –** The Customer is responsible for aspects not specifically included in this Statement of Work. Out of scope items include:
   i. The customers LAN/WAN infrastructure
   ii. Network minimum requirements for RingCentral as a Service model
      a. Quality of Service (QoS) configuration
      b. Firewall or Access Control List (ACL) configuration
      c. Power over Ethernet (POE) port activation / configuration
   iii. SMS Campaign Registration (TCR) https://www.ringcentral.com/tcr
   iv. Configuration and software installation on customer PCs
   v. Decommission and disposal of any legacy equipment
   vi. Customizations on individual User endpoints, or phone settings (as defined in section 3.1.v)
   vii. Provide work space for RingCentral on-site personnel (as scoped)
   viii. Overhead paging
   ix. Postage Machines
   x. Credit Card or Point of Sale (POS) Machines
   xi. Door buzzer or Automatic Door Controller
   xii. Third party SIP phones
   xiii. Headsets
   xiv. Analog Devices such as fax machines

xv. Third party Applications

xvi. Input Registered E911/Emergency Services Address and location information to Service Web

a. This is critical information which is used by first responders in case of an emergency hence customer must ensure that the information they are adding to the Service Web is accurate

b. For more information, please refer to Appendix D

8. Hours of Operation - Standard Service Hours

i. Unless otherwise specified, pricing assumes that Services will be performed between 8:00 AM to 5:00 PM local time, Monday-Friday, excluding holidays (“Standard Service Hours”)

ii. Work requested and performed outside Standard Services Hours will be subject to overtime charges via executed Change Order

9. Customer’s Telephone Number Porting

i. The Customer is responsible for authorizing the telephone number porting by RingCentral

ii. RingCentral shall provide guidance on porting data collection and shall assist with submission of porting request(s)

iii. Customer and RingCentral agree that RingCentral is not responsible for the portability of any individual number or group of numbers and the sign-off the Professional Services Project Completion Signoff Document shall not be withheld by Customer for delays in the porting of the numbers

iv. Notwithstanding the above, the RingCentral Project Manager, upon Customer request, shall assist the Customer with this responsibility by performing the following tasks for each site or migration / go live event:

a. The RingCentral Project Manager shall assist the Customer with the initial submission of port requests and shall assist in up to three (3) rejections/resubmission per location or ninety (90) days from submission, whichever occurs first
   - Any additional port rejections will be the responsibility of the Customer
   - Customer shall provide RingCentral all appropriate Letters of Authorization (“LOA”'s), billing information, and authorized signer for each location
   - Porting submissions will include numbers mapped to correct route as “company” numbers or Direct Dial phone numbers

b. The RingCentral Project Manager shall assist the Customer with submitting porting requests up to ten (10) business days following the final migration / go live event, unless otherwise mutually agreed between the parties
   - The RingCentral Project Manager will remain engaged in support of these porting requests for 30 days or three rejections, whichever comes first
   - RingCentral will provide the Customer with an overview of the RingCentral portal for porting tasks
   - Following the ten (10) day post go-live period, Customer is responsible for submitting all new requests within the RingCentral portal
   - Any additional support required after the ten (10) day period can be obtained via a change order

c. Porting outside of project follows RingCentral Numbering Policy

- https://www.ringcentral.com/legal/policies/numbering-policy.html

10. Professional Services Completion - This SOW identifies the specific criteria required for the completion of each Project Phase ("Completion Criteria"). Upon RingCentral's completion of the Professional Services for each Project Phase, RingCentral will review the Completion Criteria with Customer and will notify the Customer of the completion of each individual Professional Services Project Phase. Upon receipt of such notification, Professional Services under such Project Phase will be considered completed in full and billable, in accordance with the terms of this SOW and the Master Services Agreement.

However, Customer may, within three (3) days of receipt, provide a rejection to the aforementioned completion notice from RingCentral, including a detailed description of the items that are outstanding or that are materially non-conforming with the Completion Criteria applicable to the specific Project Phase. If RingCentral timely receives a rejection notice, then RingCentral will complete or re-perform any portion of the non-conforming Professional Services and then re-submit the notice of completion to the Customer. If RingCentral timely receives from the Customer a second rejection notice, Parties will refer to the dispute resolution mechanisms contained in the MSA to, in good faith, come to a solution to the outstanding issue.

11. Payment

i. Invoicing and Payment of Professional Services fees. All amounts due under this SOW for Professional Services other than T&M Services, will be invoiced upon completion of the work or each Project Phase identified in the Project Phasing Table. Payment shall be due in accordance with the applicable payment terms of the Master Services Agreement. T&M Services will be invoiced monthly in arrears.

ii. Service Expenses. Customer agrees to reimburse RingCentral for its reasonable fixed travel, meal, and lodging expenses incurred in connection with any Site Visit ("Service Expenses"). Travel, meal, and lodging expenses will be invoiced upon completion of each Project Phase. Upon written request, RingCentral will provide sufficient supporting information for any Service Expenses invoiced.

12. Termination

i. Termination. Either Party may terminate this SOW, in whole or in part, with thirty (30) days' advance written notice to the other Party. Unless otherwise specified in the termination notice, the termination of one Project Phase will not result in the termination of, or otherwise affect, the rest of the SOW or any other Project Phase. No termination of any SOW, in whole or part, will result in the termination of any Services being provided under the MSA.

ii. Effect of Termination. If this SOW, or a Project Phase. is terminated, in whole or in part, for any reason other than for RingCentral's material breach of this SOW, Customer will be obligated to pay RingCentral for:

   a. any Professional Services and T&M Services that have been rendered up until the effective date of the termination
   b. all applicable Service Expenses incurred; and
   c. (50%) of the fees for any other Professional Services not yet performed, due under the Project Phase(s) being canceled, if termination of the SOW or a Project Phase occurs within one hundred

and eighty (180) days of execution of the SOW. If termination occurs after one hundred and eighty (180) days of execution of the SOW, Customer will owe all outstanding fees for any Professional Services not yet performed pursuant to the SOW, due under the Project Phase being canceled.

13. Delays and Changes

i. Changes to this SOW shall be made only in a mutually executed written change order between RingCentral and Customer (a "**Change Order,**") per the sample attached in Appendix C, outlining the requested change and the effect of such change on the Services, including without limitation the fees and the timeline as determined by mutual agreement of both parties
ii. Any delays in the performance of consulting services or delivery of deliverables caused by Customer, including without limitation delays in completing and returning Customer documentation required during the P&D or completing the BRD, may result in an adjustment of project timeline and additional fees
iii. Any changes or additions to the services described in this SOW shall be requested by a Change Order and may result in additional fees

14. Project Phasing

i. The Professional Services may be delivered in one or more phases as set forth in this SOW
ii. This SOW describes the milestones, objectives, Deliverables, Sites, fees and other components that are included in the scope of each phase ("Project Phases")
iii. Customer agrees that the delivery, installation, testing, acceptance and payment for the Professional Services rendered under any one Project Phase is not dependent on the delivery, installation, testing, acceptance and payment for the Professional Services under any other Project Phase
iv. Each Project Phase will be billed upon notification of phase completion, and Payment for each Project Phase is due in full within the applicable payment period agreed between the parties and is non-refundable

In Witness Whereof, the Parties have executed this Statement of Work below through their duly authorized representatives.

Customer

City of Oregon City

By: ______________________________

Name: ____________________________

Title: _____________________________

Date: _____________________________

RingCentral

RingCentral, Inc.

By: ______________________________

Name: Joe Jacob

Title: SVP, Field Sales

Date: _____________________________

Appendix A
Planning and Design Location

Planning and Design Location Address(s):	Up to # of Users
Remote	**281**

Appendix B

Site	Address	Number of Users	Deployment Type	Number of Site Visits	Technician Days On-Site	Rate per Site
N/A	N/A	N/A	N/A	N/A	N/A	N/A

RingCentral

Appendix C

RingCentral Professional Services

Change Order Form for Implementation Services

This Change Order to the Statement of Work is subject to the Professional Services Agreement (the "**PS Agreement**") by and between Customer and RingCentral with the Effective Date listed below, establishes a change to the project scope or budget. By executing this Change Order, the parties agree to be bound by the terms and conditions set out in the PS Agreement with respect to the Services to be performed under the PS Agreement and Statement of Work ("**SOW**") indicated below as modified by this Change Request. Changes with no cost impact can be authorized with email, cost impacting changes require an executed signature.

Effective Date of PS Agreement:		**Effective Date of SOW:**	
Project Name:	**Request Date:**	**PO Number:**	**Quote Number:**
Customer Name:	**Requested By:**	**Requestor Phone:**	**Requestor email:**
Customer Address:			

DESCRIPTION OF CHANGE	
1. [Provide a description of the change]	1: $X

Version: 2-27-23

RingCentral

CHANGE DETAILS	
Change Item or Deliverable:	
Change From:	
Change To:	
Reason/Justification for Change:	
Impact to Schedule:	
Impact to Project Cost:	
Assumptions / Constraints / Dependencies:	
Risks:	
Test Plan:	
Backout Plan:	
Change Window:	

BY SIGNING BELOW, the Parties have each caused this Change Order to be signed and delivered by its duly authorized representative as of the date Customer signs below (the "**Effective Date**").

Customer

____

By: ________________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

RingCentral

RingCentral, Inc.

By: ________________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

Appendix D
Registration of Address and Notification Information – Emergency Dialing.

Bulk uploading of user data, building extensions, etc. may require input of registered addresses and emergency notification information. By engaging RingCentral for implementation of the Services, Customer agrees to the following:

I. **Registered Address.** It is Customer's obligation to maintain accurate emergency location information for each Digital Line on its Account. RingCentral will, on Customer's behalf, upload Customer's Users' registered addresses using a list of addresses provided by Customer.

II. **Emergency Notifications**. For Digital Lines located in the United States, Customer must input and maintain in Service Web a central location for the receipt of emergency notifications generated by its Users placing emergency calls (for further information about this obligation, click here). RingCentral will, as a part of the upload described in (A) above, also input Customer's emergency notification location, as directed by Customer.

III. **Customer's Representation and Warranty**. Customer represents and warrants that the registered addresses and emergency notification location are accurate and acknowledges that any subsequent change to the registered addresses must be carried out by Customer. Customer acknowledges that it may have its own independent legal obligation to ensure the accuracy of the above information and that RingCentral takes no responsibility for the accuracy of the information provided by Customer.

RingCentral Professional Services
Statement of Work for Professional Services
Appendix E
Optional Services

Additional Network Assessments	Additional P&D Sessions	Admin Training	User Training	Go Live Support (Onsite)	Training Support (Onsite)
$1,000	$1,800 per day / per resource	$512 per Two-Hour session	$256 per One-Hour session	$1,800 per day / resource	$1,800 per day / resource

625 Center Street
Oregon City, OR 97045
503-657-0891

CITY OF OREGON CITY

Staff Report

To: City Commission **Agenda Date:** 10/18/2023

From: Chief of Police Shaun Davis

SUBJECT:

Purchase of three (3) 2024 Dodge Durango Police Utility Vehicle AWD

STAFF RECOMMENDATION:

Staff recommends the City Commission approve the purchase of three (3) 2024 Dodge Durango Police vehicles for patrol cars.

EXECUTIVE SUMMARY:

The police department needs to purchase three (3) 2024 Dodge Durango Police vehicles to replace decommissioned patrol cars for fiscal year 2024-25.

BACKGROUND:

The Oregon City Police patrol fleet includes approximately 28 vehicles and are replaced as they reach end of life. This does not include detective, backline, or admin vehicles. These are patrol vehicles that are driven by on duty police officers who respond to 9-1-1 calls, canine officers, and traffic enforcement officers. Patrol usage is hard on vehicles as they spend a significant number of hours idling, as well as frequent times under rapid acceleration, braking, and steering during emergency response.

On average, the police department purchases/replaces three patrol vehicles annually. The purchasing of new police vehicles has grown in complexity over the past three years with extended delays in manufacturing as a result of supply chain interruptions, a global microchip shortage, and current labor stoppages from car manufacturers. As a result of these delays, the police department intends to place this order during calendar year 2023 with the understanding these vehicles will not arrive until fiscal year 2024. Even after new vehicles are delivered, there is a delay of several months while additional police equipment and decals are installed to make them ready for patrol usage.

The police department intends to purchase three 2024 Dodge Durango Police Utility Vehicle AWD SUVs through a State of Oregon Price Agreement with the Ron Tonkin

Dodge dealership in Milwaukie, Oregon. The price for each vehicle is $43,447.40. Funds for this purchase were approved and allocated during the 2023-2025 biennial budget to purchase.

The patrol cars anticipated to be replaced from the current fleet are the following:

Car #356 – 2014 Dodge Charger with 120,000 miles. This vehicle also has mechanical issues as the driver's door is misaligned to the frame of the car body.

Car #361 – 2015 Dodge Charger with 107,000 miles.

Car #357 – 2014 Dodge Charger with 122,000 miles. This car is currently equipped as a K9 patrol vehicle. Rather than decommissioning the car entirely, it will be moved from the full-time fleet to the backline and serve as a spare K9 vehicle.

OPTIONS:

1. Approve the purchase of three (3) 2024 Dodge Durango Police Utility Vehicle AWD
2. Deny the purchase of three (3) 2024 Dodge Durango Police Utility Vehicle AWD

BUDGET IMPACT:

Amount: $ 130,342.20

FY(s): FY 2024-25

Funding Source(s): General Fund, Equipment Replacement Fund

Item 7b.

RON TONKIN CJDRF
16800 S E MCLOUGHLIN BLVD
MILWAUKIE, OR 972674956

Configuration Preview

Date Printed: 2023-08-21 4:31 PM
Estimated Ship Date:

VIN:
VON:

Quantity: 1
Status: BA - Pending order
FAN 1: 01YJ4 oregon city police department
FAN 2:
Client Code:
Bid Number: TB4119
PO Number:

Sold to:
RON TONKIN CJDRF (60706)
16800 S E MCLOUGHLIN BLVD
MILWAUKIE, OR 972674956

Ship to:
RON TONKIN CJDRF (60706)
16800 S E MCLOUGHLIN BLVD
MILWAUKIE, OR 972674956

Vehicle: 2024 (WDEE75)

	Sales Code	Description	MSRP(USD)
Model:	WDEE75		43,075
Package:	22Z	Customer Preferred Package 22Z	0
	EZH	5.7L V8 HEMI MDS VVT Engine	3,115
	DFD	8-Spd Auto 8HP70 Trans (Buy)	0
Paint/Seat/Trim:	PXJ	DB Black Clear Coat	0
	APA	Monotone Paint	0
	*C5	Cloth Bucket Seats w/ Shift Insert	0
	-X9	Black	0
Options:	4ES	Delivery Allowance Credit	0
	MAF	Fleet Purchase Incentive	0
	CW6	Deactivate Rear Doors/Windows	90
	GXE	Entire Fleet Alike Key (FREQ 3)	350
	LNF	Black Left LED Spot Lamp	640
	ADL	Skid Plate Group	350
	4DH	Prepaid Holdback	0
	5N6	Easy Order	0
	4FM	Fleet Option Editor	0
	4FT	Fleet Sales Order	0
	170	Zone 70-Phoenix Arizona	0
	4EA	Sold Vehicle	0
Non Equipment:	4FA	Special Bid-Ineligible For Incentive	0
Bid Number:	TB4119	Government Incentives	0
Discounts:	YG1	7.5 Additional Gallons of Gas	0
Destination Fees:			1,595

Total Price: 49,215

Order Type: Fleet
Scheduling Priority: 1-Sold Order
Salesperson: John L Paterson
Customer Name:
Customer Address:
USA
Instructions:

PRICE	$43,059.00
CA TAX	$173.10
PRIVILEGE TAX	$215.30
TOTAL	$43,447.40

Note: This is not an invoice. The prices and equipment shown on this priced order confirmation are tentative and subject to change or correction without prior notice. No claims against the content listed or prices quoted will be accepted. Refer to the vehicle invoice for final vehicle content and pricing. Orders are accepted only when the vehicle is shipped by the factory.

STELLANTIS FLEET & BUSINESS SOLUTIONS

PURCHASE ORDER

Purchaser (Govt. Agency)	
Agency Name	OR CITY POLICE
Street Address	
City, State, Zip Code	

Seller (Stellantis Dealer)	
Dealership Name	RON TONKIN CJDRF
Street Address	16800 SE MCLOUGHLIN BLVD
City State, Zip Code	MILWAUKIE, OR 97267

Stellantis Fleet Account No. (FAN)	01YJ4

Stellantis Dealer Code	60706

QTY	VON(S)	VEHICLE DESCRIPTION	UNIT PRICE	LINE TOTAL
3		DODGE DURANGO PURSUIT’S	43,059.00	129,177.00
3		CA TAX	173.10	519.30
3		PRIVILEGE TAX	215.30	645.90
		BID PRICING AGREEMENT 1652		
Attach list of additional VON’s if necessary				
			TOTAL PURCHASE	130,342.20

Authorized Government Agency Representative	
Signature	
Date	
Printed Name	Joseph Pagano
Title	Captain
Phone Number	503-905-3548
Email Address	jpagano@orcity.org

By signing this document, I confirm that I am the authorized purchasing representative for the government agency specified as the Purchaser in this document. I further understand and acknowledge that my signature on this document represents a contractual commitment to purchase the vehicle(s) indicated above, according to the price, terms and conditions specified in this document.

Authorized Dealership Sales Representative	
Signature	
Date	
Printed Name	JOHN PATERSON
Title	FLEET MANAGER
Phone Number	503-312-3577
Email Address	JOHN.PATERSON

By signing this document, I confirm that I am the authorized sales representative for the party specified as Seller in this document. I further understand and acknowledge that my signature on this document represents a contractual commitment to order the vehicle(s) indicated above, according to the price, terms and conditions specified in this document.

Amendment No. 2 to Price Agreement No. 1652

This is Amendment No. 2 to Price Agreement No. 1652 dated May 1, 2021, as amended from time to time ("Price Agreement") between the State of Oregon, acting by and through its Department of Administrative Services, Procurement Services ("DAS PS"), and Gee Automotive Portland VII, LLC. dba Ron Tonkin Chrysler Jeep Dodge Ram Fiat ("Contractor") This Amendment is effective on the date signed by all parties and upon receipt of all approvals necessary for signing ("Amendment Effective Date").

RECITALS

1. Amendment No. 1 added Section 1.3.7 to the Price Agreement.

2. This Amendment No. 2 is to extend the term of the Price Agreement by one (1) year, in accordance with Section 1.5 Term of Agreement.

The Price Agreement is amended as follows:

1. The Price Agreement is amended as follows (new language is indicated by **underlining and bold** and deleted language is indicated by ~~strikethrough~~):

2. Price Agreement expires two (2) years after the initial effective date. Price Agreement termination date may be and is being extended by one (1) year, with a new expiration date of **April 30, 2024**.

3. Contractor represents and certifies that Contractor has no undisclosed liquidated and delinquent debt owed to the State or any department or agency of the State.

4. Contractor certifies, in accordance with ORS 279A.112, that Contractor has in place a policy and practice of preventing sexual harassment, sexual assault, and discrimination against employees who are members of a protected class, as defined by ORS 279A.112 (2)(1)(b). As a material condition of this Price Agreement, Contractor shall maintain, throughout the duration of this Price Agreement, a policy and practice that comply with ORS 279A.112, including giving its employees written notice of the Contractor's policy and practice.

Except as expressly amended above, all other terms and conditions of Agreement are still in full force and effect. Contractor certifies that the representations, warranties and certifications contained in the Agreement are true and correct as of the Amendment Effective Date and with the same effect as though made at the time of this Agreement.

Certification:
Any individual signing on behalf of Contractor has the authority and knowledge to make the following certifications, and hereby certifies under penalty of perjury:

a. the number set forth in the contract is Contractor's correct taxpayer identification number;
b. Contractor is not subject to backup withholding because:
    i. Contractor is exempt from backup withholding;
    ii. Contractor has not been notified by the IRS that Contractor is subject to backup withholding as a result of a failure to report all interest or dividends; or
    iii. the IRS has notified Contractor that Contractor is no longer subject to backup withholding.
c. for a period of no fewer than six calendar years preceding the Amendment Effective Date, Contractor has faithfully complied with and is not in violation of:
    i. all tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318; and
    ii. any tax provisions imposed by a political subdivision of this state that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor; and

iii. any tax provisions imposed by a political subdivision of this state that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and

iv. any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

d. in the event that Contractor is a general partnership or joint venture, that Contractor signature(s) on this Amendment constitute certifications to the above statements pertaining to the partnership or joint venture, as well as certifications of the above statements as to any general partner or joint venturer signing this Amendment.

Gee Automotive Portland VII, LLC dba Ron Tonkin Chrysler Jeep Dodge Ram Fiat

By: JOHN PATTERSON

Title: FLEET MANAGER

Date: 02-07-23

FEID # ******1752

STATE OF OREGON, acting by and through its Department of Administrative Services, Procurement Services

By: Brent Lutz Digitally signed by Brent Lutz Date: 2023.02.17 11:57:04 -08'00'

Title: Interim Procurement Manager

Date: 2/17/2023

Approved pursuant to ORS 291.047

By: Exempt

Assistant Attorney General

Date: N/A

State of Oregon

PRICE AGREEMENT
WITH

Gee Automotive Portland VII, LLC (dba Ron Tonkin Chrysler Jeep Dodge Ram Fiat)

FOR

Chrysler, Jeep, Dodge and Ram Brand Vehicles
Price Agreement # 1652

This Price Agreement ("Agreement') is between the State of Oregon (the "State"), acting by and through its Department of Administrative Services Procurement Services ("DAS PS" or "Agency") and Gee Automotive Portland VII, LLC (dba Ron Tonkin Chrysler Jeep Dodge Ram Fiat), a Washington Limited Liability Company ("Contractor").

Section 1 –Agreement

1.1 Parties

1.1.1 The only parties to this Agreement are Contractor and DAS PS.

1.1.2 Authorized Purchasers may purchase goods and related services specified in Exhibit A ("Goods") by issuing ordering instruments that create and become part of separate contracts ("Contracts"). The only parties to Contracts created by ordering instruments are the applicable Authorized Purchaser and Contractor. DAS PS is an intended beneficiary of each Contract created by an ordering instrument.

1.1.3 As used in this Agreement, "Authorized Purchaser" means: State agencies of Oregon, Oregon Cooperative Procurement Program ("ORCPP") participants and authorized members to the State of Washington Master Contracts Usage Agreement (MCUA). Contractor may be required to obtain manufacturer authorization prior to an MCUA member's purchase of Goods under this Agreement.

1.2 Ordering Instrument

1.2.1 Authorized Purchasers may order Goods during the Term of this Agreement using an ordering instrument:

a) Authorized Purchasers who are agencies of the State of Oregon under DAS procurement authority may issue ordering instruments under this Price Agreement for any dollar amount without further delegation of procurement authority from DAS. Notwithstanding the foregoing DAS delegation, Authorized Purchasers who are agencies of the State of Oregon must obtain all other necessary approvals, including but not limited to legal sufficiency approval as required.
b) Authorized Purchasers that are agencies of the State of Oregon may use either of the following as ordering instruments: i) the DAS PS approved purchase order form. Exhibit B is a sample DAS PS approved purchase order form; or ii) an electronic ordering method when the Authorized Purchaser is using a Small Purchase

Order Transaction System (SPOTS) card. Unless expressly authorized by DAS PS in writing, Contractor shall not accept a different type of ordering instrument from a State agency.

c) Authorized Purchasers that are not agencies of the State of Oregon may use their own purchase order forms as ordering instruments.

d) To be effective, the ordering instrument must specify all of the following:

   i) Language stating that the ordering instrument is submitted under this Agreement (and include the Agreement reference number from the Agreement coversheet).
   ii) The specific Goods and quantity of each item ordered.
   iii) The net price.
   iv) The requested delivery schedule.
   v) The delivery location(s).
   vi) The invoicing address.
   vii) The Authorized Purchaser's authorized representative and relevant contact information, including an e-mail address or fax number.

1.2.2 A Contract created by an ordering instrument consists only of the terms specified or required by this Agreement. Additional, different or conflicting terms and conditions in any purchase order or any other form of either an Authorized Purchaser or the Contractor may not vary the terms of a Contract. Additional, different or conflicting terms and conditions on a purchase order or other form are of no effect.

1.2.3 Contractor shall accept ordering instruments from Authorized Purchasers that comply with the provisions of this Agreement until this Agreement terminates.

1.2.4 An ordering instrument is deemed accepted by Contractor unless Contractor rejects an ordering instrument within three (3) business days after it is received. Contractor may reject an ordering instrument: i) using the same means as were used to deliver the ordering instrument, or ii) by e-mail if the email address is evident on the ordering instrument. Contractor shall specify the reason(s) for rejection.

1.2.5 Accepted ordering instruments establish separate Contracts between the Authorized Purchaser and Contractor and include the terms set forth in Sections 2 and 3. As used in the Contracts, "Price Agreement" means this Agreement.

1.2.6 DAS PS is not obligated or liable under an ordering instrument unless DAS PS is purchasing Goods as the Authorized Purchaser.

1.2.7 Nothing in this Agreement obligates any Authorized Purchaser to place any ordering instrument or to purchase any Goods.

1.2.8 Contractor shall reject an ordering instrument from any entity that is not an Authorized Purchaser under this Agreement. Contractor may verify that Authorized Purchasers are ORCPP participants at the following address: https://www.oregon.gov/das/Procurement/Pages/Orcppmember.aspx

Contractor may verify that Authorized Purchasers are MCUA members at the following address: https://apps.des.wa.gov/DESContracts/Home/MCUAListing

1.2.9 Contractor shall reject an ordering instrument that does not meet the requirements of this Agreement.

1.3 Prices

1.3.1 Except as provided in this Section, during the Term of this Agreement, Contractor shall offer Goods to Authorized Purchasers at prices that do not exceed the prices listed in Exhibit A. The pricing for this Agreement is in U.S. dollars.

1.3.2 Contractor and an Authorized Purchaser may agree to lower prices for Goods. Those lower prices apply only to applicable Contracts between Contractor and Authorized Purchaser.

1.3.3 Contractor shall subtract from percentages or prices charged to Authorized Purchasers any unit price decrease that has been achieved or gained by the Contractor, whether through the manufacturer or otherwise. Contractor shall give Authorized Purchasers the immediate benefit of the decrease. Contractor shall promptly notify the DAS-PS Contract Administrator (“Contract Administrator”) of the amount and effective date of the decrease.

1.3.4 Either party to this Agreement may request a price adjustment, or an adjustment to the discount percentage, for some or all of the Goods, subject to Section 1.3.5 below.

1.3.5 Contractor may request unit price increases from DAS PS following the first year of the term of the Contract, but no more than once in any 12-month period. Contractor must submit a request to the Contract Administrator in writing at least 60 days before the proposed effective date of the increase, or at such other time as specified by the Contract Administrator for submittal of the request. The request must show all proposed increases by line item and include supporting documentation acceptable to DAS PS. DAS PS may require Contractor to provide U.S. Bureau of Labor Statistics Producer Price Index or Consumer Price Index data, published MSRP or any other relevant manufacturer or industry data substantiating the increase.

1.3.6 Discontinued Goods may be subtracted and new Goods meeting or exceeding the RFP specifications may be added throughout the term of this Agreement. Goods may be adjusted upon both parties' approval in writing, without a signed amendment to this Agreement. All adjustments will be included on a revised Exhibit A.

1.4 Contractor Reporting and Payment Requirements

Contractor will be required to submit Volume Sales Reports and Vendor Collected Administrative Fees.

1.4.1. **Volume Sales Reports**
Pursuant to the process defined by DAS PS found at: https://www.oregon.gov/das/Procurement/Pages/Supplier.aspx, Contractor shall submit a Volume Sales Report ("VSR") to DAS PS on a quarterly basis; the quarterly report is due no later than thirty (30) calendar days from the end of the applicable quarter. (For purposes of this Agreement, quarters end March 31, June 30, September 30 and December 31.) Upon written notice from DAS PS, **Contractor shall submit the VSR on a monthly basis, VSR due date to be determined by DAS PS.**

The VSR will contain:

- Complete and accurate details of all receipts (sales and refunds) for the reported period; and
- Such other information as DAS PS may reasonably request.

Contractor is responsible for timely reporting and shall submit a VSR whether or not there are sales. When no sales have been recorded for the reporting period, a report must be submitted stating "***No Sales for the Reporting Period".***

1.4.2. **Vendor Collected Administrative Fee**
Pursuant to the process defined by DAS PS and published at https://www.oregon.gov/das/Procurement/Pages/Supplier.aspx, Contractor shall submit a Vendor Collected Administrative Fee ("VCAF"), as directed by DAS PS. The VCAF is a charge equal to one percent (1%), not to exceed a total of $325 per vehicle, of Contractor's gross total sales, less any credits, made to Authorized Purchasers during the reporting period.

1.5 Term of Agreement

1.5.1 The initial term of this Agreement begins on the later of May 1, 2021 or the date this Agreement has been signed by DAS PS and Contractor and all required approvals have been obtained (the "Effective Date") and expires two (2) years after the Effective Date unless sooner terminated or extended as provided in this Agreement. DAS PS has the option to extend this Agreement for one or more additional 1-year terms, provided that the initial term, together with all extensions, shall not exceed a total of five (5) years. DAS PS may exercise these options to extend by giving Contractor written notice of such exercise no later than 30 calendar days before the expiration of the then current term. The initial term, together with all extension terms are collectively referred to herein as the "Term" of this Agreement.

1.5.2 Notwithstanding the foregoing, DAS PS reserves the right in its sole discretion to extend the Agreement for a maximum of one (1) calendar month beyond the end of any term. DAS PS shall notify Contractor in writing of the one (1) month extension. Consecutive one (1) month extensions obtained under this Section 1.5.2 are not allowed.

1.5.3 After termination or expiration of this Agreement, Contractor shall not accept new ordering instruments.

1.5.4 Termination of this Agreement also terminates "blanket" ordering instruments in which the Contractor is not required to deliver specific quantities of Goods at specific times. The intent of this paragraph is to terminate what is commonly known as blanket purchase orders (orders that may contain details of the Goods, but under which actual sales of Goods are made by periodic releases that specify a date for delivery of specific Goods).

1.5.5 Except as provided in Section 1.5.4, termination of this Agreement does not terminate any right or obligation of a party to a Contract that is based on an ordering instrument that was accepted before termination of this Agreement, for non-recurring deliveries of Goods.

1.5.6 DAS PS may, in its sole discretion, terminate this Agreement upon 30 calendar days' written notice to Contractor for any or no reason.

1.6 Insurance

Contractor shall obtain insurance specified in Exhibit C and shall maintain the insurance until all Contracts under this Agreement are terminated.

1.7 Miscellaneous

1.7.1 Choice of Law. The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Agreement, including, without limitation, its validity, interpretation, construction, performance, and enforcement.

1.7.2 Designation of Forum and Consent to Jurisdiction. Any party bringing a legal action or proceeding against any other party arising out of or relating to this Agreement shall bring the legal action or proceeding in the Circuit Court of the State of Oregon for Marion County. Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum.

1.7.3 Amendments. Unless otherwise defined in this Agreement, no amendment of this Agreement is valid unless it is in writing and signed by the parties.

1.7.4 Transfer. Contractor shall not assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without first obtaining the written consent of DAS PS. DAS PS' consent to any subcontract (or other delegation of duties) does not relieve Contractor of any of its duties or obligations under this Agreement. This Agreement is binding upon and inures to the benefit of each of the parties, and, except as otherwise provided, their permitted legal successors and assigns.

1.7.5 Counterparts. This Agreement may be executed in two or more counterparts, each of which is an original, and all of which together are deemed one and the same instrument, notwithstanding that all parties are not signatories to the same counterpart.

1.7.6 Force Majeure. Neither party is responsible for delay or default caused by an unallocated risk such as fire, riot, and acts of God or war, or by any other cause not within the control of the party whose performance is interfered with, and, which by the exercise of reasonable diligence, the party is unable to prevent. DAS PS may terminate this Agreement upon written notice after determining such delay or default will reasonably prevent successful performance of this Agreement within an acceptable time period. In the event of any such delay, Contractor's obligations are suspended to the extent of and for the duration of such causes. However, Contractor shall take all good faith efforts to eliminate the cause of any such delay, and upon the cessation of such cause, shall resume performance of Contractor's obligations with all reasonable diligence. DAS PS, in its sole discretion, may extend the period for performance under this Agreement to enable Contractor, once such causes have been removed, to fulfill its obligations hereunder.

1.7.7 Entire Agreement. This Agreement, together with the attached exhibits, constitutes the entire agreement between the parties and merges all prior and contemporaneous communications with respect to the subject matter.

1.7.8 Notices. Except as otherwise expressly provided in this Price Agreement, any communications between the parties, or notices to be given under this Price Agreement, are effective only if given in writing or by personal delivery, email or United States Postal Service, postage prepaid, to the Contract Administrator for Contractor or DAS-PS, as applicable, or to such other addresses or numbers as either party may later indicate pursuant to this Section. Any communication or notice via the United States Postal Service is deemed given five (5) days after mailing. Any communication or notice by personal delivery is deemed given immediately upon such delivery. Any communication or notice by email is deemed given when the recipient, by an email sent to the email address for the sender or by a notice given by another method in accordance with this Section, acknowledges having received that email, with an automatic "read receipt" not constituting acknowledgment of an email for purposes of this Section.

1.7.9 No Third Party Beneficiaries. DAS PS and Contractor are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or will be construed to give or provide, any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.

1.7.10 Waiver. The failure of DAS PS to enforce any provision of this Agreement or the waiver of any violation or nonperformance of this Agreement in one instance does not constitute a waiver by DAS PS of that or any other provision nor is it a waiver of any subsequent violation or nonperformance. Such a failure to enforce waiver, if made, is effective only in the specific instance and for the specific purpose given.

1.7.11 Certification of Compliance with Tax Laws. Contractor has complied with the tax laws of this State and all applicable tax laws of political subdivisions of this State. Contractor shall, throughout the duration of this Agreement and any Contract and any extensions thereof, comply with all tax laws of this State and all applicable tax laws of any political subdivision of this State. For the purposes of this Section, "tax laws" includes: (i) All tax laws of this State, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318; (ii) Any tax provisions imposed by a political subdivision of this State that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor; (iii) Any tax provisions imposed by a political subdivision of this State that applied to goods, services, or property, whether tangible or intangible, provided by Contractor; and (iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions. Any failure to comply with the provisions of this subsection 1.7.11 constitutes a material default of this Agreement and any Contract. Any failure to comply entitles DAS PS or Authorized Purchaser to terminate this Agreement or any Contract, as applicable and to pursue and recover any and all damages that arise from the default and the termination of this Agreement or any Contract, and to pursue any or all of the remedies available under this Agreement or any Contract, at law, or in equity, including but not limited to:

- Termination of this Agreement or any Contract, as applicable, in whole or in part;
- Exercise of the right of setoff, and withholding of amounts otherwise due and owing to Contractor, in an amount equal to State's or Authorized Purchaser's setoff right, without penalty; and
- Initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief. DAS PS or Authorized Purchaser may recover any and all damages suffered as the result of Contractor's default of this Agreement or any Contract, including but not limited to direct, indirect, incidental and consequential damages, costs of cure, and costs incurred in securing replacement Goods, services and applications.

1.7.12 Recycled Products. DAS PS' performance under this Agreement is conditioned upon Contractor's compliance with the obligations intended for contractors under ORS 279B.220, 279B.225 (if applicable to this Agreement), 279B.230 and 279B.235 (if applicable to this Agreement), which are incorporated into this Agreement by reference. Contractor shall, to the maximum extent economically feasible in the performance of this Agreement, use recycled paper (as defined in ORS 279A.010(1)(gg)), recycled PETE products (as defined in ORS 279A.010(1)(hh)), and other recycled plastic resin products and recycled products (as "recycled product" is defined in ORS 279A.010(1)(ii)).

1.7.13 Records Archiving. Contractor shall retain, maintain and keep accessible all records relevant to this Price Agreement (the "Records") for a minimum of six (6) years, or such longer period as may be required by applicable law following termination of this Agreement. Such period shall be further extended until the conclusion of any audit, controversy or litigation commenced during such period and arising out of or related to this Agreement or any Contract. Financial Records must be kept in accordance with Generally Accepted Accounting Principles. During the record-retention period established in this Section, Contractor shall permit DAS-PS, the State of Oregon and the federal government access to the Records at a reasonable time and place for purposes of examination and copying.

1.7.14 Performance Evaluations. DAS PS may conduct evaluations of Contractor's performance during the term of this Agreement. DAS PS will compile and maintain completed evaluations, which will become a written record of Contractor's performance. DAS PS may also maintain as part of that written record information obtained from Contractor during an exit interview following Contract termination. DAS PS may provide copies of any documents in the written record to the Contractor and third parties upon request. DAS PS may use performance evaluations in any way it deems necessary, in its sole discretion, including but not limited to making responsibility determinations and decisions to award contracts.

1.7.15 Reporting. This Agreement and Contract(s) of Authorized Purchasers who are State agencies will be reported to the Oregon Department of Revenue. The Department of Revenue may take any and all actions permitted by law relative to the collection of taxes due to the State of Oregon or a political subdivision, including (i) garnishing the Contractor's compensation under this Agreement or any Contract or (ii) exercising a right of setoff against Contractor's compensation under this Agreement or any Contract for any amounts that may be due and unpaid to the State of Oregon or its political subdivisions for which the Department of Revenue collects debts.

1.7.16 Survival: All rights and obligations cease upon termination or expiration of this Price Agreement, except for the rights and obligations and declarations which expressly or by their nature survive termination, including without limitation this Section 1.7.16, and provisions regarding warranties and liabilities, independent Contractor status and taxes and withholding, compensation, Contractor's representations and warranties, control of defense and settlement, remedies, dispute resolution, order of precedence, maintenance and access to records, notices, severability, successors and assigns, third party beneficiaries, waiver, headings, and integration.

Section 2 – Standard Terms for Contracts Under This Agreement

2.1 CONTRACT DOCUMENTS; ORDER OF PRECEDENCE: The Contract consists of the ordering instrument and the provisions in Sections 2 and 3 of the Price Agreement. In the event of a conflict between the ordering instrument and provisions in Sections 2 and 3, the provisions in Sections 2 and 3 take precedence.

2.2 PAYMENT: Contractor shall look solely to Authorized Purchaser for payment of all amounts that may be due under this Contract. AUTHORIZED PURCHASER IS SOLELY RESPONSIBLE FOR PAYMENT UNDER THIS CONTRACT. Subject to Authorized Purchaser's acceptance of Goods, payment is due from Authorized Purchaser within 45 calendar days after the date of the invoice.

2.3 OVERDUE CHARGES: At Contractor's option, it may assess overdue account charges to Authorized Purchaser up to a maximum rate of two-thirds of one percent per month (8% per annum).

2.4 PAYMENT ADDRESS: Payments must be sent to the address specified in the Contractor's invoice.

2.5 INVOICES: Contractor shall invoice Authorized Purchaser only after delivery of all Goods ordered. Invoices shall be sent to the address provided by Authorized Purchaser for that purpose. Contractor shall include all of the following in its invoice:

2.5.1. Price Agreement number.
2.5.2. Ordering instrument number.
2.5.3. Goods ordered.
2.5.4. Date delivered.
2.5.5. Volume or quantity of Goods delivered.
2.5.6. The price per item.
2.5.7. The total amount invoiced.
2.5.8. The address to which payment is to be sent.
2.5.9. Additional Taxes (e.g. privilege or vehicle use tax and corporate activity tax) (determined based on the state of purchase)

2.6 PRICES: Contractor represents that all prices for Goods under this Contract are equal to or better than the prices listed in the Price Agreement.

2.7 CANCELLATION; INSPECTIONS AND ACCEPTANCE: The Authorized Purchaser may cancel an order in whole or in part before Goods described in the cancelled whole or part are delivered. The Authorized Purchaser has ten

(10) calendar days from date of delivery of the entire order within which to inspect and accept or reject the Goods. If the Goods are rejected, the Authorized Purchaser shall provide Contractor with written notice of rejection. Notice of rejection must include itemization of apparent defects, including but not limited to (i) discrepancies between the Goods and the applicable specifications or warranties (including variance from demonstrations or sample characteristics where demonstrations or samples have been provided), or (ii) otherwise nonconforming Goods (including late delivery). If the Authorized Purchaser elects to provide Contractor an opportunity to cure the defects, notice of rejection must also specify such opportunity to cure, and the time period in which such cure must be completed.

2.7.1. The Authorized Purchaser may elect to have Contractor deliver substitute conforming Goods at no additional cost to the Authorized Purchaser. In such an event, Contractor shall deliver substitute conforming Goods within ten (10) calendar days of receipt of notice of rejection.

2.7.2. If the Goods are rejected or acceptance is revoked, Contractor shall refund any Contract payments that have been made with regard to the rejected Goods, and shall (at Contractor's sole cost and expense) remove the Goods within seven (7) calendar days of receiving notice of rejection or revocation of acceptance.

2.7.3. Nothing contained in Section 2.7 precludes Authorized Purchaser from other remedies to which it may be entitled upon rejection or revocation of acceptance.

2.8 REPRESENTATIONS AND WARRANTIES:

2.8.1. **OFFICER STATUS, INSURANCE:** Contractor represents and warrants that it is not an "officer," "employee," or "agent" of the Authorized Purchaser, as those terms are used in ORS 30.265. Contractor represents and warrants that Contractor has obtained and will maintain during the term of this Contract all insurance required by the Price Agreement.

2.8.2. **WARRANTY ON MATERIALS, DESIGN AND MANUFACTURE:** Unless otherwise approved, in writing, by the Authorized Purchaser, Contractor represents and warrants that all Goods are new, unused, current production models, and are free from defects in materials, design and manufacture. Contractor further represents and warrants that all Goods are in compliance with and meet or exceed all specifications in Exhibit D to the Price Agreement.

2.8.3. **WARRANTY ON SERVICE STANDARDS:** Contractor warrants that all services required to be performed, if any, shall be performed in a good and workmanlike manner in accordance with the highest standards prevalent in the industry.

2.8.4. **WARRANTY OF TITLE:** Contractor represents and warrants that all Goods are free and clear of any liens or encumbrances, that Contractor has full legal title to the Goods, and that no other person or entity has any right, title or interest in the Goods that is superior to or infringes upon the rights granted to the Authorized Purchaser under this Contract.

2.8.5. **WARRANTY ON SAFETY AND HEALTH REQUIREMENTS:** Contractor represents and warrants that Goods provided under this Contract comply with all applicable federal health and safety standards, including but not limited to, Occupational Safety and Health Administration ("OSHA"), and all Oregon safety and health requirements, including, but not limited to, those of the Oregon Consumer and Business Services Department.

2.8.6. **MANUFACTURER WARRANTIES:** Contractor shall have all manufacturer warranties covering the Goods and component parts, if any, transferred to the Authorized Purchaser, and provide warranty documents to the Authorized Purchaser, at time of delivery at no charge.

2.8.7. **WARRANTIES CUMULATIVE:** The warranties set forth in this Section 2.8 are in addition to, and not in lieu of, any other warranties provided in this Contract. All warranties provided in this Contract are cumulative, and are intended to afford the Authorized Purchaser the broadest warranty protection available.

2.9 COMPLIANCE WITH APPLICABLE LAWS AND STANDARDS:

2.9.1 **LAWS AND REGULATIONS:** Contractor shall comply with all federal, state and local laws, regulations, and ordinances applicable to this Contract as they may be adopted or amended from time to time.

2.9.2 **STATUTORY TERMS:** Authorized Purchaser's performance under this Contract is conditioned upon Contractor's compliance with the obligations intended for contractors under ORS 279B.220, 279B.225 (if applicable to this Contract), 279B.230 and 279B.235 (if applicable to this Contract), which are incorporated into this Contract by reference. Contractor shall, to the maximum extent economically feasible in the performance of this Contract, use recycled paper (as defined in ORS 279A.010(1)(gg)), recycled PETE products (as defined in ORS 279A.010(1)(hh)), and other recycled plastic resin products and recycled products (as "recycled product" is defined in ORS 279A.010(1)(ii)).

2.9.3 **NONCOMPLIANT GOODS:** In the event of a conflict between the specifications in this Contract and applicable federal or State law, the law will prevail. Contractor shall make any modifications required to achieve compliance with law. When Contractor is notified or becomes aware of any required modifications, Contractor shall immediately notify DAS PS and Authorized Purchaser.

2.9.4 **RECALLED GOODS OR COMPONENTS:** In the event any Goods or component parts are recalled by a regulatory body or the manufacturer, or discovered by Contractor not to be in compliance with the applicable specifications, Contractor shall immediately notify DAS PS, and the Authorized Purchaser of the recall or non-compliance, and shall provide copies of the notice or other documentation. Upon notification, Authorized Purchaser may elect to do any of the following:

a) Reject the Goods.
b) Revoke its acceptance of the Goods.
c) Require Contractor to complete necessary modifications, where applicable, in a timely manner, at no charge to the Authorized Purchaser.
d) Terminate the Contract in its entirety or with respect to the recalled or noncompliant Goods.

In the event of rejection or revocation of acceptance under this subsection, Contractor shall promptly remove the Goods at its sole cost and expense, and shall reimburse Authorized Purchaser for any payments made.

2.10 FOREIGN CONTRACTOR: If the amount of the Contract exceeds ten thousand dollars ($10,000), and if Contractor is not domiciled in or registered to do business in the State, Contractor shall promptly provide to the Oregon Department of Revenue ("ODR") all information required by the ODR relative to the Contract. Authorized Purchaser may withhold final payment under the Contract until Contractor has met this requirement.

2.11 SAFETY DATA SHEET: Contractor shall provide the Authorized Purchaser at time of delivery with a Material Safety Data Sheet ("SDS") as defined by the OSHA for any Goods provided under the Price Agreement that may release or otherwise result in exposure to a hazardous chemical under normal conditions of use. In addition, Contractor must properly label, tag or mark such Goods. Additionally, Contractor shall deliver EPA labels and MSDS information if available and as requested by Authorized Purchasers.

2.12 TIME IS OF THE ESSENCE: Time is of the essence for performance of Contractor's performance obligations under this Contract.

2.13 FORCE MAJEURE: Neither Authorized Purchaser nor Contractor shall be held responsible for delay or default caused by fire, riot, acts of God, war, or any other cause which is beyond the party's reasonable control. Contractor shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Contract. Authorized Purchaser may terminate this Contract upon written notice to Contractor after reasonably determining that such delay or default will likely prevent successful performance of the Contract within an acceptable time period.

2.14 RESERVED

2.15 FUNDS AVAILABLE AND AUTHORIZED; PAYMENTS: If Authorized Purchaser is an agency of the State of Oregon or another governmental body, payment obligations under this Contract are conditioned upon Authorized Purchaser's receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow Authorized Purchaser, in the exercise of its reasonable administrative discretion, to meet its payment obligations under this Contract. At the time the ordering instrument was issued, Authorized Purchaser had sufficient funds available and authorized to make payments under this Contract.

2.16 INDEPENDENT CONTRACTOR STATUS; RESPONSIBILITY FOR TAXES AND WITHHOLDING:

2.16.1 Contractor is an independent contractor. Although the Authorized Purchaser reserves the right (i) to determine (and modify) the delivery schedule for the Goods and (ii) to evaluate the quality of completed performance, Authorized Purchaser cannot and will not control the means or manner of Contractor's performance. Contractor is responsible for determining the appropriate means and manner of performing any obligations required by this Contract.

2.16.2 Contractor is responsible for all federal and state taxes applicable to compensation or payments paid to Contractor under this Contract and, unless Contractor is subject to backup withholding, Authorized Purchaser will not withhold from such compensation or payments any amount(s) to cover Contractor's federal or state tax obligations. Contractor is not eligible for any social security, unemployment insurance or workers' compensation benefits from compensation or payments paid to Contractor under this Contract, except as a self-employed individual.

2.17 INDEMNIFICATION:

2.17.1 Contractor shall defend, save, hold harmless, and indemnify the Authorized Purchaser, the State of Oregon and its officers, employees and agents from and against all claims, suits, actions, proceedings, losses, damages, liabilities, awards and costs of every kind and description (including reasonable attorney's fees and expenses at trial, on appeal and in connection with any petition for review) (collectively, "claim") which may be brought or made against any Authorized Purchaser, the State, or their agents, officials, employees and arising out of or related to (i) any personal injury, death or property damage caused by any alleged act, omission, error, fault, mistake or negligence of Contractor, its employees or agents, (ii) any act or omission by Contractor that constitutes a material default of this Contract, including without limitation any breach of warranty, or (iii) the infringement of any patent, copyright, trade secret or other proprietary right of any third party by delivery or use of the Goods. Authorized Purchaser or the State shall promptly notify Contractor in writing of any claim of which Authorized Purchaser or State becomes aware. Contractor's obligation under this Section shall not extend to any claim solely caused by (i) the negligent or willful misconduct of Authorized Purchaser, or (ii) Authorized Purchaser's modification of Goods without Contractor's approval and in a manner inconsistent with the purpose and proper usage of such Goods.

2.17.2 The Oregon attorney general must give written authorization to any legal counsel purporting to act in the name of, or represent the interests of, the State or its officers, employees and agents prior to such action or representation. Further, the State, acting by and through its Department of Justice, may assume its own defense, including that of its officers, employees and agents, at any time when in the State's sole discretion it determines that (i) proposed counsel is prohibited from the particular representation contemplated; (ii) counsel is not adequately defending or able to defend the interests of the State, its officers, employees or agents; (iii) important governmental interests are at stake; or (iv) the best interests of the State are served thereby. Contractor's obligation to pay for all costs and expenses shall include those incurred by the State in assuming its own defense and that of its officers, employees, or agents under clauses (i) and (ii) above.

2.18 DEFAULT:

2.18.1 **BY CONTRACTOR:** Contractor is in default under this Contract if:

a) Contractor institutes or has instituted against it insolvency, receivership or bankruptcy proceedings, makes an assignment for the benefit of creditors, or ceases doing business on a regular basis;
b) Contractor no longer holds a license or certificate that is required for Contractor to perform Contractor's obligations under this Contract; or
c) Contractor commits any default of any covenant, representation, warranty, obligation or certification under this Contract, provided

however that Contractor may cure the default within the period specified in Authorized Purchaser's notice of default when Authorized Purchaser determines the default is curable by Contractor within an acceptable time period.

2.18.2 **BY AUTHORIZED PURCHASER:** Authorized Purchaser is in default of this Contract if:

a) Authorized Purchaser fails to pay Contractor any amount pursuant to the terms of this Contract, and Authorized Purchaser fails to cure such failure within ten (10) business days after delivery of Contractor's notice of such failure or such longer period as Contractor may specify in such notice; or
b) Authorized Purchaser commits any default of any covenant, warranty, or obligation under this Contract and such default is not cured within ten (10) business days after delivery of Contractor's notice of default or such longer period as Contractor may specify in such notice.

2.19 REMEDIES:

2.19.1 **AUTHORIZED PURCHASER'S REMEDIES:** If Contractor is in default under Section 2.18.1, in addition to the remedies afforded elsewhere in this Contract, the Authorized Purchaser may recover any and all damages suffered as the result of Contractor's default, including but not limited to direct, indirect, incidental and consequential damages, as provided in ORS 72.7110 to 72.7170. Authorized Purchaser may, at its option, pursue any or all of the remedies available to it under this Contract and at law or in equity, including, but not limited to:

a) Termination of the Contract as provided in Section 2.20.2;
b) Withholding all monies due for invoiced Goods or services that Contractor has failed to deliver or perform within any scheduled completion dates or has performed inadequately or defectively;
c) Initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief; and
d) Exercise of its right of setoff, and withholding of monies otherwise due and owing in an amount equal to Authorized Purchaser's setoff without penalty to Authorized Purchaser.

These remedies are cumulative to the extent the remedies are not inconsistent, and Authorized Purchaser may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever.

2.19.2 **CONTRACTOR'S REMEDIES:** If Authorized Purchaser terminates this Contract, or if Authorized Purchaser is in default under Section 2.18.2 and whether or not Contractor elects to exercise its right to terminate this Contract under Section 2.20.3, Contractor's sole remedy is: (a) A claim against Authorized Purchaser for the unpaid purchase price for Goods delivered and accepted by Authorized Purchaser, (b) with respect to services compensable on an hourly basis, a claim for unpaid invoices, hours worked but not yet billed and authorized expenses for services completed and accepted by Authorized Purchaser, and (c) with respect to deliverable-based services, a claim for the sum designated for completing the deliverable multiplied by the percentage of services completed and accepted by Authorized Purchaser, less previous amounts paid and any claim(s) which Authorized Purchaser has against Contractor. If previous amounts paid to Contractor exceed the amount due to Contractor under this Section, Contractor shall pay any excess to Authorized Purchaser upon written demand.

2.20 TERMINATION:

2.20.1 **BY MUTUAL CONSENT:** This Contract may be terminated at any time by mutual written consent of Authorized Purchaser and Contractor.

2.20.2 **RIGHTS OF AUTHORIZED PURCHASER.** Authorized Purchaser may, at its sole discretion, terminate this Contract or other ordering instrument for convenience with thirty (30) days' written notice. Authorized Purchaser may terminate this Contract immediately upon notice to Contractor, or at such later date as Authorized Purchaser may establish in such notice, upon the occurrence of any of the following events: (a) Authorized Purchaser fails to receive funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow Authorized Purchaser, in the exercise of its reasonable administrative discretion, to meet its payment obligations under this Contract; (b) federal or state laws, regulations, or guidelines are modified or interpreted in such a way so as to prohibit either the purchase of the Goods by Authorized Purchasers under the Price Agreement or Authorized Purchaser's payment for such Goods from the planned funding sources; or (c) Contractor is in default of this Contract under Section 2.18.1. Upon receipt of written notice of termination, Contractor shall stop performance under this Contract if and as directed by Authorized Purchaser.

2.20.3 **RIGHTS OF THE CONTRACTOR:** Contractor may terminate this Contract with ten (10) days' written notice to Authorized Purchaser, if Authorized Purchaser is in default of this Contract as described in Section 2.18.2.

2.21 ACCESS TO RECORDS: Contractor shall retain, maintain, and keep accessible all records relevant to this Contract (the "Records") for a minimum of six (6) years, or such longer period as may be required by applicable law following expiration or termination of the Contract, or until the conclusion of any audit, controversy or litigation arising out of or related to the Contract, whichever date is later. Financial Records will also be kept in accordance with Generally Accepted Accounting Principles ("GAAP"). During the record-retention period established in this Section, Contractor shall permit DAS PS, the Authorized Purchaser, their duly authorized representatives, and the federal government access to the Records at a reasonable time and place for purposes of examination and copying.

2.22 NOTICES: Except as otherwise expressly provided in this Contract, any communications between the parties, or notices to be given under this Contract, are effective only if given in writing by personal delivery, email or United States Postal Service, postage prepaid, to the party's authorized representative. For Authorized Purchaser, the authorized representative and the address or number for notices or communications to be given to that authorized representative are as identified in the ordering instrument or as later indicated by Authorized Purchaser pursuant to this Section. For Contractor, the authorized representative and the address or number for notices or communications to be given to that authorized representative are as identified in the Price Agreement or as later indicated by Contractor pursuant to this Section. Any communication or notice via the United States Postal Service is deemed given five (5) days after mailing. Any communication or notice by personal delivery is deemed given immediately upon such delivery. Any communication or notice by email is deemed given when the recipient, by an email sent to the email address for the sender or by a notice given by another method in accordance with this Section, acknowledges having received that email, with an automatic "read receipt" not constituting acknowledgment of an email for purposes of this Section.

2.23 ORDERING INSTRUMENTS; ACKNOWLEDGEMENTS: The parties acknowledge and agree that other than designation of order quantities, types of Goods, delivery destination, dates of order, and scheduled delivery of other performance, any purchase orders or acknowledgement documents are simply for the convenience of the parties to initiate or confirm an order of Goods under this Contract and that no other terms or conditions contained in those documents are of any force or effect or are binding upon the parties.

2.24 GOVERNING LAW: This Contract is governed by and construed in accordance with the laws of the State of Oregon, without regard to principles of conflicts of laws.

2.25 VENUE; CONSENT TO JURISDICTION:

2.25.1 **STATE OF OREGON CONTRACT VENUE; CONSENT TO JURISDICTION:** Any claim, action, suit or proceeding (collectively, "Claim") between an Authorized Purchaser that is an agency of the State of Oregon and Contractor that arises from or relates to this Contract shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then unless otherwise prohibited by law it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. CONTRACTOR HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS AND WAIVES ANY OBJECTION TO VENUE IN SUCH COURTS, AND WAIVES ANY CLAIM THAT SUCH FORUM IS AN INCONVENIENT FORUM. Nothing herein shall be construed as a waiver of the State's sovereign or governmental immunity, whether derived from the Eleventh Amendment to the United States Constitution or otherwise, or of any defenses to Claims or jurisdiction based thereon.

2.25.2 **NON STATE OF OREGON CONTRACT VENUE; CONSENT TO JURISDICTION:** Any Claims between Contractor and an Authorized Purchaser other than an agency of the State of Oregon that arise from or relate to this Contract shall be brought and conducted solely and exclusively within the Circuit Court of the county in which such Authorized Purchaser resides, or at the Authorized Purchaser's option, within such other county as the Authorized Purchaser is entitled under the laws of the relevant jurisdiction to bring or defend Claims. If any such Claim must be brought in a federal forum, then unless otherwise prohibited by law it shall be brought and conducted solely and exclusively within the United States District Court for the District in which such Authorized Purchaser resides. CONTRACTOR HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS AND WAIVES ANY OBJECTION TO VENUE IN SUCH COURTS, AND WAIVES ANY CLAIM THAT SUCH FORUM IS AN INCONVENIENT FORUM. Nothing herein shall be construed as a waiver of Authorized Purchaser's sovereign or governmental immunity, if any, whether derived from the Eleventh Amendment to the United States Constitution or otherwise, or of any defenses to Claims or jurisdiction based thereon.

2.26 SURVIVAL: The following provisions survive termination or expiration of this Contract: Sections 2.8, 2.9.1, 2.9.4, 2.16, 2.17, 2.18, 2.19, 2.21, 2.23, 2.24, 2.25, 2.26; the paragraph in Exhibit C bearing the caption "TAIL COVERAGE"; and any other provision that by its nature would reasonably be expected to survive termination or expiration.

2.27 SEVERABILITY: If any provision of this Contract is declared by a court of competent jurisdiction to be illegal or otherwise invalid, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular provision held to be invalid.

2.28 ASSIGNMENTS, SUBCONTRACTS, AND SUCCESSORS: Contractor shall not assign, sell, transfer, or subcontract rights, or delegate responsibilities under this Contract, in whole or in part, without the prior written approval of the Authorized Purchaser. Further, no such written approval shall relieve Contractor of any obligations under the Contract, and any assignee, transferee, or delegate shall be considered the agent of Contractor. The provisions of this Contract are binding upon, and shall inure to the benefit of the parties and their respective successors and permitted assigns.

2.29 MERGER CLAUSE; AMENDMENT; WAIVER: This Contract constitutes the entire agreement between Contractor and Authorized Purchaser on the subject matter of this Contract. There are no understandings, agreements, or representations, oral or written, not specified in this Contract on the subject matter of this Contract. No amendment of this Contract is valid unless it is in writing and signed by the parties. No waiver or consent is effective unless in writing and signed by the party against whom it is asserted. Waivers and consents are effective only in the specific instance and for the specific purpose given. The failure of the Authorized Purchaser to enforce any provision of this Contract is not a waiver by Authorized Purchaser of that or any other provision.

2.30 INTENDED BENEFICIARY. DAS PS is an intended beneficiary of this Contract. However, the parties to this Contract may modify the ordering instrument or terminate this Contract without the consent of DAS PS.

2.31 ASSIGNMENT OF ANTITRUST RIGHTS. Contractor irrevocably assigns to the State Of Oregon any claim for relief or cause of action which the Contractor now has or which may accrue to the Contractor in the future by reason of any violation of 15 U.S.C. § 1-15 or ORS 646.725 or ORS 646.730, in connection with any goods or services provided to the Contractor for the purpose of carrying out the Contractor's obligations under this Contract, including, at the State's option, the right to control any such litigation on such claim or relief or cause of action. Contractor shall require any subcontractors hired to perform any of Contractor's duties under this Agreement to irrevocably assign to the State of Oregon, as third party beneficiary, any right, title or interest that has accrued or which may accrue in the future by reason of any violation of 15 U.S.C. § 1-15 or ORS 646.725 or ORS 646.730, in connection with any goods or services provided to the subcontractor for the purpose of carrying out the subcontractor's obligations to the Contractor in pursuance of this Agreement, including, at the State's option, the right to control any such litigation on such claim or relief or cause of action.

Section 3 – Special Terms for Contracts under this Agreement

3.1 CONTRACTOR CERTIFICATIONS: If Contractor offers Goods under the Price Agreement, Contractor shall maintain its status as a manufacturer-authorized product reseller for the Goods throughout the Term of the Price Agreement. If Contractor offers installation and/or maintenance services under this Price Agreement, Contractor shall maintain its status as a manufacturer-authorized service provider. If any required status is discontinued, this Contract may be terminated.

3.2 SELECTION PROCESS: This is not an exclusive agreement. DAS PS intends to award multiple Price Agreements and Participating Addenda for the Goods and services offered under this solicitation. Authorized Purchasers who are State of Oregon Agencies must follow the selection process outlined below. Authorized Purchasers who are **not** State of Oregon Agencies may select the Contractor of Authorized Purchaser's choice in compliance with applicable statute and rules.

3.2.1 For purchases under $10,000, Authorized Purchasers who are State Agencies may select the Contractor of their choice in compliance with applicable statute and rule.

3.2.2 For purchases over $10,000 Authorized Purchasers who are State Agencies shall use one of the following selection processes:

a) **Brand Name Justification** - A documented brand name justification in compliance with applicable statutes and rules.

b) **Best Value Analysis** - Authorized Purchaser may conduct a comparison of the offers based upon the following best value analysis process;

i. Determine category of need, if more than 3 Contractors offer Goods and services in the category of need, contact at least 3 Contractors and request a quote for the anticipated Goods and services. If 3 or less Contractors offer Goods and Services in category of need, contact all Contractors that provide Goods and services in the category of need and request a quote for anticipated Goods and services. Quoted rates must not exceed the most competitive rates and discounts set forth in this Price Agreement. Authorized Purchaser may provide a deadline for quote response to Contractor.

ii. Determine which Contractor and Authorized Dealer provides the best value for Authorized Purchaser. Some or all of the following factors may be used in the Authorized Purchaser's determination of best value (additional factors not listed may also be used) :

- Applicable discounts and incremental pricing options;
- Shipping costs;
- Manufacture timelines;
- Delivery process;
- Maintenance and repair service levels;
- Applicable warranties;
- Contractor's past performance record through reference checks;
- Contractor's service area;
- Price comparison
- Life cycle costing including expected life, salvage value and discounted total cost of ownership.

iii. Negotiate with one or more Contractors to gain the best value for the desired Goods and services.

iv. Authorized Purchasers may make award decisions based on price alone, or may also take value and technical and past performance considerations into account.

c) Document Authorized Purchasers procurement files describing the process, considerations, findings, and decisions used for determining the Contractor selected through the Best Value Analysis.

3.3 DELIVERY CHARGES: For all orders, FOB destination delivery costs up to 60 miles from dealership shall be paid by the Contractor. Additional delivery charges for delivery beyond 60 miles must be based on delivery cost outlined in Exhibit A.

3.4 ADVANCE PAYMENT PROHIBITED: No advance payment shall be made for the Goods or services furnished by Contractor pursuant to this Contract.

3.5 NOTICE OF ORDER SHORTAGES: Contractor shall notify Authorized Purchaser within twenty-four (24) hours of receiving notice that ordered Goods or services will not be available for shipment or scheduling on the scheduled delivery day. This includes a notice to Authorized Purchaser whenever a particular Good will be short-shipped. Notice of unavailability for services or projected short-shipment of Goods will not eliminate Authorized Purchaser's right to pursue all available remedies.

3.6 UNAUTHORIZED WORK: Goods or services provided without or prior to receipt of written authority (i.e. without a Purchase Order duly issued under the Price Agreement) will be considered unauthorized and may not be paid for by Authorized Purchaser.

3.7 PRICE QUOTES: Contractor price quotes will be considered a firm offer (or maximum price) for a set time period of 90 days after issuance. Upon any negotiations with an Authorized Purchaser, Contractor will update the quote, or provide a new "not-to-exceed" final price quote for desired Goods and Services prior to Authorized Purchaser placing an order. Price Quotes must include all costs, including but not limited to, additional options, taxes (including privilege tax and corporate activity or vehicle use tax for State of Oregon), fees, and delivery and registration costs.

Section 4 – Signature of Contractor's Duly Authorized Representative

4.1 The undersigned represents:

(a) Signee is a duly authorized representative of Contractor, has been authorized by Contractor to make all representations, attestations, and certifications contained in this Agreement and to execute this Agreement on behalf of Contractor;
(b) Contractor is bound by and will comply with all requirements, specifications, and terms contained in this Agreement;
(c) Contractor will furnish the Goods in accordance with Contracts under this Agreement; and
(d) Contractor shall furnish federal identification number or social security number under a separate document.
(e) All Contractor affirmations contained in its bid or proposal related to this Agreement are true and correct.
(f) Contractor has not discriminated against and will not discriminate against minority, women or emerging small business enterprises certified under ORS 200.055 or against a business enterprise that is owned or controlled by or that employs a disabled veteran as defined in ORS 408.225 in obtaining any required subcontracts, and that Contractor is not in violation of any nondiscrimination laws.
(g) Contractor has a written policy and practice that meets the requirements, described in ORS279A.112, of preventing sexual harassment, sexual assault, and discriminating against employees who are members of a protected class. Contractor agrees, as a material term of the Price Agreement, to maintain the policy and practiced in force during the entire Price Agreement term.
(h) Contractor has no undisclosed liquidated and delinquent debt owed to the State or any department or agency of the State.
(i) Contractor shall comply with ORS 652.220 and shall not unlawfully discriminate against any of Contractor's employees in the payment of wages or other compensation for work of comparable character on the basis of an employee's membership in a protected class. "Protected class" means a group of persons distinguished by race, color, religion, sex, sexual orientation, national origin, marital status, veteran status, disability or age. Contractor's compliance with this Section constitutes a material element of this Price Agreement and a failure to comply constitutes a default that entitles Agency to terminate this Price Agreement for cause.
(j) Contractor may not prohibit any of Contractor's employees from discussing the employee's rate of wage, salary, benefits, or other

Agreed:

Contractor's Name: Gee Automotive Portland VII, LLC (dba Ron Tonkin Chrysler Jeep Dodge Ram Fiat)

Authorized Signature: ______________________________

Printed Name of Authorized Signature: Chuck Baggs

Title of Authorized Signature: Fleet Manager

Date: 04/27/2021

Contractor Administrative Contact (also referred to as Contract Administrator):

Name	Chuck Baggs
Address	16800 SE McLoughlin Blvd, Milwaukie, Or 97267
Telephone	503-258-5800 ext 4950 or 503-781-8128/cell
E-mail	cbaggs@tonkin.com

Section 5 – Signature of DAS PS

Agreed:

Authorized Signature: Darwin Kumpula Digitally signed by Darwin Kumpula Date: 2021.04.28 08:10:19 -07'00'

Date: 28 April 2021

DAS PS Contract Administrator (Type or Print):

Name	Brent Lutz
Address	1225 SE Ferry Street, Salem, OR 97301
Telephone	(971) 719-3436
E-mail	brent.l.lutz@oregon.gov

Legal Review:

Approved pursuant to ORS 291.047

Approved by Marc S. Bocci, Senior Assistant Attorney General

Per email dated March 23, 2021

Exhibit B

	STATE OF OREGON	PURCHASE ORDER (PO) NO.	PAGE #

Authorized Purchaser's Authorized Representative	Purchase Order Date	Requisition No.

Contractor Name and Address		Authorized Purchaser's Invoicing Address
Contractor FEIN	Price Agreement number	Authorized Purchaser's Authorized Representative Email Address
Deliver to Address		Authorized Purchaser's Authorized Representative Phone and Fax Number
		Delivery Schedule or Delivery Date

Item	Description	Quantity	U/M	Unit Price	Net Price
				Sub Total	
				Freight	
				Total	

This Purchase Order, in addition to any exhibits or addenda attached, is placed against State of Oregon Solicitation **# DASPS-2295-20** and Price Agreement **#1652**. The terms and conditions contained in the Price Agreement apply to this purchase and take precedence over all other conflicting terms and conditions, express or implied. There are no understandings, agreements or representations, oral or written, not specified herein.

Agency's Authorized Representative to Make Purchase	Date	

Exhibit C
INSURANCE REQUIREMENTS

Contractor shall obtain at Contractor's expense the insurance specified in this Exhibit C prior to performing under this Price Agreement and shall maintain it in full force and at its own expense throughout the duration of this Contract, as required by any extended reporting period or tail coverage requirements, and all warranty periods that apply. Contractor shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in State and that are acceptable to Agency. Coverage shall be primary and non-contributory with any other insurance and self-insurance, with the exception of Professional Liability and Workers' Compensation. Contractor shall pay for all deductibles, self-insured retention and self-insurance, if any.

WORKERS' COMPENSATION & EMPLOYERS' LIABILITY
All employers, including Contractor, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and provide workers' compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Contractor shall require and ensure that each of its subcontractors complies with these requirements. If Contractor is a subject employer, as defined in ORS 656.023, Contractor shall also obtain employers' liability insurance coverage with limits not less than $500,000 each accident. If Contractor is an employer subject to any other state's workers' compensation law, Contactor shall provide workers' compensation insurance coverage for its employees as required by applicable workers' compensation laws including employers' liability insurance coverage with limits not less than $500,000 and shall require and ensure that each of its out-of-state subcontractors complies with these requirements.

COMMERCIAL GENERAL LIABILITY:
☒ **Required** ☐ **Not required**

Commercial General Liability Insurance covering bodily injury and property damage in a form and with coverage that are satisfactory to the State. This insurance shall include personal and advertising injury liability, products and completed operations, contractual liability coverage for the indemnity provided under this contract, and have no limitation of coverage to designated premises, project or operation. Coverage shall be written on an occurrence basis in an amount of not less than **$2,000,000** per occurrence. Annual aggregate limit shall not be less than **$4,000,000**.

AUTOMOBILE LIABILITY INSURANCE:
☒ **Required** ☐ **Not required**

Automobile Liability Insurance covering Contractor's business use including coverage for all owned, non-owned, or hired vehicles with a combined single limit of not less than **$2,000,000** for bodily injury and property damage. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for Commercial General Liability and Automobile Liability). Use of personal automobile liability insurance coverage may be acceptable if evidence that the policy includes a business use endorsement is provided.

EXCESS/UMBRELLA INSURANCE:
A combination of primary and excess/umbrella insurance may be used to meet the required limits of insurance.

ADDITIONAL INSURED:
All liability insurance, except for Workers' Compensation, Professional Liability, and Network Security and Privacy Liability (if applicable), required under this Price Agreement must include an additional insured endorsement specifying the State of Oregon, its officers, employees and agents as Additional Insureds, including additional insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to Contractor's activities to be performed under this Contract. Coverage shall be primary and non-contributory with any other insurance and self-insurance. The Additional Insured endorsement with respect to liability arising out of your ongoing operations must be on ISO Form CG 20 10 07 04 or equivalent and the Additional Insured endorsement with respect to completed operations must be on ISO form CG 20 37 04 13 or equivalent.

WAIVER OF SUBROGATION:
Contractor shall waive rights of subrogation which Contractor or any insurer of Contractor may acquire against the Agency or State of Oregon by virtue of the payment of any loss. Contractor will obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the Contractor or the Contractor's insurer(s).

TAIL COVERAGE:
If any of the required insurance is on a claims made basis and does not include an extended reporting period of at least 24 months, Contractor shall maintain either tail coverage or continuous claims made liability coverage, provided the effective date of the continuous claims made coverage is on or before the effective date of this Contract, for a minimum of 24 months following the later of (i) Contractor's completion and Agency's acceptance of all Services required under this Contract, or, (ii) Agency or Contractor termination of contract, or, iii) The expiration of all warranty periods provided under this Contract.

CERTIFICATE(S) AND PROOF OF INSURANCE:
Contractor shall provide to Agency Certificate(s) of Insurance for all required insurance before delivering any Goods and performing any Services required under this Contract. The Certificate(s) shall list the State of Oregon, its officers, employees and agents as a Certificate holder and as an endorsed Additional Insured. The Certificate(s) shall also include all required endorsements or copies of the applicable policy language effecting coverage required by this contract. If excess/umbrella insurance is used to meet the minimum insurance requirement, the Certificate of Insurance must include a list of all policies that fall under the excess/umbrella insurance. As proof of insurance Agency has the right to request copies of insurance policies and endorsements relating to the insurance requirements in this Contract.

NOTICE OF CHANGE OR CANCELLATION:
The Contractor or its insurer must provide at least 30 days' written notice to Agency before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

INSURANCE REQUIREMENT REVIEW:
Contractor agrees to periodic review of insurance requirements by Agency under this agreement and to provide updated requirements as mutually agreed upon by Contractor and Agency.

STATE ACCEPTANCE:
All insurance providers are subject to Agency acceptance. If requested by Agency, Contractor shall provide complete copies of insurance policies, endorsements, self-insurance documents and related insurance documents to Agency's representatives responsible for verification of the insurance coverages required under this Exhibit C.

Exhibit D
SPECIFICATIONS

1. GENERAL PROVISIONS:

1.1 **SILENCE OF SPECIFICATIONS:** The apparent silence of the specifications as to any detail, or the apparent omission of a detailed description concerning any point, shall be interpreted as requiring that Contractor shall perform to only the best commercial practice and that Contractor shall supply and incorporate into Goods only materials and workmanship of first quality. However, if any omitted specification results in ambiguity as to material characteristics of the Goods, and inclusion is necessary to enable a reasonable person in the particular industry to properly identify such characteristics, and Contractor failed to seek a formal request for change during the solicitation process for the Agreement, then Contractor shall be required to provide Goods meeting the Authorized Purchaser's needs with regard to any omitted specification.

1.2 **ADHERENCE TO THE SPECIFICATIONS:** Deviations from specifications discovered after purchase shall be corrected by Contractor at no cost to the Authorized Purchaser.

2. SPECIFICATIONS:

Specifications below provide a minimum requirement.

2.1 All Base Model Vehicles must include all OEM standard features, equipment, and components, Manufacturer or Dealer installed according to the Manufacturer's standard procedures, requirements, and specifications. All Vehicle Base Models must include two (2) sets of keys and all user manuals.

2.2 Additional equipment packages, factory installed options and aftermarket options may also be offered. Cab and Chassis optional Body Upfit may also be offered. Contractor shall provide all sub-contractors for Body Upfits to DAS PS.

2.3 All required installation services must be completed by the manufacturer or a manufacturer authorized installer and Contractor must certify completed vehicle conforms to all Federal Motor Vehicle Safety Standards ("FMVSS") and all body modifications must have National Highway Traffic Safety Administration ("NHTSA") certification.

2.4 Unless otherwise DAS PS approved, all Vehicles must be no older than 1 year beyond the current Manufacturer's model year, new and unused, free of damage, rust and other defects that may affect appearance or serviceability.

2.5 All Vehicles must comply with all federal and State laws, requirements, and regulations applicable to the type and class of Vehicles and contractual services. This includes, but is not limited to, FMVSS, Occupational Safety and Health Administration ("OSHA"), Environmental Protection Agency ("EPA") Standards, and State laws, requirements, and regulations. In addition, if any applicable federal or State legislation becomes effective during the term of the Contract regarding the Goods and related services, including but not limited to requirements concerning specifications and safety, and environmental requirements, those requirements shall immediately become a part of the Agreement and each Contract. The Contractor shall meet or exceed any such requirements of the laws and regulations. If an apparent conflict exists, the Contractor shall contact the Contract Administrator immediately.

2.6 Vehicles must not contain Dealer's advertising or identification (name, logos, etc.) including all Base Equipment; OEM Options, Accessories, & Implements; OEM & Replacement Parts; and their components. Manufacturer's advertising or identification (name, model, logos, etc.) will be permitted on the respective Vehicles if such advertising or identification is a Manufacturer's standard on the specific Vehicle.

2.7 Acceptable Vehicle fuel and alternative fuel options include gasoline (E-10), diesel, bio-diesel, natural gas (compressed or liquefied), ethanol flex fuel (E-85), liquefied petroleum gas, Hydrogen Fuel Cell Electric Hybrid, Plug-in Hybrid Electric and Plug-in Electric Vehicle. Additional fuel options may be accepted upon DAS PS approval.

CITY OF OREGON CITY
CITY COMMISSION WORK SESSION
DRAFT MINUTES

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Tuesday, August 08, 2023 at 6:00 PM

CONVENE WORK SESSION AND ROLL CALL

Mayor McGriff convened the meeting at 6:03 PM.

PRESENT: 5 - Commissioner Rocky Smith, Commissioner Mike Mitchell, Commissioner Frank O'Donnell, Commissioner Adam Marl, Mayor Denyse McGriff

STAFFERS: 7 - City Manager Tony Konkol, City Recorder Jakob Wiley, Economic Development Manager James Graham, Police Captain Shaun Davis, Finance Director Matt Zook, Library Director Greg Williams, Assistant City Recorder Angelique Nomie

FUTURE AGENDA ITEMS

1. List of Future Work Session Agenda Items

Commissioner O'Donnell requested that priority be given to discussion of a Destination Marketing Organization (DMO), Cove water quality, and the old Public Works building.

Commissioner Marl asked to discuss 2020 legislation regarding psilocybin mushrooms.

Mayor McGriff would like to add flag development to the City Seal work session item.

DISCUSSION ITEMS

2. City Business License Comparative Analysis and Modifications

Discussion occurred about requiring a business license for both the event organizer and individual vendors at public events, including farmers markets.

James Graham, Economic Development Manager, presented information on business license requirements from other cities and stated that Oregon City has the most expensive business licenses among the cities surveyed.

Mr. Graham recommended elimination of the $60 application fee for annual licenses, maintaining the license fee structure, prorating annual license fees on a monthly basis, and not charging business license fees to nonprofit event vendors.

Commissioner O'Donnel stated that he would like the annual license application fee to remain, even if it was nominal or applied to the overall license fee. He added that he supports temporary business licenses for events as a public health and safety measure.

Discussion occurred around business licenses for garage sales. A general consensus was reached that garage sales should be regulated, but not require business licenses.

Commissioner Mitchell requested clarification on the idea of charging a business license fee to the Oregon City Farmers Market when the organization is a 501(c)(3). Mr. Graham said he spoke to the *market organizer who agreed to pay the business license fee, as long as the individual vendors were exempt. Mayor McGriff reiterated that the vendors pay a fee to participate in the farmers market and are vetted beforehand.*

Commissioner Mitchell suggested that license fees based on employee size should be changed from 1 – 25 employees to 1 – 10 employees in order to support smaller companies. He also suggested reducing the number of categories for employee size.

Commissioner O'Donnell suggested charging a business license fee to event vendors so the city has firsthand information on businesses rather than secondhand information from farmers markets.

Commissioner Marl agrees with tracking businesses for safety as well as opportunities for economic development whether or not there is a fee.

Commissioner O'Donnell brought forth tracking public health concerns such as COVID. Discussion occurred around Clackamas County Public Health inspection requirements for food vendors.

Commissioner Smith discussed the hardship of requiring each vendor to obtain a business license for events, suggesting that event organizers should provide this information to the city.

Discussion occurred around the application fee for an annual business license. Consensus was reached that the application fee should be applied to the overall license fee for successful applicants.

Discussion occurred around charging event organizers a license fee regardless of their profit status. Consensus was reached that event organizers would be charged a business license fee regardless of their profit status and provide a list of their vendors to the city. Individual event vendors would not be required to pay a business license fee.

Consensus was reached that home office businesses would be charged a different license fee than regular businesses.

3. Review of the City Commission Rules of Procedure and Commission Policies

Jakob Wiley, City Recorder, offered a presentation of proposed changes to the City Commission Rules of Procedure and Commission Policies. The presentation covered some minor updates, a discussion of the Election Residency Evaluation Policy, the public comment timer, and conflict of Interest rules associated with nonprofit boards.

Mayor McGriff asked a question about how voter registration related to election residency evaluation. Mr. Wiley explained that though the required twelve months of residency in Oregon City could be determined through other records, a candidate had to register to vote prior to the election to be qualified elector. However, in order to ensure that candidates are indeed registered voters by the time the election takes place, it has been the City's policy to require voter registration before offering certification.

There was discussion regarding guidelines currently in place for determining election residency, which is taken from policies written not for the city, but for elections officials determining the residency of State senators or representatives. Mayor McGriff requested updating the identification policy to specify that any government-issued identification may be accepted for the election residency evaluation policy, not only driver's licenses. Mayor McGriff also questioned whether the address of utility services was a reliable factor to consider.

There was discussion about creating an Election Residency Evaluation policy for the City. Mayor McGriff suggested this would make the City Recorder's work more straightforward. Mr. Wiley observed that having such a policy to share with the public would enhance transparency.

There was discussion about establishing a policy deadline for candidates to submit residency documentation. There was consensus that candidates should be required to submit documentation seven calendar days before the City needs to file a candidate list with the County.

Commissioner Mitchell asked whether the Municipal Judge could be made the final judge of residency evaluations. Mr. Wiley responded that the City Charter makes the Commission the final judge, and that the Municipal Judge could only be made an interim judge in this matter. The role of Interim Judge is currently filled by the City Recorder.

Mr. Wiley asked whether the Commission would like a submission deadline before the final City Commission regular meeting before the regular deadline. Mayor McGriff suggested this was not necessary and that the Commission should be used only as a resource for final appeal.

Commissioner O'Donnell asked how residency is determined if an indivudual's work takes them out of town for extended periods. Mr. Wiley responded that if the individual has an Oregon driver's license and receives their bills in Oregon City and is registered to vote in Oregon City they would be considered a resident.

There was discussion about whether applicants should be required to prove twelve months of continuous residence by offering a document for each of the previous months, or whether a single item of evidence dated to twelve months ago or more would be sufficient. There was consensus that candidates must provide reasonable proof of twelve continuous months of residency. This level of proof would only be necessary if an applicant's government-issued identification and voter registration information were inconsistent.

There was discussion about the lack of an enforcement mechanism to address potential perjury in affidavits about residency, and the necessity to research state law on this topic if an enforcement mechanism were to be drafted.

There was consensus that an affidavit and application form should be created listing acceptable proofs of residency. There was discussion about which of the currently used factors belongs in the policy. There was consensus that a potential candidate ought to be disqualified if they refused to sign the form attesting to the information offered.

Mr. Wiley proposed to draft an Election Residency Evaluation Policy based on the preceding discussion which he would later present to the Commission.

The Commission took a break from 8:15 P.M. to 8:26 P.M.

There was discussion about the use of a beeper to limit public comments. The beeper includes a tone and/or a time blinking function. There was consensus to try a new procedure allowing the beeper to beep, and to blink the time, three times, followed by an announcement from the meeting chair that time is up.

Deputy City Attorney Carrie Richter presented draft language for a nonprofit board membership conflict of interest policy. The drafted language comprised two clauses to be added to the Bylaws. The first clause required that, in addition to complying with State conflict of interest obligations, a Commissioner who is also a member of a nonprofit board must recuse themself from any issue brought before the Commission related to that nonprofit. The second clause laid down policies for Commissioners on nonprofit boards, precluding them from lobbying on those boards, from joining discussions without first explaining their role, and from voting on said Boards.

There was consensus in support of the proposed language. Commissioner Marl added a request that the requirement for a Commissioner to only hold liaison roles on nonprofit boards be articulated in future Memoranda of Understanding (MOUs).

Commissioner Mitchell requested to discuss policies about commissioners discussing items not on the agenda. Mayor McGriff suggested that the Commissioners' reports at the close of each meeting were a proper time for Commissionesr to offer any comments unrelated to the agenda. There was consensus that the current policy in the bylaws was sufficient.

Commissioner Mitchell proposed allowing public comments at work sessions in order to increase transparency. Mayor McGriff suggested that work sessions were intended for gathering information, not for allowing persons to plead for various outcomes. The Mayor suggested that allowing comments at work sessions should continue to be decided on a case by case basis. Commissioner Marl pointed out that the public are able to email comments to Commissioners at any time. There was consensus to leave the current policy unchanged.

Commissioner Marl suggested that when members of the media attend executive sessions via Zoom, they be required to turn on their cameras in order to verify their identity. There was consensus that the possibility of such a policy be researched.

Mayor McGriff suggested removing a reference to a retreat in January in the City Commission rules, as the Commission has not always been able to schedule their retreat in that month.

CITY MANAGER'S REPORT

4. Update on City Projects

Tony Konkol, City Manager, reported that City Staff had been researching the historical extent of the Promenade as the Commission considers transforming it into a Charter Park. He reported that its boundaries had changed greatly over time and that Staff were researching encroachment issues related to the Promenade.

Commissioner Smith suggested conferring with the City of Seaside, which has a similar Promenade area, on language to describe park areas versus promenade areas.

Mr. Konkol reported ongoing work on the design and interpretational signage of the Cayuse Five Memorial in collaboration with the Confederated Tribes of the Umatilla Indian Reservation Cultural Resource staff. He also reported that an arborist is examining impacts to trees in the proposed location, and that Staff planned to ask the Historic Review Board for more time in order for the arborist to complete the examination.

Mr. Konkol reported that there was no change in the Courthouse project.

Mr. Konkol reported that Staff continue to meet with the Confederated Tribes of the Grand Ronde regarding amendment of the Tumwater Village project. Staff expects to submit that amended plan for land use during the current calendar year.

Mr. Konkol reported that there had been no change in the Canemah right-of-way issue.

Mayor McGriff reported that she had received a request for a proclamation from a person outside the community, and that she had informed that person that requests of this kind need to have a City sponsor and must be addressed to City Staff.

COMMISSION COMMITTEE REPORTS

5. Commissioner O'Donnell

- South Fork Water Board

Commissioner O'Donnell reported that Portland General Electric (PGE) had recently made a presentation to the South Fork Water Board, during which a discussion about the recent ice storm took place. Mayor McGriff asked if the issue of redundancy had been raised in this discussion, and Mr. O'Donnell replied that it had. Mr. O'Donnell also reported that the South Fork Water Board is in the process of constructing a methodology by which the Board's Chief Executive Officer can perform his evaluation.

6. Commissioner Smith

- Clackamas Heritage Partners
- Oregon City Tourism Stakeholder's Group
- South Fork Water Board

Commissioner Smith reported that there had been no recent meetings of the Clackamas Heritage Partners of the Oregon City Tourism Stakeholder's Group. He reported that he had recently attended a Heritage Coordinating Committee meeting regarding the future of tourism in Oregon City. He added that this committee was also working on a report on Oregon City's recent involvement in the Portland Rose Festival Parade.

7. Commissioner Marl

- Citizen Involvement Committee Liaison
- Clackamas County Coordinating Committee (C4)
- Clackamas County I-205 Tolling Diversion Committee
- Youth Advisory Committee Liaison

Commissioner Marl reported that he, along with Commissioners O'Donnell and Mitchell, had recently attended a luncheon of the Oregon City Business Alliance where Metro Councillor Christine Lewis was a speaker. The Commissioners had received confirmation from Councillor Lewis that the dollars which had been earmarked for the Oregon City side of the proposed Riverwalk could only be transferred by a vote of the Metro Council.

Commissioner Marl reported that at a recent meeting of the Citizen Involvement Committee (CIC), guidelines had been given regarding promotional postcards and the funding sources thereof. The CIC had also proposed creating their own code of conduct for this purpose. Mayor McGriff emphasized the importance of transparency in this matter and the need for the City Commission to have the final say about City spending on the CIC's promotional materials.

Commissioner Marl reported that the position of Community Engagement Specialist would soon be vacant. Mr. Konkol added that due to the amount of work involved, it would be beneficial to change this position from half-time to full-time.

Commissioner Marl reported that the Tolling Diversion Committee was now called the C4 Tolling Strategy Committee, and that it would function as a forum for the cities of Clackamas County to discuss issues relevant to the Regional Toll Advisory Committee (RTAC).

Commissioner Marl reported that tolling had been discussed at the latest Clackamas County Coordinating Committee (C4) meeting. He reported that C4 had discussed creating a joint values document for Clackamas County cities in order to preserve a unified front to negotiate with ODOT (Oregon Department of Transportation) regarding tolling. He also reported on continuing efforts by staff from all local jurisdictions to persuade ODOT to add a third lane to I-205.

Commissioner Marl reported that the Youth Advisory Committee had requested to meet more frequently to support their work on a Mental Health Resource Fair proposed for the autumn of 2023.

8. Commissioner Mitchell

- Clackamas County Coordinating Committee (C4) – Metro Subcommittee
- Clackamas County I-205 Tolling Diversion Committee (alternate)
- Metro Policy Advisory Committee (MPAC) (alternate)

Commissioner Mitchell reported that TriMet had given a presentation the Clackamas County I-205 Tolling Diversion Committee, saying that they were working on increasing service to routes serving Oregon City, and that Wilsonville's transit system was working on adding a route from Wilsonville to Clackamas Town Center that would stop in Oregon City.

9. Mayor McGriff

- Clackamas Water Environment Services Policy Committee
- Clackamas Heritage Partners (alternate)
- Downtown Oregon City Association Board
- Metro Policy Advisory Committee (MPAC)
- Oregon City Tourism Stakeholder's Group
- South Fork Water Board
- Willamette Falls and Landings Heritage Area
- Willamette Falls Legacy Project Liaisons
- Youth Advisory Committee Liaison
- Willamette Falls Local Authority

Mayor McGriff reported that the Water Environmental Services Policy Committee would be meeting on September 14 and that they were planning a clean-up public service project near the end of August. Mayor McGriff reported that the Downtown Oregon City Association Board had interviewed two prospective candidates for Executive Director, and that they had allocated money for an office assistant and were considering two candidates.

Mayor McGriff reported that the Metro Policy Advisory Committee was considering reducing the time allocated to presentations in order to preserve time for discussions.

Mayor McGriff reported that the Willamette Falls and Landings Heritage Area committee was waiting for a final report from their intern, who was examining the influence of Chinese Americans in the Landings area of the Cove. The Mayor also reported that the committee had been meeting with the tribes regarding language for the National Heritage Area, and that they had support from members of Congress.

Mayor McGriff reported that she had received no new communications from the Legacy project. She reported that she had attended her first meeting of the Willamette Falls Locks Authority and that they were pursuing with plans to repair the Locks and had hired an Executive Director.

Mayor McGriff reported that the recent Metro Mixer had been a success and well-attended. She added that representatives from Gladstone wished to work with Oregon City on the Trolley Bridge.

ADJOURNMENT

Mayor McGriff adjourned the meeting at 9:21 PM.

Respectfully submitted,

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Jakob S. Wiley, City Recorder

CITY OF OREGON CITY
CITY COMMISSION WORK SESSION
DRAFT MINUTES

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Tuesday, September 12, 2023 at 7:00 PM

CONVENE WORK SESSION AND ROLL CALL

Mayor McGriff convened the meeting at 7:11 PM.

PRESENT: 5 - Commissioner Frank O'Donnell, Commissioner Adam Marl, Commissioner Mike Mitchell, Commissioner Rocky Smith, Mayor Denyse McGriff

STAFFERS: 10 - City Manager Tony Konkol, Community Development Director Aquilla Hurd-Ravich, Parks and Recreation Director Kendall Reid, Police Chief Shaun Davis, Finance Director Matt Zook, Library Director Greg Williams, ROW and Construction Manager Dante Posadas, Planning Manager Pete Walter, Business Manager Kelly Dilbeck, Assistant City Recorder Angelique Nomie

FUTURE AGENDA ITEMS

1. List of Future Work Session Agenda Items

Tony Konkol, City Manager, presented future work session agenda items, including a possible discussion of business license changes on October 4, 2023; training with the City's Human Resources attorney on October 10, 2023, which would encompass both a public session and an executive session; a joint work session with the City of West Linn on November 7 to discuss destination marketing; and possibly an update on the Willamette Path project.

Commissioner Marl reminded the Commission that he had requested discussions of the Measure 109 potential ordinances and the 2024 Independence Day celebration. Mr. Konkol replied that Measure 109 would be discussed at next Wednesday's regular meeting, and that event planning for Independence Day would be added to the list of agenda items soon.

Commissioner Marl asked the Commissioners if they would like to re-evaluate the list of agenda items to ensure they aligned with the present Commission's priorities. There was consensus that re-evaluation of the list could take place at a later date.

DISCUSSION ITEMS

2. Cayuse Five Tribute Project Presentation

Tony Konkol, City Manager, introduced Dante Posadas, ROW and Construction Manager, who presented an update on the Cayuse Five Memorial Project, of which he is the project manager. Mr. Posadas reported that a site and preliminary design had been agreed upon with the Umatilla and Grand Ronde tribes. He reported that an arborist had evaluated the impact of the project and that measures had been taken to reduce the footprint of the memorial and minimize any negative effect on existing trees on the site. Mr. Posadas presented the updated memorial design to the Commissioners and requested approval to move forward with presentation to the Historic Review Board (HRB), proceeding to Parks and Recreation (PRAC) department review, and to finalizing bidding and moving to construction. He suggested that bidding could take place between December 2023-January 2024 and construction between February and May of 2024.

Mayor McGriff asked when the design would be presented to the HRB, and Mr. Posadas replied that would take place on September 25. The Mayor asked if the HRB had raised any substantive issues that had not already been addressed, and Mr. Posadas replied in the negative. The Mayor discussed the plan that the Memorial plaque be placed upon a basalt rock because that natural resource is available in Oregon City, and Mr. Posadas responded that an appropriate basalt rock was being sought for the memorial.

Mr. Konkol added that an effort was being made to create a memorial that would meet the approval of the Tribes consulted, and which would also complement the existing features of the McLoughlin Promenade.

Commissioner Marl asked a question about the wording of the poem to be engraved on the memorial plaque, and it was determined that the wording was correct as printed in the presentation.

3. Preview Proposed Amendments for Clackamette Park Master Plan – Comprehensive Plan Map, Zoning Map and Zoning Code Amendment for Relocated RV Park

Pete Walter, Planning Manager, offered a presentation regarding the upcoming rezoning process which was a condition of approval for the Clackamette Park Master Plan. The rezoning would address changing the zoning of the proposed RV relocation site in order to allow accessory use as an RV park. Mr. Walter presented illustrations of the proposed new RV site. Mr. Walter explained that the proposed changes would be presented to the Planning Commission on October 23, and subsequently forwarded to the City Commission.

Commissioner O'Donnell asked about the distance of the new RV park from the boat launch. It was determined that a final design was not yet made, and that the proposed Master Plan changes were being presented in order that PRAC could obtain funding and pursue construction.

There was discussion about the steps involved in creating the Clackamette Park Master Plan, the development review process, and how the proposed amendment would affect the plan's approval process.

Mayor McGriff suggested that if the RV park is moved and sanitation facilities are rearranged consequent to this, a fair market value ought to be charged for their use.

Commissioner O'Donnell registered disapproval of the location of the RV park and boat ramp on the concept drawing provided.

Commissioner Smith expressed disapproval of the Clackamette Park Master Plan map, suggesting that the park design was not suited to hosting large events and that the relocated RV park would be unattractive to patrons. He also expressed concern with the fact that this master plan had been approved by a commission of only three people.

Commissioner O'Donnell asked whether the Commission could request to reconsider the Clackamette Park Master Plan. Mr. Konkol said that he needed to research the circumstances of the original vote on this master plan and consult with City Attorney Bill Kabeiseman in order to determine the answer to this question.

Commissioner Smith asked whether, if the re-zoning took place, the Commission would subsequently address whether to add the newly zoned parcels be given Charter Park status, and Mr. Konkol said he assumed that deciding on the Charter Park status would indeed be part of subsequent discussion.

There was discussion about the pros and cons of reopening the approval of the Master Plan, *and discussion about the history of the decisions at the Clackamette Park site leading up to this point.*

Kendall Reid, Parks and Recreation Director, discussed the community input process that contributed to the Master Plan, and observed that, though details of the plan still needed work, it was necessary to have a Master Plan in place in order to pursue funding to address those details.

Commissioner Marl said that he approved of the proposed new location of the RV park because the current location is in a flood plain and the new location is not. He said that the floodplain issues cost the City a great deal for maintenance and added that though the RV park is a positive amenity, the majority of Oregon City residents do not own RVs and it was not necessary to prioritize the RV park more than other amenities.

There was continued discussion about the pros and cons of reconsidering the approval of the master plan.

Mr. Konkol observed that the City Commission had approved the Clackamette Park Master Plan in a two to one vote on August 17, 2022. There was not consensus about whether to ask Mr. Kabeiseman how the approval could be reopened, but since there was some interest in this question Mr. Konkol said he would discuss it with Mr. Kabeiseman.

The commission took a break from 8:14 PM to 8:26 PM.

4. Youth Opioid Prevention Grant Program

Police Chief Shaun Davis offered a presentation on history of the Youth Opioid Prevention Grant Program and a draft of the grant itself. The grant, modeled on the Metro Enhancement Grant, is focused on youth opioid prevention.

There was discussion about the funding of this grant, which would be valued at $80,000.00 over two years. The grant would be funded partly from from American Rescue Plan Act (ARPA) money from the General Fund, and partly from opioid settlement money. There was discussion to the effect that though this year's budget was already written, it would be beneficial to fund this grant specifically from opioid settlement money in the future.

Police Chief Davis asked the Commission for direction regarding the makeup of the award review committee. Commissioner Mitchell suggested a mixed group of City Commissioners and others, including a School Resource Officer. Commissioner Marl also suggested that the committee be made up of a diverse group of stakeholders.

Commissioner Smith asked for information about restrictions on how the grant money would be used. Police Chief Davis said that the grant application's guidelines required evidence-based and evidence-informed programs.

Commissioner Mitchell requested clarification on what constituted personnel costs within the restrictions of grant money spending. There was consensus that the limitation on personnel costs applied to program staff salaries, and there was consensus that, for the sake of clarity, the phrase "personnel costs" be amended to the phrase "administrative costs" in the grant application.

Commissioner Mitchell asked what would happen in the event that there are not enough qualified applicants to award all the designated grant funds. Mr. Konkol replied that leftover funds could be carried over to the next grant application period, or the current year's application period could be reopened, or the details of the grant itself could be reconsidered in the next period.

Commissioner Mitchell objected to the grant draft's limitation on organizations winning the funds for more *than two consecutive years. He suggested that a successful program should be a candidate for continued funding. Mayor McGriff suggested including an exception to the two-year limit for programs the Committee deems successful and worthy of continued funding. Mr. Konkol suggested removing the clause about the two-year limit altogether in order to leave the decisions to the Committee's discretion. There was consensus to remove the clause.*

Commissioner Marl said that he had supported this grant as a budget item because it was to be funded solely by opioid settlement money, that it ought not to be funded from the general fund, and that the two-year limit was reasonable for a grant with a finite funding source.

There was discussion about who ought to be a part of the grant award review committee, and whether that committee should have the power to approve a grant award or only to offer a recommendation for the City Commission's approval. There was consensus that the review committee should be a small group made up of two City Commissioners plus several stakeholding community members, and that the review committee should offer their grant award recommendation to the City Commission for approval on November 15.

CITY MANAGER'S REPORT

5. Update on City Projects

Tony Konkol, City Manager, reported that the survey regarding encroachments on the McLoughlin Promenade was ongoing.

Mr. Konkol reported that there was no progress on the Courthouse project due to lack of direction. Mayor McGriff replied that she was working to re-engage the County on this issue.

Mr. Konkol reported that City Staff continued to meet with staff of the Confederated Tribes of the Grand Ronde regarding the Tumwater Village project; they were working through engineering and land use issues, demolition was mainly complete, and they were working with environmental firms to do DEQ testing and identify environmental contamination on the site. Mayor McGriff requested that an update be obtained from the Confederated Tribes' staff regarding their proposed demolition plan and how their work aligns with the Master Plan. Mr. Konkol agreed to provide an update on the demolition completed thus far and to request the proposed future demolition plan to share with the Commission.

Mr. Konkol reported that there was no update on the Canemah Right-of-Way issue.

COMMISSION COMMITTEE REPORTS

6. Commissioner O'Donnell

- South Fork Water Board

Commissioner O'Donnell said that the South Fork Water Board was considering the option of building a new chemical treatment plant and that they would discuss the issue in an upcoming board meeting.

7. Commissioner Smith

- Clackamas Heritage Partners
- Oregon City Tourism Stakeholder's Group
- South Fork Water Board

Commissioner Smith observed that the South Fork Water Board had revived their tradition of an annual gathering with a barbecue.

Commissioner Smith said that he had no report regarding the Clackamas Heritage Partners of the Oregon City Tourism Stakeholder's Group.

8. Commissioner Marl

- Citizen Involvement Committee Liaison
- Clackamas County Coordinating Committee (C4)
- Clackamas County I-205 Tolling Strategies Committee
- Youth Advisory Committee Liaison

Commissioner Marl reported that the Youth Advisory Committee had met that week and discussed the upcoming Mental Health Fair. He reported that the fair was scheduled to occur on October 7 from 2:00-5:00 P.M. at the Pioneer Center.

Commissioner Marl reported that the Citizen Involvement Committee had not met that month, but that in the previous month they had had a discussion about the City Commission's guidelines for promotional mailings, and he emphasized the importance of setting such guidelines clearly for neighborhood association use.

Regarding the two C4 groups, Commissioner Marl reported the decision to add the City Commission logo to the joint tolling values document, and that about ten other jurisdictions had thus far added their logos to the document as well. He reported that the committee had a meeting Amelia Porterfield, the Director of Regional Solutions from the Governor's office. Commissioner Smith also reported that the committee had approved the Nexus project list from all of the jurisdictions in Clackamas County.

Finally, Commissioner Marl observed that the grant-funded website rideclackamas.org had been launched and would be a helpful tool for navigating the county. Mayor McGriff observed that this site ought to be promoted on the City's social media.

9. Commissioner Mitchell

- Clackamas County Coordinating Committee (C4) – Metro Subcommittee
- Clackamas County I-205 Tolling Diversion Committee (alternate)
- Metro Policy Advisory Committee (MPAC) (alternate)

Commissioner Mitchell had no updates to report.

10. Mayor McGriff

- Clackamas Water Environment Services Policy Committee
- Clackamas Heritage Partners (alternate)
- Downtown Oregon City Association Board
- Metro Policy Advisory Committee (MPAC)
- Oregon City Tourism Stakeholder's Group
- South Fork Water Board
- Willamette Falls and Landings Heritage Area
- Willamette Falls Legacy Project Liaisons
- Willamette Falls Locks Authority
- Youth Advisory Committee Liaison

Mayor McGriff reported that the Clackamas Water Environment Services Policy Committee was slated to meet on September 14 and discuss the Capital Improvement Plan.

Mayor McGriff reported that the Oregon City Downtown Association had hired Juliana Allen as their new Executive Director, and that upcoming events included trick-or-treating on October 31st and a Harvest Festival. The Mayor also reported that a new Assistant Elevator Manager had been hired for the Downtown Elevator, and that its new gates had been completed.

The Mayor reported that the Metropolitan Policy Advisory Committee had met recently and that they were discussing the Regional Transportation plan. She reported that there had been a request that more time be devoted to group discussion and less time to presentations.

The Mayor reported that the South Fork Water Board had received an update about the proposed chemical treatment plant and that their next meeting on September 25.

Mayor McGriff reported that the Willamette Falls Landings Heritage Area Coalition had been meeting regularly, that the City had approved the Coalition's plan for City Hall reconstruction, and that they were in the final bid process. She reported that the group's intern had completed a report on the historical influence of Chinese Americans in the area.

Mayor McGriff had no new reports from the Willamette Falls Legacy Project.

Mayor McGriff reported that the Willamette Falls Locks Authority had provided a tour of the locks for new board members, and that they are transitioning from the Oregon Solutions Project staff to using their own staff, and that work on the locks had begun with wall reinforcement.

Mayor McGriff observed that people of all ages were encouraged to attend the Youth Advisory Commission's Mental Health Fair. The Mayor also reported that two more students were interested in joining the Youth Advisory Commission.

Mayor McGriff observed that a commemoration for September 11 had taken place the day previously and that a Clackamas County Circle of Honor ceremony had occurred as well.

ADJOURNMENT

Mayor McGriff adjourned the meeting at 9:25 PM.

Respectfully submitted,

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Jakob S. Wiley, City Recorder

CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission **Agenda Date:** 10/18/2023

From: City Manager, Tony Konkol

SUBJECT:

Downtown Oregon City Association Memorandum of Understanding ("DOCA")

STAFF RECOMMENDATION:

Approve Downtown Oregon City Association Memorandum of Understanding ("MOU").

EXECUTIVE SUMMARY:

During its budget review and development process, the City Commission approved a budget line item for the Downtown Oregon City Association in the amount of $60,000 per fiscal year over the next two fiscal year periods ending June 30, 2025, totaling $120,000.

BACKGROUND:

The proposed memorandum of understanding outlines the partnership between DOCA and the City of Oregon City ("City"). This document outlines elements of City support to enhance DOCA's activities to benefit Downtown Oregon City and City of Oregon City's goals during the City's biennium fiscal years 2023 -2025.

DOCA, organized in 2009, is a 501(c)(3) non-profit organization, with the mission to build community and cultivate commerce in Oregon City's historic downtown.

The following agreement outlines the anticipated scope of work that DOCA will be engaged in to enhance Oregon City's historic downtown utilizing logistical/technical support from the City of Oregon City to accomplish its mission.

Below are major elements of the proposed memorandum of understanding:

- DOCA will provide a copy of its Workplan and Annual Reports, including financial statements ending December 31, 2023, and ending July 31, 2024, and again for the period ending December 31, 2024, and ending July 31,

2025. This information will be provided to the City's Lead Representative to this Agreement, the Economic Development Manager.

- DOCA will provide biannual updates to the City Commission in June and December of each fiscal year.

- The City's contribution will be $60,000, paid in a lump sum at the execution of this contract and then at the beginning of the 2024-2025 fiscal year beginning July 1, 2024. DOCA will match this funding at 100% per year for a minimum of $60,000 per year with other funds, not from the City of Oregon City sources, such as other City facilitated grants or other contracts for services.

- DOCA agrees not to co-mingle the City's funding with other funding sources. These funds will be kept in a separate bank account, with funds transferred on a monthly basis to cover fifty percent (50%) of operating costs to maintain the matching fund requirement.

- DOCA will produce at least three events on behalf of the City of Oregon City: Trick or Treat Event, First City Celebration, Holiday Tree Light event.

- Funds raised, visitor attendance, and origin of trip information shall be included in biannual reports. DOCA's staff will work with the City to implement the City-led initiatives with the approval of DOCA's Board of Directors.

- DOCA will cross-promote the Travel Oregon City tourism brand during visitor-facing initiatives. This includes using social media tags such as @TravelOregonCity and others suggested by City's Economic Development Department. DOCA will utilize and display the City's logo at all DOCA's events, on all marketing materials, and digital promotions , whether City-sponsored or not. DOCA will recognize the City of Oregon City as a major sponsor during all of its events.

- DOCA will pay the City for the cost of logistical support including the use of City personnel and associated permits needed to implement logistical assistance for all events but excluding executive managerial coordination. DOCA will pay for any City-owned equipment utilized to assist with city sponsored events on the condition that such equipment and personnel are available for DOCA's use.

- DOCA may apply for assistance to organize and manage other City-sponsored events, but approval is conditioned on the merits of the application and approval by the Oregon City Commission.

- Oregon City will provide logistical/technical support for events sponsored by the City. Events sponsored by the City shall include a Trick or Treating Halloween Event, a Tree Lighting Holiday Event, and First City Celebration. This shall not preclude development of other events that the City and DOCA mutually agree to launch. Logistical support from the City may include road closures and parking strategies with a City-approved plan/permit.

- DOCA and the City acknowledge there will be modifications to the workplan. DOCA may revise its workplan with the mutual consent of the City's Economic Development Department.

OPTIONS:

1. Approve the Memorandum of Understanding.
2. Disapprove the Memorandum of Understanding.

BUDGET IMPACT:

Amount:	$120,000
FY(s):	FY 23-24: $60,000; FY 24-25: $60,000
Funding Source(s):	General Fund

Memorandum of Understanding between the Downtown Oregon City Association and the City of Oregon City

Overview

This agreement outlines a partnership between Main Street Oregon City, DBA~~the~~ Downtown Oregon City Association (DOCA) and the City of Oregon City (City). This memorandum outlines an agreement for the City to provide support to enhance DOCA's activities to benefit Downtown Oregon City and City of Oregon City goals during the City's fiscal period from Jul~~yne~~ 1 to Jun~~ely~~ 3~~01~~ during the years of 2023 - 2024 and 2024 – 2025 ('The City's Biennium Period)

DOCA, organized in 2009, is a 501(c)(3) non-profit organization and a nationally accredited, award-winning Oregon Main Street Program. DOCA's mission is to build community and cultivate commerce in Oregon City's historic downtown.

DOCA advances economic development; promotes tourism; facilitates the attraction of new business to Main Street downtown and the expansion of existing downtown businesses; fosters partnerships with merchants, civic leaders, organizations, and the community and sponsors and produces exciting events.

DOCA's efforts aim to bring thousands of local and national visitors to Oregon City each year and raise the profile of Oregon City as a destination, including but not limited to, successful events, promotion, placemaking connectivity and economic development activity. Efforts aim to cultivate meaningful engagement, commerce, and civic pride.

The following agreement outlines the anticipated Scope of work that DOCA will be engage in while using financial and technical support from the City of Oregon City to complete. Resources provided by the City are utilized to maintain and grow the activation, preservation, and economic stability of Downtown Oregon City.

Funding Arrangement

The City agrees to fund DOCA for the 2023-2025 biennium.

The City's contribution will be $60,000, paid in a lump sum at the execution of this contract and then at the beginning of the 2024-2025 fiscal year beginning Jul~~yne~~ 1, 2024. DOCA will match this funding at 100% per year for a minimum of $60,000 per year with other funds, not from the City of Oregon City sources, such as other City facilitated grants or other contracts for services. DOCA agrees not to co-mingle the City's funding with other funding sources. These funds will be kept in a separate bank account, with funds transferred on a monthly basis to cover fifty percent (50%) of operating costs to maintain the matching fund requirement.

Scope of Work for DOCA Staff and Board

These funds, including DOCA's match, will be used to fund DOCA's operations with the following deliverables:

Provide a copy of DOCA's Workplan and Annual Reports, including financial statements ending December 31, 2023, and ending July 31, 2024, and again for the period ending December 31, 2024, and ending July 31, 2025. This information will be provided to the City's L~~l~~ead R~~r~~epresentative with regard to this Agreement, the Economic Development Manager or other City designated individual should this position be vacant.

Meet quarterly with the City's L~~l~~ead ~~economic~~ R~~r~~epresentative to review DOCA's deliverables as outlined in this MOU. The team to be included in these meetings will be the Economic Development Manager and/or his/her designee.

Provide Biannual updates to City Commission in June and December ~~and May~~.

Serve as an active downtown representative for city-led initiatives, through promotion and marketing assistance to the City. Such City-~~-~~led initiatives shall include economic development and tourism-related initiatives. DOCA will support all public safety and emergency initiatives without discussion. DOCA will discuss with the City any city-led initiatives with which they or their members have concern prior to providing promotion and assistance.

DOCA will ~~execute~~ produce at least three events on behalf of the City of Oregon City: Trick or Treat Event, First City Celebration, Holiday Tree Light event. ~~and/or promotions promoting downtown Oregon City~~. ~~Funds raised, visitor attendance, and origin of trip information shall be included in biannual reports. DOCA's staff will work with the City to implement the City-led initiatives with the approval of DOCA's Board of Directors.~~

DOCA will cross-promote the Travel Oregon City tourism brand during visitor-facing initiatives. This includes using social media tags such as @TravelOregonCity and others suggested by City's Economic Development Department. DOCA will utilize and display the City's logo at all DOCA's events, on all marketing materials, and digital promotions~~,~~ , ~~whether City-sponsored or not~~upon review with the City.

DOCA will provide, in a timely manner, letters of support, meeting attendance, and shared information and data for city-led initiatives and other programs supporting city goals, as directed by the DOCA Board of Directors.

Scope of Work for the City of Oregon City

To support this partnership, the City of Oregon City will provide financial assistance along with the following technical support:

The City will provide logistical/technical support for events sponsored by the City. Events sponsored by the City shall include a Trick or Treating Halloween Event, a Tree Lighting Christmas Event, and First City Celebration. This shall not preclude other events that the City and DOCA mutually agree to launch. Logistical support from the City may include road closures and parking strategies with a City-approved plan/permit.

DOCA will pay the City for the cost of logistical support~~, excluding executive managerial coordination,~~ including the use of City personnel and associated permits needed to implement logistical assistance for all events but excluding executive managerial coordination. DOCA will pay for any City-owned equipment utilized to assist with city sponsored events on the condition that such equipment and personnel are available for DOCA's use. DOCA may apply for assistance to organize and manage other City-sponsored events, but approval is conditioned on the merits of the application and approval by the Oregon City Commission.

The City, through its Economic Development Department, will advise and consent to~~assist~~ DOCA generated~~with~~ marketing and promotion activities associated with First City Celebration, and other City-sponsored events.

Administration

DOCA agrees to adhere to the following administrative stipulations:

~~DOCA will provide an annual review of its performance relative to the workplan and this Agreement~~.

DOCA will invoice the City at the beginning of the fiscal years 2023 and 2024 and provide documentation of hours worked or allocated against elements of its workplan the city's economic and tourism-related goals.

DOCA will be responsible for maintaining all ~~appropriate~~ necessary insurance and preparing all required taxes appropriate to a 501(c)(3). Insurance will include at least Directors and Officers, General Liability, and Worker's Compensation policies with limits of at least $1M per occurrence and $2M aggregate.

DOCA and the City acknowledge there will be modifications to the workplan. DOCA may revise its workplan ~~with the mutual consent of~~ through review with the City's Economic Development Department.

To the City of Oregon City:	The Oregon City Department of Economic Development PO Box 3040 625 Center Street Oregon City, OR 97045 Attention: Economic Development Manager Email: ~~agriffin@orcity.org~~ EcDev@orcity.org
To DOCA:	The Downtown Oregon City Association 814 Main Street Oregon City, OR 97045 Attention: Executive Director Email: admin@downtownoregoncity.org

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Termination. Each party may choose to terminate its participation in this agreement at its sole discretion with advance written notice of 90 days. In the event of termination by DOCA, it shall reimburse the City on a pro-rated basis of the remainder of the year in which the annual contribution has been made upon termination. The pro-rated reimbursement shall be based on the remaining months in the fiscal year at $5,000 per month. Pro-rated funds shall be returned to the City no later than 90 days after written termination is provided.

In the event of the City's termination, the City's L~~l~~ead R~~r~~epresentative will have the option of evaluating the level of DOCA's performance and determine the amount of the contract completed and then provide a proposal for DOCA's return of funds to the City or the L~~l~~ead R~~r~~epresentative shall request a return of funds on a pro-rated basis based on the remaining months left in the fiscal year.

Prior to the distribution of the funding, DOCA shall demonstrate to the City Commission that the Scope of Work and administration requirements as outlined in this MOU are being met, followed by the City's L~~l~~ead R~~r~~epresentative recommendation.

Failure to perform the elements of DOCA's workplan and elements of this Agreement as determined by the City's Lead Representative and City Commission, shall result in the termination of this MOU and shall trigger the process of termination by the City's Lead Representative.

City of Oregon City

______________________________ ________________
Signature of City Manager, Anthony J. Konkol III Date

____
Printed Name

Downtown Oregon City Association

______________________________ ________________
Signature of Board Chair, Kelli Upkes Date

____
Printed Name

Memorandum of Understanding between the Downtown Oregon City Association and the City of Oregon City

Overview

This agreement outlines a partnership between Main Street Oregon City, DBA Downtown Oregon City Association (DOCA) and the City of Oregon City (City). This memorandum outlines an agreement for the City to provide support to enhance DOCA's activities to benefit Downtown Oregon City and City of Oregon City goals during the City's fiscal period from July 1 to June 30 during the years of 2023 -2024 and 2024 – 2025 (‘The City’s Biennium Period)

DOCA, organized in 2009, is a 501(c)(3) non-profit organization and a nationally accredited, award-winning Oregon Main Street Program. DOCA's mission is to build community and cultivate commerce in Oregon City's historic downtown.

DOCA advances economic development; promotes tourism; facilitates the attraction of new business to Main Street downtown and the expansion of existing downtown businesses; fosters partnerships with merchants, civic leaders, organizations, and the community and sponsors and produces exciting events.

DOCA's efforts aim to bring thousands of local and national visitors to Oregon City each year and raise the profile of Oregon City as a destination, including but not limited to, successful events, promotion, placemaking connectivity and economic development activity. Efforts aim to cultivate meaningful engagement, commerce, and civic pride.

The following agreement outlines the anticipated Scope of work that DOCA will be engage in while using financial and technical support from the City of Oregon City to complete. Resources provided by the City are utilized to maintain and grow the activation, preservation, and economic stability of Downtown Oregon City.

Funding Arrangement

The City agrees to fund DOCA for the 2023-2025 biennium.

The City's contribution will be $60,000, paid in a lump sum at the execution of this contract and then at the beginning of the 2024-2025 fiscal year beginning July1, 2024. DOCA will match this funding at 100% per year for a minimum of $60,000 per year with other funds, not from the City of Oregon City sources, such as other City facilitated grants or other contracts for services. DOCA agrees not to co-mingle the City’s funding with other funding sources. These funds will be kept in a separate bank account, with funds transferred on a monthly basis to cover fifty percent (50%) of operating costs to maintain the matching fund requirement.

Scope of Work for DOCA Staff and Board

These funds, including DOCA's match, will be used to fund DOCA's operations with the following deliverables:

Provide a copy of DOCA's Workplan and Annual Reports, including financial statements ending December 31, 2023, and ending July 31, 2024, and again for the period ending December 31, 2024, and ending July

31, 2025. This information will be provided to the City's Lead Representative with regard to this Agreement, the Economic Development Manager or other City designated individual should this position be vacant.

Meet quarterly with the City's Lead Representative to review DOCA's deliverables as outlined in this MOU. The team to be included in these meetings will be the Economic Development Manager and/or his/her designee.

Provide Biannual updates to City Commission in June and December. Funds raised, visitor attendance, and origin of trip information shall be included in biannual reports. DOCA's staff will work with the City to implement the City-led initiatives with the approval of DOCA's Board of Directors.

Serve as an active downtown representative for city-led initiatives, through promotion and marketing assistance to the City. Such City-led initiatives shall include economic development and tourism-related initiatives. DOCA will support all public safety and emergency initiatives without discussion. DOCA will discuss with the City any city-led initiatives with which they or their members have concern prior to providing promotion and assistance.

DOCA will produce at least three events on behalf of the City of Oregon City: Trick or Treat Event, First City Celebration, Holiday Tree Light event. .

DOCA will cross-promote the Travel Oregon City tourism brand during visitor-facing initiatives. This includes using social media tags such as @TravelOregonCity and others suggested by City's Economic Development Department. DOCA will utilize and display the City's logo at all DOCA's events, on all marketing materials, and digital promotions, upon review with the City.

DOCA will provide, in a timely manner, letters of support, meeting attendance, and shared information and data for city-led initiatives and other programs supporting city goals, as directed by the DOCA Board of Directors.

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To support this partnership, the City of Oregon City will provide financial assistance along with the following technical support:

The City will provide logistical/technical support for events sponsored by the City. Events sponsored by the City shall include a Trick or Treating Halloween Event, a Tree Lighting Christmas Event, and First City Celebration. This shall not preclude other events that the City and DOCA mutually agree to launch. Logistical support from the City may include road closures and parking strategies with a City-approved plan/permit.

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The City, through its Economic Development Department, will advise and consent to DOCA generated marketing and promotion activities associated with First City Celebration, and other City-sponsored events.

Administration

DOCA agrees to adhere to the following administrative stipulations:

DOCA will invoice the City at the beginning of the fiscal years 2023 and 2024 and provide documentation of hours worked or allocated against elements of its workplan the city's economic and tourism-related goals.

DOCA will be responsible for maintaining all necessary insurance and preparing all required taxes appropriate to a 501(c)(3). Insurance will include at least Directors and Officers, General Liability, and Worker's Compensation policies with limits of at least $1M per occurrence and $2M aggregate.

DOCA and the City acknowledge there will be modifications to the workplan. DOCA may revise its workplan through review with the City's Economic Development Department.

Notices. Any notices, reports or other documents required by this Agreement shall be sent by the parties by United States mail, postage prepaid, email or personally delivered to the addresses below. All notices shall be in writing and shall be effective when delivered. If mailed, notices shall be deemed effective forty-eight (48) hours after mailing, unless sooner received. Bills and invoices may be sent by e-mail or United States mail.

To the City of Oregon City:	The Oregon City Department of Economic Development 625 Center Street PO Box 3040 Oregon City, OR 97045 Attention: Economic Development Manager Email: EcDev@orcity.org
To DOCA:	The Downtown Oregon City Association 814 Main Street Oregon City, OR 97045 Attention: Executive Director Email: admin@downtownoregoncity.org

Termination. Each party may choose to terminate its participation in this agreement at its sole discretion with advance written notice of 90 days. In the event of termination by DOCA, it shall reimburse the City on a pro-rated basis of the remainder of the year in which the annual contribution has been made upon termination. The pro-rated reimbursement shall be based on the remaining months in the fiscal year at

$5,000 per month. Pro-rated funds shall be returned to the City no later than 90 days after written termination is provided.

In the event of the City's termination, the City's Lead Representative will have the option of evaluating the level of DOCA's performance and determine the amount of the contract completed and then provide a proposal for DOCA's return of funds to the City or the Lead Representative shall request a return of funds on a pro-rated basis based on the remaining months left in the fiscal year.

Prior to the distribution of the funding, DOCA shall demonstrate to the City Commission that the Scope of Work and administration requirements as outlined in this MOU are being met, followed by the City's Lead Representative recommendation.

Failure to perform the elements of DOCA's workplan and elements of this Agreement as determined by the City's Lead Representative and City Commission, shall result in the termination of this MOU and shall trigger the process of termination by the City's Lead Representative.

City of Oregon City

______________________________ ________________

Signature of City Manager, Anthony J. Konkol III Date

____

Printed Name

Downtown Oregon City Association

______________________________ ________________

Signature of Board Chair, Kelli Upkes Date

____

Printed Name

CITY OF OREGON CITY

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

To: City Commission **Agenda Date:** Oct 18, 2023

From: Tony Konkol, City Manager

SUBJECT:

First Reading of Ordinance No. 23-1005, Revising the Oregon City Municipal Code Title 5.04 – Business Licenses

STAFF RECOMMENDATION:

In the interest of conveying a more business-friendly environment regarding business licensing, staff recommend the adoption of the proposed modifications to Oregon City's Business License Municipal Code Section.

EXECUTIVE SUMMARY:

During its October 4th work session, the City Commission Based review a list of recommended revisions associated with Oregon City's Business License program reviewed. If these revisions are enacted it will be necessary to modify the City's municipal code.

Staff has prepared a redlined version of the business license section of Oregon City's Municipal Code. In addition, a clean copy version of the revised municipal code is also provided.

BACKGROUND:

Business licenses are instituted primarily in the public's interest. Licensing businesses ensure that they will comply with applicable laws and ordinances in a manner which does not detract from public health, safety, and welfare.

During its October 4th work session, the City Commission reviewed recommendations to modify Oregon City's Business License Program.

The recommendations include the following:

- Generally, vendors and/or businesses that are selling a product and/or service are required to obtain and pay for a business license.
- Maintain the current calendar year licensing period, Jan. to Dec.
- Eliminate the current non-refundable $60.00 application that is being applied to new applications only.
- Reduce the number of employee-based categories from four to three.
- The $78 Community Safety Advancement Fee ("CSAF") must remain in place. (OCMC 13.36.040). Minus the CSAF, the remaining balance of the business license fee reflects the "**net**" business license charge.
- Change the net business license fee to reflect a 50% reduction in the second year of renewal and beyond.
- Homebase businesses located within Oregon City's legal boundaries pay $100, the CSAF is not included in this fee.
- Any new businesses applying for OC business license will be charged business license fees for first year business applications; however, no application fee will be charged.
- The renewal period would be from December 1st to January 31st.
- Establish a revised renewal license fee, 50% of the first-year business license fee as indicated below:

New Business License Structure:

FIRST YEAR LICENSE AMOUNTS

	NUMBER OF EMPLOYEES	FIXED PLACE OF BUSINESS WITHIN CITY	NO FIXED PLACE OF BUSINESS WITHIN CITY
Commercial Business	1-25	$178	$228
	26-50	$286	$390
	51+	$394	$552

*Amounts above include the $78 Community Safety Advancement Fee. (OCMC 13.36.040)

RENEWAL (2ND YEAR+) LICENSE AMOUNTS

	NUMBER OF EMPLOYEES	FIXED PLACE OF BUSINESS WITHIN CITY	NO FIXED PLACE OF BUSINESS WITHIN CITY
Commercial Business	1-25	$128	$153
	26-50	$182	$234
	51+	$236	$315

*Amounts above include the $78 Community Safety Advancement Fee. (OCMC 13.36.040)

- Prorate the license fee monthly (new applicants only)
- Charge a late fee of $125 per month beginning February 1st. with a cap of $500 (existing business license accounts).
- Farmers Market – require only the primary organizer to obtain and pay for a business license- (submit a list of participating vendors one day before starting activity each day to Economic Development Dept.).

  - Events in the public rights-of-way – require only the organizer to obtain and pay for the business license (submit a list of vendors one day before starting activity to Economic Development Dept.).
  - Add a temporary business license category for businesses or vendors.
    - Two-week temporary license for $50, no limit on the number of times a license is granted.
  - Exemptions
    - Vendors that are under the direction of an event organizer are not required to obtain a business license.
    - Residential and commercial builders who have a valid builder's business license issued by the Metropolitan Service District and who do not have an office within the City are exempt from obtaining an Oregon City Business License.
    - Garage sales
    - Nonprofit organizations with proof of 501(C)(3) status are required to obtain a business license but there is no fee.

Modifications to Oregon City's Municipal Code (Business License Section):

If the recommended modifications associated with Oregon City's Business License program be approved Municipal code modifications impacting the same will be necessary.

OPTIONS:

1. Hold public hearing to review the proposed modifications to the business license section of Oregon City's Municipal Code, Business License Section Chapter 5, 5.04.

BUDGET IMPACT:

Amount: The proposed business license fee adjustments are estimated to reduce the revenue generated through the business license program by approximately $70,000 to $80,000 per year. Per OCMC 5.04.040 – all monies received from licenses issued shall be accounted for separately and dedicated, after payment of costs, to economic development and administration. 75% of the yearly revenue is distributed to the Finance Department and 25% of the yearly revenue is distributed to the Economic Development Department, resulting in an approximately $57,000 per year reduction in revenue to the Finance Department and an approximately $19,000 reduction in revenue per year to the Economic Development Department.

FY(s):

Funding Source(s):

ORDINANCE NO. 23-1005

AN ORDINANCE OF THE CITY OF OREGON CITY REVISING THE ORGON CITY MUNICIPAL CODE TITLE 5.04 – BUSINESS LICENSES

WHEREAS, Licensing businesses ensure that they will comply with applicable laws and ordinances in a manner which does not detract from public health, safety, and welfare; and

WHEREAS, Title 5 entitled "Business Licenses and Regulations" currently governs the City's Business Licensing Program; and

WHEREAS, The City Commission held a discussion on this topic directing staff to conduct research as to how other communities are applying business license requirements including for farmers' markets, license renewals, and events; and

WHEREAS, The City Commission has identified fees and processes that can be improved in the business license regulations that will improve the licensing process for businesses in Oregon City, consistent with processes and fees throughout the region; and

WHEREAS, During its October 4th work session, the City Commission reviewed a list of recommended revisions associated with Oregon City's Business License program and identified potential Oregon City Municipal Code changes that will streamline, simplify, and improve the business licenser process in Oregon City.

NOW, THEREFORE, OREGON CITY ORDAINS AS FOLLOWS:

Section 1. Oregon City Municipal Code section 5.04 is amended as included in Exhibit A to this ordinance.

Read for the first time at a regular meeting of the City Commission held on the 18th day of October, 2023 and the City Commission finally enacted the foregoing ordinance this 1st day of November, 2023.

DENYSE C. MCGRIFF
Mayor

Attested to this1st day of November, 2023

Jakob Wiley, City Recorder

Approved as to legal sufficiency:

City Attorney

- **Title 5 - BUSINESS LICENSES AND REGULATIONS**
- **Chapter 5.04 - BUSINESS LICENSES[1]**

Footnotes:

--- ***(1)*** ---

Editor's note— *Ord. No. 10-1014, § 1, adopted Mar. 16, 2011, amended Ch. 5.04, in its entirety to read as herein set out.*

- **5.04.010 - Purpose.**

In order that business, manufacturing, pursuits, professions and trade be carried on and conducted in the city in a profitable and peaceful manner, it is necessary that the same be regulated and safeguarded. (Ord. 01-1001 §1(part), 2001: prior code §5-2-2(part))

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.020 - Definitions.**

As used in this title, the following words and terms shall have the meanings herein ascribed to them, unless the content makes such meaning repugnant thereto:

"Business" means any trade, profession, occupation or pursuit of every kind conducted in the city for gain.

"Business license manager" means the Oregon City finance director or a person or persons designated by the finance director to act on behalf of the city for purposes of this chapter.

"City" means the city of Oregon City, Oregon.

"City manager" means the Oregon City manager or a person or persons designated by the city manager to act on behalf of the city for purposes of this chapter.

"Commission" or "city commission" means the city commission of Oregon City, Oregon.

"Food stuffs" means any article of food intended to be sold or used for human consumption, and shall also include tobacco in all forms, and beverages.

"House" means and includes hotels, rooming and lodging houses where rooms are equipped for sleeping purposes and are rented for periods of less than thirty days.

"Person" means any person, firm, co-partnership, association, joint venture, syndicate, society or domestic or foreign corporation, and includes fraternal organizations, clubs, lodges and similar places or establishments employing full-time or part-time employees in any business for gain which is not specifically exempt from the provisions of this chapter by the Constitution, laws or regulations of the United States or of the state.

"Retail" means any sale direct to the consumer or user for consumption or use and not for resale purposes.

"Street" means any street, alley, avenue, highway, court or land in the city.

"Transient merchant" means every person engaged or participating in a temporary or transient business of selling or exhibiting for sale goods, wares or merchandise in any room, building or structure, whether he be associated with any local dealer or not, unless such temporary or transient business is conducted upon the premises regularly occupied by the local dealer. (Ord. 01-1001 §1 (part), 2001: prior code §§5-1-1 and 5-2-1)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.030 - Exemptions.**

The following business activities shall be exempt from the requirement of this chapter:

A. Any person whose income is based solely on an hourly, daily, weekly, monthly or annual wage;

B. Any person conducting a garage sale or other isolated sale not on a continuing basis where the merchandise is composed of the real or personal property of the seller not acquired for the purpose of resale. (Ord. 01-1001 §1 (part), 2001: prior code §5-2-2 (part))

C. Residential and commercial contractors and landscapers who have a valid regional contractor's business license issued by Metro and who do not have a principal place of business within the City.

D. Vendors that are under the direction of an event, such as vendors at a farmer's market or street fair.

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.040 - Disposition of proceeds.**

All monies received from licenses issued hereunder shall be accounted for separately and dedicated, after payment of costs, to economic development and administration.

(Ord. 01-1001 §1 (part), 2001: prior code §5-2-3)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 15-1001, § 2, 3-18-2015)

- **5.04.050 - Presumption of business.**

Any person that advertises or otherwise holds himself out to the public as engaged in any business, profession, trade or calling for which a license is required, shall be conclusively presumed as holding himself out to the public as so engaged, and shall pay such license fee as required by this chapter. (Ord. 01-1001 §1 (part), 2001: prior code §5-2-4)

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.060 - License—Required.**

No person shall carry on any business within the City without first obtaining a license therefor. Nor shall any person carry on any such business without complying with the provisions of this chapter. No license shall be issued to any business prohibited by local, state or federal law. (Ord. 01-1001 §1 (part), 2001: prior code §5-2-5)

A. Businesses and solicitors operating within the legal boundaries of Oregon City for up to two weeks or less will be required to obtain temporary business licenses. There shall be no limit on the number of temporary business licenses issued. The cost of such licenses shall be established by resolution.

B. Nonprofit organizations with proof of 501 (C)(3) status are required to obtain a business license but no license fee shall be required of such organizations.

C. Primary organizer(s) of an event held in the public rights-of-way require only the organizer(s) to obtain and pay for a business license. A list of vendors shall be submitted one day before the event to the city.

D. Primary event organizer(s) of farmers' markets are required to have and pay for a business license. Participating vendors are not required to have or pay for a business license. The primary organizer(s) will submit a list of vendors one day prior to the start of the operation to the city.

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 12-1003, § 1, 4-4-2012; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.070 – License—Application.**

A. Any new business that is not in operation on or before the month of January and that desires to conduct business within the city shall make application for the license required by this chapter to the business license manager before starting a business.

B. The chief of police, chief of the fire department, city engineer, code compliance officer, other departments and/or their agents and subordinates, are directed and empowered to review license applications for the purpose of determining whether a proposed business license complies with all building, zoning, signage, fire and police and other legal requirements.

C. Incomplete applications will expire if not completed within thirty days. In the event a license application expires, the applicant may reapply for the business license.

(Ord. 01-1001 §1 (part), 2001: prior code §5-2-6)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

Editor's note— Ord. No. 16-1001, § 1(Exh. A), adopted March 16, 2016, changed the former § 5.04.070 catchline, to read as set out herein. The former section catchline previously read: "License—Application—Proration of fees."

- **5.04.080 - Examination of business premises—Hearing—Suspension or issuance.**

A. The chief of police, chief of the fire department, city engineer, code compliance officer, other departments and/or their agents and subordinates, are directed and empowered to investigate and examine all places of business licensed or subject to license under the terms of this chapter at any time and all reasonable times in accordance with applicable law for the purpose of determining whether such place of business is safe, sanitary and suitable for the business so licensed or for which application for license is made.

B. In the event it is determined by such officers or their agents that any such place of business is dangerous to public health, safety, welfare or is likely to become or is at that time a public menace or nuisance, the business license manager shall send by certified mail to the concerned business, notification of a hearing to be held before either the Oregon City Municipal Court or the Oregon City Code Hearings Office. The purpose of the hearing shall be to determine whether the concerned business shall be permitted to receive a city business license, or if the concerned business had previously been issued a city business license, whether such license should be suspended or revoked.

C. The notification to the concerned business shall set forth the time and place of the hearing and will cite specific incidents that constitute the basis for the determination by the chief of police, chief of the fire department, city engineer, code compliance officer, other departments and/or their agents and subordinates, that the concerned business is dangerous to either public health, safety, welfare or is likely to become or is at the present time a public menace or nuisance.

D. At the hearing on the question of whether the business license should be issued, or if previously issued, whether it should be suspended or revoked, evidence or testimony shall be received and considered only when such evidence or testimony is relevant to the cited incidents or offenses contained in the notification to the concerned business. If a determination is made that all or a portion of the incidents or offenses set out in the notification to the concerned business are supported by substantial evidence, the Oregon City Municipal Court or Oregon City Code Hearings Office shall refuse to issue a business license to the concerned business, or if a business license has previously been entered, shall suspend or revoke such license. The decision of the Oregon City Municipal Court or the Oregon City Code Hearings Office shall be the final decision of the city.

E. Any investigation having been satisfactorily completed without a determination by the city officials that the business is dangerous to public health, safety, welfare or is likely to become or now is a public menace or nuisance, or if such a determination has been so made, and if the Oregon City Municipal Court or the Oregon City Code Hearings Office finds that such determination is not supported by substantial evidence, a license shall be issued by the business license manager. (Ord. 01-1001 §1 (part), 2001: prior code §5-2-7)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

Editor's note— Ord. No. 16-1001, § 1(Exh. A), adopted March 16, 2016, amended § 5.04.080 to read as herein set out. Former § 5.04.090, pertained to License—Suspension or issuance—Public hearing, and was incorporated, verbatim, into § 5.04.080 as subsection D. A new subsection E. of § 5.04.080 was added.

- **5.04.090 - License—Denial, suspension or revocation—Appeal.**

If the issuance of a business license is denied, or if a business license is suspended or revoked, by a reviewing department, for reasons other than a determination set out in Section 5.04.080, the business license manager shall send to the applicant/license holder, by certified mail, written notice of the denial or revocation and of the right to an appeal. The denial or revocation of the license is final unless the applicant/license holder appeals the decision in writing to the city manager within ten business days of receipt of the notification. The city manager shall, within ten business days after the appeal is filed, consider all the evidence in support of or against the action appealed and render a decision either sustaining or reversing the denial, suspension or revocation. The decision of the city manager shall be the final decision of the city. (Ord. 01-1001 §1(part), 2001: prior code §5-2-8)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.100 - License—Suspension or revocation—Effect.**

If a business license is suspended or revoked, the concerned business shall immediately cease conducting any and all businesses within the city. Any business that continues to conduct business within the city subsequent to a suspension or revocation shall be subject to the same fine and penalties as if such business had never obtained a city business license and was carrying on a business within the city without such a business license. (Ord. 01-1001 §1(part), 2001: prior code §5-2-9)

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.110 - License—Issuance.**

The business license manager shall review the application and, if it complies with all requirements of this chapter, including being legally allowed to operate in the city and all fees having been paid, the business license manager shall issue a license within thirty days of application being complete. (Ord. 01-1001 §1(part), 2001: prior code §5-2-11)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.120 - Effect of license issuance.**

The issuing of a license pursuant to this chapter or the collection of a fee or tax shall not permit any person to engage in any unlawful business. The licenses levied and fixed by this chapter shall be in addition to the general ad valorem taxes now or hereafter levied pursuant to law. All ordinances of the city in force on the effective date of the ordinance codified in this chapter pertaining to or covering any business, pursuit or occupation and providing a license or condition for its operation, shall remain in full force and effect. In the event of a conflict or duplication of a license fee, then such other ordinance shall have precedence over the provisions of this chapter to the end that there will be no duplication of license fees for the same business, occupation, profession or pursuit. (Ord. 01-1001 §1(part), 2001: prior code §5-2-12)

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.130 - Separate license for separate locations.**

If any person operates a business in the city in more than one location, each location shall be considered a separate business for the purpose of this chapter, except the warehouses used in connection with a business shall not be so separately licensed. (Ord. 01-1001 §1(part), 2001: prior code §5-2-13)

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.140 - License—Display.**

All licenses issued in accordance with this chapter shall be openly displayed in the place of business or kept on the person or on the vehicle of the person licensed and shall be immediately produced and delivered for inspection to the chief of police, the chief of the fire department, the code compliance officer, other departments and/or their agents and subordinates, when so requested. Failure to comply with the provisions of this section shall be deemed a violation of this chapter. (Ord. 01-1001 §1(part), 2001: prior code §5-2-14)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.150 - License—Computation of fees.**

A. Annual Business License Fee for Persons Having a Fixed Place of Business Within the City. All persons, upon the initial application for a business license and upon each subsequent year renewal of a business license, who have a fixed place of business within the city and are subject to being licensed under the provisions of this chapter, shall pay an annual business license fee based upon the number of individuals carrying on such business, profession, pursuit, or occupation as set forth in a resolution of the City Commission.

B. In arriving at the number of individuals carrying on such business, profession, pursuit or occupation, there shall be considered the proprietors thereof and all individuals regularly employed in such by said proprietors. If such is carried on by a corporation, all officers and employees of the corporation who devote the principal part of their time to such business, profession, pursuit or occupation shall be considered. If any person shall have his principal place of business outside the city, then only such proprietor, officers or employees shall be considered as are actually engaged in such business, profession, pursuit or occupation within the city.

C. Annual Business License Fees for Persons Having No Fixed Place of Business Within the City. The city commission finds that certain trades, shops, businesses or callings are carried on in the city by persons from regular places of business and by persons who have no regular place of business within the city, that persons with regular places of business in the city pay city ad valorem property taxes upon real and personal property which is used in and belongs to their business and that the persons who do not have regular places of business in the city escape such ad valorem taxation. Both receive the benefit of police and fire protection, public utilities and sidewalks, streetlights, health services and other public facilities and services of the city. Therefore, in order that each shall pay as nearly as may be not a discriminatory share, but a share in proportion to benefits received of the burden of supporting such facilities and services of the city, businesses not operating from regular places of business in the city shall pay an annual license fee designated for businesses operating under this designation.

D. Proration of Business License Fee.

A new application received after January 31st shall be charged a prorated amount of the full annual fee based on the remaining number of full months in the calendar year.

F. Additional Fees. Certain businesses generating the need for additional city services should be subject to fees in addition to those imposed for a general business license. These additional fees shall be as follows:

1. Circuses, carnivals, theatrical and musical productions, festivals and other operations of like nature are subject to a per event fee.

2. For the privilege of engaging in the business of displaying or operating the following machines:

a. Amusement, cigarette, music, pool table/dart board, snack/drink machine, video games are subject to a per machine fee. This fee does not apply to any machine owned by the state.

3. Manufactured dwelling parks are subject to a per space fee.

G.

License fees not paid within the program's renewal period shall be deemed delinquent. A late fee will be charged in addition to the regular business license fee. The city manager shall have authority to waive payment of collection fees under circumstances where imposition thereof would create an injustice or unreasonable hardship.

H. Amounts for fees included in this chapter shall be established by city commission resolution. Fee amounts may be revised by resolution of the city commission from time to time.

I. In the event the applicable classification or fees assessable to a business require clarification or interpretation, any interested person may request a determination by the city manager, whose decision shall be final. The city manager shall have the authority to waive all or a portion of established fees to meet the intent and purpose of this chapter. (Ord. 07-1000 §1, 2007: Ord. 01-1001 §1(part), 2001: prior code §5-2-15)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.160 - License—Transfer.**

No transfer or assignment of any license issued hereunder shall be valid or permitted, except that whenever any person sells or transfers in has been paid, then the vendee thereof shall not be required to pay the balance of the license year. (Ord. 01-1001 §1(part), 2001: prior code §5-2-16)

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.170 - Street sales prohibited.**

It is unlawful for any person to sell, or offer to sell, any goods, wares or merchandise on any of the streets, alleys or sidewalks of the city, from any booth, wagon, truck or other vehicle or otherwise within the city before first securing a permit from the city. The permit shall be required in addition to any business license and shall prescribe reasonable limits upon the use thereof. (Ord. 01-1001 §1(part), 2001: prior code §5-2-18)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **Title 5 - BUSINESS LICENSES AND REGULATIONS**
- **Chapter 5.04 - BUSINESS LICENSES[1]**

Footnotes:

--- ***(1)*** ---

Editor's note— *Ord. No. 10-1014, § 1, adopted Mar. 16, 2011, amended Ch. 5.04, in its entirety to read as herein set out.*

- **5.04.010 - Purpose.**

In order that business, manufacturing, pursuits, professions and trade be carried on and conducted in the city in a profitable and peaceful manner, it is necessary that the same be regulated and safeguarded. (Ord. 01-1001 §1(part), 2001: prior code §5-2-2(part))

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.020 - Definitions.**

As used in this title, the following words and terms shall have the meanings herein ascribed to them, unless the content makes such meaning repugnant thereto:

"Business" means any trade, profession, occupation or pursuit of every kind conducted in the city for gain.

"Business license manager" means the Oregon City finance director or a person or persons designated by the finance director to act on behalf of the city for purposes of this chapter.

"City" means the city of Oregon City, Oregon.

"City manager" means the Oregon City manager or a person or persons designated by the city manager to act on behalf of the city for purposes of this chapter.

"Commission" or "city commission" means the city commission of Oregon City, Oregon.

"Food stuffs" means any article of food intended to be sold or used for human consumption, and shall also include tobacco in all forms, and beverages.

"House" means and includes hotels, rooming and lodging houses where rooms are equipped for sleeping purposes and are rented for periods of less than thirty days.

"Person" means any person, firm, co-partnership, association, joint venture, syndicate, society or domestic or foreign corporation, and includes fraternal organizations, clubs, lodges and similar places or establishments employing full-time or part-time employees in any business for gain which is not specifically exempt from the provisions of this chapter by the Constitution, laws or regulations of the United States or of the state.

"Retail" means any sale direct to the consumer or user for consumption or use and not for resale purposes.

"Street" means any street, alley, avenue, highway, court or land in the city.

"Transient merchant" means every person engaged or participating in a temporary or transient business of selling or exhibiting for sale goods, wares or merchandise in any room, building or structure, whether he be associated with any local dealer or not, unless such temporary or transient business is conducted upon the premises regularly occupied by the local dealer. (Ord. 01-1001 §1 (part), 2001: prior code §§5-1-1 and 5-2-1)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.030 - Exemptions.**

The following business activities shall be exempt~~ions~~ from the requirement of this chapter: ~~There shall be exempt from the requirements of this chapter the following:~~

A. Any person whose income is based solely on an hourly, daily, weekly, monthly or annual wage;

B. Any person conducting a garage sale or other isolated sale not on a continuing basis where the merchandise is composed of the real or personal property of the seller not acquired for the purpose of resale. (Ord. 01-1001 §1 (part), 2001: prior code §5-2-2 (part))

C. Residential and commercial contractors and landscapers who have a valid regional contractor's business license issued by Metro and who do not have a principal place of business within the City.

D. Vendors that are under the direction of an event, such as vendors at a farmer's market or street fair ~~organizer are not required to obtain a business license~~.

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.040 - Disposition of proceeds.**

All monies received from licenses issued hereunder shall be accounted for separately and dedicated, after payment of costs, to economic development and administration.

(Ord. 01-1001 §1 (part), 2001: prior code §5-2-3)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 15-1001, § 2, 3-18-2015)

- **5.04.050 - Presumption of business.**

Any person that advertises or otherwise holds himself out to the public as engaged in any business, profession, trade or calling for which a license is required, shall be conclusively presumed as holding himself out to the public as so engaged, and shall pay such license fee as required by this chapter. (Ord. 01-1001 §1 (part), 2001: prior code §5-2-4)

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.060 - License—Required.**

No person shall carry on any business within the City without first obtaining a license therefor. Nor shall any person carry on any such business without complying with the provisions of this chapter. No license shall be issued to any business prohibited by local, state or federal law. (Ord. 01-1001 §1 (part), 2001: prior code §5-2-5)

~~(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 12-1003, § 1, 4-4-2012; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)~~

A. Businesses and solicitors operating within the legal boundaries of Oregon City for up to two weeks or less will be required to obtain temporary business licenses. There shall be no limit on the number of temporary business licenses issued. The cost of such licenses shall be established by resolution.

B. Nonprofit organizations with proof of 501 (C)(3) status are required to obtain a business license but ~~no business license fee shall be applied~~ no license fee shall be required of such organizations.

C. Primary organizer(s) of an event held in the public rights-of-way require only the organizer(s) to obtain and pay for a business license. A list of vendors shall be submitted one day before the event to the city.

D. Primary event organizer(s) of farmers' markets are required to have and pay for a business license. Participating vendors are not required to have or pay for a business license. The primary organizer(s) will submit a list of vendors one day prior to the start of the operation to the city.

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 12-1003, § 1, 4-4-2012; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.070 ~~-~~ – License—Application.**

A. ~~Application for the licenses required by this chapter shall be made to the business license manager upon forms provided by the business license manager on or before the first day of January of each year for which a license is required.~~

~~Any new business which is not in operation on or before the month of January and which desires to conduct business within the city shall make an application for the license required by this chapter to the business license manager before starting a business.~~

B. Any new business ~~which~~that is not in operation on or before the month of January ~~first day of the license year~~ and ~~which~~ that desires to conduct business within the city shall make application for the license required by this chapter to the business license manager before starting a business.

C. The chief of police, chief of the fire department, city engineer, code compliance officer, other departments and/or their agents and subordinates, are directed and empowered to review license applications for the purpose of determining whether a proposed business license complies with all building, zoning, signage, fire and police and other legal requirements.

D. Incomplete applications will expire if not completed within ~~ninety~~ thirty days. In the event a license application expires, the applicant may reapply for the business license.

(Ord. 01-1001 §1 (part), 2001: prior code §5-2-6)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

Editor's note— Ord. No. 16-1001, § 1(Exh. A), adopted March 16, 2016, changed the former § 5.04.070 catchline, to read as set out herein. The former section catchline previously read: "License—Application—Proration of fees."

- **5.04.080 - Examination of business premises—Hearing—Suspension or issuance.**

A. The chief of police, chief of the fire department, city engineer, code compliance officer, other departments and/or their agents and subordinates, are directed and empowered to investigate and examine all places of business licensed or subject to license under the terms of this chapter at any time and all reasonable times in accordance with applicable law for the purpose of determining whether such place of business is safe, sanitary and suitable for the business so licensed or for which application for license is made.

B. In the event it is determined by such officers or their agents that any such place of business is dangerous to public health, safety, welfare or is likely to become or is at that time a public menace or nuisance, the business license manager shall send by certified mail to the concerned business, notification of a hearing to be held before either the Oregon City Municipal Court or the Oregon City Code Hearings Office. The purpose of the hearing shall be to determine whether the concerned business shall be permitted to receive a city business license, or if the concerned business had previously been issued a city business license, whether such license should be suspended or revoked.

C. The notification to the concerned business shall set forth the time and place of the hearing and will cite specific incidents that constitute the basis for the determination by the chief of police, chief of the fire department, city engineer, code compliance officer, other departments and/or their agents and subordinates, that the concerned business is dangerous to either public health, safety, welfare or is likely to become or is at the present time a public menace or nuisance.

D. At the hearing on the question of whether the business license should be issued, or if previously issued, whether it should be suspended or revoked, evidence or testimony shall be received and considered only when such evidence or testimony is relevant to the cited incidents or offenses contained in the notification to the concerned business. If a determination is made that all or a portion of the incidents or offenses set out in the notification to the concerned business are supported by substantial evidence, the Oregon City Municipal Court or Oregon City Code Hearings Office shall refuse to issue a business license to the concerned business, or if a business license has previously been entered, shall suspend or revoke such license. The decision of the Oregon City Municipal Court or the Oregon City Code Hearings Office shall be the final decision of the city.

E. Any investigation having been satisfactorily completed without a determination by the city officials that the business is dangerous to public health, safety, welfare or is likely to become or now is a public menace or nuisance, or if such a determination has been so made, and if the Oregon City Municipal Court or the Oregon City Code Hearings Office finds that such determination is not supported by substantial evidence, a license shall be issued by the business license manager. (Ord. 01-1001 §1 (part), 2001: prior code §5-2-7)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

Editor's note— Ord. No. 16-1001, § 1(Exh. A), adopted March 16, 2016, amended § 5.04.080 to read as herein set out. Former § 5.04.090, pertained to License—Suspension or issuance—Public hearing, and was incorporated, verbatim, into § 5.04.080 as subsection D. A new subsection E. of § 5.04.080 was added.

- **5.04.090 - License—Denial, suspension or revocation—Appeal.**

If the issuance of a business license is denied, or if a business license is suspended or revoked, by a reviewing department, for reasons other than a determination set out in Section 5.04.080, the business license manager shall send to the applicant/license holder, by certified mail, written notice of the denial or revocation and of the right to an appeal. The denial or revocation of the license is final unless the applicant/license holder appeals the decision in writing to the city manager within ten business days of receipt of the notification. The city manager shall, within ten business days after the appeal is filed, consider all the evidence in support of or against the action appealed and render a decision either sustaining or reversing the denial, suspension or revocation. The decision of the city manager shall be the final decision of the city. (Ord. 01-1001 §1(part), 2001: prior code §5-2-8)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.100 - License—Suspension or revocation—Effect.**

If a business license is suspended or revoked, the concerned business shall immediately cease conducting any and all businesses within the city. Any business that continues to conduct business within the city subsequent to a suspension or revocation shall be subject to the same fine and penalties as if such business had never obtained a city business license and was carrying on a business within the city without such a business license. (Ord. 01-1001 §1(part), 2001: prior code §5-2-9)

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.110 - License—Issuance.**

The business license manager shall review the application and, if it complies with all requirements of this chapter, including being legally allowed to operate in the city and all fees having been paid, the business license manager shall issue a license within thirty days of application being complete. (Ord. 01-1001 §1(part), 2001: prior code §5-2-11)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.120 - Effect of license issuance.**

The issuing of a license pursuant to this chapter or the collection of a fee or tax shall not permit any person to engage in any unlawful business. The licenses levied and fixed by this chapter shall be in addition to the general ad valorem taxes now or hereafter levied pursuant to law. All ordinances of the city in force on the effective date of the ordinance codified in this chapter pertaining to or covering any business, pursuit or occupation and providing a license or condition for its operation, shall remain in full force and effect. In the event of a conflict or duplication of a license fee, then such other ordinance shall have precedence over the provisions of this chapter to the end that there will be no duplication of license fees for the same business, occupation, profession or pursuit. (Ord. 01-1001 §1(part), 2001: prior code §5-2-12)

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.130 - Separate license for separate locations.**

If any person operates a business in the city in more than one location, each location shall be considered a separate business for the purpose of this chapter, except the warehouses used in connection with a business shall not be so separately licensed. (Ord. 01-1001 §1(part), 2001: prior code §5-2-13)

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.140 - License—Display.**

All licenses issued in accordance with this chapter shall be openly displayed in the place of business or kept on the person or on the vehicle of the person licensed and shall be immediately produced and delivered for inspection to the chief of police, the chief of the fire department, the code compliance officer, other departments and/or their agents and subordinates, when so requested. Failure to comply with the provisions of this section shall be deemed a violation of this chapter. (Ord. 01-1001 §1(part), 2001: prior code §5-2-14)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.150 - License—Computation of fees.**

A~~. Business License Application Fee. All persons, upon submittal of an initial application for a business license, shall pay a non-refundable application fee.~~

~~Businesses that are renewing their business license shall pay a renewal business license fee established by the City Commission via resolution.~~

~~B~~. Annual Business License Fee for Persons Having a Fixed Place of Business Within the City. All persons, upon the initial application for a business license and upon each subsequent year renewal of a business license, who have a fixed place of business within the city and are subject to being licensed under the provisions of this chapter, shall pay an annual business license fee based upon the number of individuals carrying on such business, profession, pursuit, or occupationas set forth in a resolution of the City Commission.

~~C~~B. In arriving at the number of individuals carrying on such business, profession, pursuit or occupation, there shall be considered the proprietors thereof and all individuals regularly employed in such by said proprietors. If such is carried on by a corporation, all officers and employees of the corporation who devote the principal part of their time to such business, profession, pursuit or occupation shall be considered. If any person shall have his principal place of business outside the city, then only such proprietor, officers or employees shall be considered as are actually engaged in such business, profession, pursuit or occupation within the city.

~~D~~C. Annual Business License Fees for Persons Having No Fixed Place of Business Within the City. The city commission finds that certain trades, shops, businesses or callings are carried on in the city by persons from regular places of business and by persons who have no regular place of business within the city, that persons with regular places of business in the city pay city ad valorem property taxes upon real and personal property which is used in and belongs to their business and that the persons who do not have regular places of business in the city escape such ad valorem taxation. Both receive the benefit of police and fire protection, public utilities and sidewalks, street lights, health services and other public facilities and services of the city. Therefore, in order that each shall pay as nearly as may be not a discriminatory share, but a share in proportion to benefits received of the burden of supporting such facilities and services of the city, ~~such businesses not operating from regular places of business in the city shall pay one and one-half times the annual license fee for businesses operating from a fixed place of business within the city.~~ businesses not operating from regular places of business in the city shall pay an annual license fee designated for businesses operating under this designation.

~~E~~D. Proration of Business License Fee. ~~If an application is received on or before June 30, the full application fee and the full annual license fee is required. An application received on or after July 1 will be charged the full application fee and one-half the annual license fee.~~

A new application received after January 31st shall be charged a prorated amount of the full annual fee based on the remaining number of full months in the calendar year.

F. Additional Fees. Certain businesses generating the need for additional city services should be subject to fees in addition to those imposed for a general business license. These additional fees shall be as follows:

1. Circuses, carnivals, theatrical and musical productions, festivals and other operations of like nature are subject to a per event fee.

2. For the privilege of engaging in the business of displaying or operating the following machines:

a. Amusement, cigarette, music, pool table/dart board, snack/drink machine, video games are subject to a per machine fee. This fee does not apply to any machine owned by the state.

3. Manufactured dwelling parks are subject to a per space fee.

G. ~~License fees not paid within thirty days of the required date shall be deemed delinquent. An initial collection charge is imposed for delinquent fees. An additional collection charge equal to a percentage of the fee is imposed for each month or portion thereof that the fees remain delinquent~~.

License fees not paid within the program's renewal period shall be deemed delinquent. A late fee will be charged in addition to the regular business license fee. The city manager shall have authority to waive payment of collection fees under circumstances where imposition thereof would create an injustice or unreasonable hardship.

H. Amounts for fees included in this chapter shall be established by city commission resolution. Fee amounts may be revised by resolution of the city commission from time to time.

I. In the event the applicable classification or fees assessable to a business require clarification or interpretation, any interested person may request a determination by the city manager, whose decision shall be final. The city manager shall have the authority to waive all or a portion of established fees to meet the intent and purpose of this chapter. (Ord. 07-1000 §1, 2007: Ord. 01-1001 §1(part), 2001: prior code §5-2-15)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.160 - License—Transfer.**

No transfer or assignment of any license issued hereunder shall be valid or permitted, except that whenever any person sells or transfers in has been paid, then the vendee thereof shall not be required to pay the balance of the license year. (Ord. 01-1001 §1(part), 2001: prior code §5-2-16)

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.170 - Street sales prohibited.**

It is unlawful for any person to sell, or offer to sell, any goods, wares or merchandise on any of the streets, alleys or sidewalks of the city, from any booth, wagon, truck or other vehicle or otherwise within the city before first securing a permit from the city. The permit shall be required in addition to any business license and shall prescribe reasonable limits upon the use thereof. (Ord. 01-1001 §1(part), 2001: prior code §5-2-18)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

625 Center Street
Oregon City, OR 97045
503-657-0891

CITY OF OREGON CITY

Staff Report

To: City Commission **Agenda Date:** 10/18/2023

From: City Manager, Tony Konkol

SUBJECT:

Second Reading of Ordinance No. 23-1009, Declaring a Ban on Psilocybin Service Centers and the Manufacturing of Psilocybin Products

STAFF RECOMMENDATION:

Staff recommends the City Commission approve Ordinance No. 23-1009.

EXECUTIVE SUMMARY:

Local governments may adopt ordinances that prohibit the Oregon Health Authority from issuing psilocybin service centers and/or manufacturing licenses within their jurisdiction. After an ordinance prohibiting psilocybin service centers and/or manufacturing is adopted by a local government, the prohibition must be referred to the voters at the next general election. The City Commission requested this item be brought forward to determine if an ordinance should be considered to prohibit psilocybin service centers and/or manufacturing in the city limits of Oregon City.

BACKGROUND:

In November 2020, Oregon voters approved Ballot Measure 109, known as the Oregon Psilocybin Service Act (codified at ORS 475A), which allows for the manufacture, delivery, and administration of psilocybin at licensed facilities. ORS 475A.718 provides that a city governing body may adopt an ordinance to be referred to the electors of the city at the next statewide general election prohibiting the establishment of state licensed psilocybin product manufacturers and/or psilocybin service centers in the area subject to the jurisdiction of the city.

If Ordinance No. 23-1009 is approved, it will be forwarded to the Oregon Health Authority. Upon receiving the Ordinance, the Oregon Health Authority will discontinue licensing psilocybin services centers and manufacturing related facilities in the City of Oregon City until the prohibition is put to a vote of the electors of Oregon City on November 5th, 2024.

The Oregon Psilocybin Services section of the Oregon Health Authority processes licenses for the Psilocybin service centers and manufacturing facilities as required by the passage of Measure 109 by the voters of Oregon.

Measure 109 created a program for administering psilocybin products, such as psilocybin-producing mushrooms and fungi, to individuals aged 21 years or older. As of 2020, the manufacturing and consumption of psilocybin was illegal under both federal law and state law.

Under Measure 109, the Oregon Health Authority (OHA) is responsible for establishing the program and creating regulations. Clients would be allowed to purchase, possess, and consume psilocybin at a psilocybin service center and under the supervision of a psilocybin service facilitator after undergoing a preparation session.

The Oregon Health Authority (OHA) determines who is eligible to be licensed as a facilitator, determines what qualifications, education, training, and exams are needed, and creates a code of professional conduct for facilitators. OHA would set psilocybin dosage standards and labeling and packaging rules.

Measure 109 allowed cities and counties to place referendums on local ballots to prohibit or allow psilocybin-product manufacturers or psilocybin service centers in their jurisdictions.

What is psilocybin?
The initiative defined *psilocybin products* as "psilocybin-producing fungi and mixtures or substances containing a detectable amount of psilocybin." According to the Drug Enforcement Administration, psilocybin is a "hallucinogenic chemical obtained from certain types of fresh and dried mushrooms." The mushrooms containing psilocybin are also known as magic mushrooms, hallucinogenic mushrooms, or shrooms.

As of 2020, psilocybin was classified as a Schedule I drug by the DEA. According to the Controlled Substance Act passed in 1971, Schedule I drugs are not approved for medical use and have a high potential for abuse and dependence.

Drug Policy Alliance, a 501(c)(3) nonprofit organization that actively promotes drug policy reform legislation, said that psilocybin is not addictive because "the human body quickly builds tolerance to psilocybin, such that people require much higher doses after only a few days of repeated use, making it extremely difficult to have any effect after more than four days of repeated usage."

In 2019, the FDA designated psilocybin therapy as a *breakthrough therapy* for two clinical trials being facilitated by Compass Pathways and Usona Institute studying the effects of psilocybin on severe depression and major depressive disorder. The designation is meant to "expedite the development and review of drugs that are intended to treat a serious condition."

OPTIONS:

1. Approve Ordinance No. 23-1009
2. Instruct staff to return with modifications to Ordinance No. 23-1009
3. Do not approve Ordinance No. 23-1009 and provide staff direction.

ORDINANCE NO. 23-1009

AN ORDINANCE OF THE CITY OF OREGON CITY DECLARING A BAN ON PSILOCYBIN SERVICE CENTERS AND THE MANUFACTURING OF PSILOCYBIN PRODUCTS WITHIN THE CITY LIMITS OF OREGON CITY

WHEREAS, in November 2020, Oregon voters approved Ballot Measure 109, known as the Oregon Psilocybin Service Act (codified at ORS 475A), which allows for the manufacture, delivery, and administration of psilocybin at licensed facilities; and

WHEREAS, psilocybin and psilocybin-containing mushrooms remain illegal under federal regulations; and

WHEREAS, ORS 475A.235 provides that the Oregon Health Authority will regulate the manufacturing, transportation, delivery, sale, and purchase of psilocybin products and the provision of psilocybin services in the state; and

WHEREAS, the Oregon Health Authority will implement the state's psilocybin regulatory program and processing of psilocybin-related licenses; and

WHEREAS, ORS 475A.718 provides that a city governing body may adopt an ordinance to be referred to the electors of the city at the next statewide general election prohibiting the establishment of state licensed psilocybin product manufacturers and/or psilocybin service centers in the area subject to the jurisdiction of the city; and

WHEREAS, adoption of Ordinance No. 23-1009 shall be forwarded to the Oregon Health Authority and upon receiving the Ordinance, the Oregon Health Authority will discontinue licensing psilocybin services centers and manufacturing related facilities in the City of Oregon City until the prohibition is put to a vote of the electors of Oregon City on November 5th, 2024; and

WHEREAS, the City Commission of Oregon City finds that prohibiting psilocybin product manufacturing and psilocybin service centers within the city limits of Oregon City will allow for the city to potentially adopt reasonable time, place, and manner regulations on the operation of psilocybin facilities that are in the best interest of the health, safety, and welfare of the people of Oregon City.

NOW, THEREFORE, OREGON CITY ORDAINS AS FOLLOWS:

Section 1. The establishment of psilocybin manufacturers, licensed under ORS 475A.290, and psilocybin service centers, licensed under ORS 475A.305, is prohibited in the City of Oregon City.

Section 2. The City of Oregon City shall submit a measure to the electors of the City of Oregon City for their consideration at the next statewide general election, which is November 5th, 2024.

Read for the first time at a regular meeting of the City Commission held on the 4th day of October, and the City Commission finally enacted the foregoing ordinance this 18th day of October, 2023.

DENYSE C. MCGRIFF
Mayor

Attested to this 18th day of October, 2023

Jakob Wiley, City Recorder

Approved as to legal sufficiency:

City Attorney