

RESOLUTION NO. 1316

A RESOLUTION AUTHORIZING APPROVAL OF A 2017 FUND EXCHANGE AGREEMENT WITH THE STATE OF OREGON DEPARTMENT OF TRANSPORTATION

WHEREAS, the City of Prineville (“City”) applied to the State of Oregon Department of Transportation (“ODOT”) for a fund exchange through the Surface Transportation Program, which provides funding through federal gas tax programs to be used for transportation related expenses. The City’s application requested reimbursement for the grind and inlay or overlay in 2016 of N Elm Street between NE 6th Street and NE Loper Ave, Main Street between Tenth Street and NE Mariposa Ave , and NW Gardner Rd for a total of \$107,042; and

WHEREAS, ODOT has approved the City’s application and has agreed to provide \$107,042 to the City for reimbursement of the above described grind and inlay or overlay project; and

WHEREAS, ODOT has prepared a 2017 Fund Exchange Agreement designated by ODOT as Miscellaneous Contracts and Agreements No. 31941 memorializing the agreement of ODOT and the City regarding reimbursement of the City for its grind and inlay or overlay project described above; and

WHEREAS, City staff believe it is in the best interest of the City to approve and execute the 2017 Fund Exchange Agreement;

NOW, THEREFORE, the City of Prineville resolves that the 2017 Fund Exchange Agreement between the City and ODOT is hereby approved and that the Mayor is authorized to sign such Agreement on behalf of the City of Prineville.

Passed by the City Council this _____ day of May, 2017.

Betty J. Roppe, Mayor

ATTEST:

Lisa Morgan, City Recorder



City Council Meeting

Date: May 23, 2017

Staff Report

Topic: ODOT Fund Exchange Agreement (Surface Transportation Program)

Action Requested: Council's Approval for Signature

Summary:

Staff has applied to ODOT for fund exchange through the (STP) Surface Transportation Program. This program provides funding through the Federal gas tax program to states and local governments which can be used strictly for transportation related expenses. The City of Prineville applied via project prospectus to access the 2017 allocation and the application has been approved and a 2017 Fund Exchange Agreement, (No.31941) issued.

The 2017 account balance for the City of Prineville totals \$113,874 Federal dollars. Through the fund exchange program the City provides documents pertaining to completed transportation projects and then receives \$.94 cents on the dollar in State dollars.

The City of Prineville proposed and received approval for reimbursement on the following project:

2016 Grind and Inlay/Overlay project	\$245,709.30
--------------------------------------	--------------

The City of Prineville Transportation Department will receive \$107,042. These funds will be deposited into the Transportation Departments line item 10-33103-3 (STP fund exchange program). Staff had budgeted \$98,000 revenue for this program.

Staff Recommendation:

Staff recommends that the Council authorize signature of the 2017 Fund Exchange Agreement No. 31941 in the amount of \$107,042.00.

2017 FUND EXCHANGE AGREEMENT
Grind and Inlay Street Preservation
City of Prineville

THIS AGREEMENT is made and entered into by and between the STATE OF OREGON, acting by and through its Department of Transportation, hereinafter referred to as "State"; and the CITY OF PRINEVILLE, acting by and through its elected officials, hereinafter referred to as "Agency," both herein referred to individually or collectively as "Party" or "Parties."

RECITALS

1. By the authority granted in Oregon Revised Statute (ORS) [190.110](#), [366.572](#) and [366.576](#), State may enter into cooperative agreements with counties, cities and units of local governments for the performance of work on certain types of improvement projects with the allocation of costs on terms and conditions mutually agreeable to the contracting parties.
2. NW Gardner Road, NW Lamont Road, N Main Street and NE Elm Street are a part of the city street system under the jurisdiction and control of Agency.

NOW THEREFORE, the premises being in general as stated in the foregoing Recitals, it is agreed by and between the Parties hereto as follows:

TERMS OF AGREEMENT

1. Agency has submitted a completed and signed Part 1 of the Project Prospectus, or a similar document agreed to by State, outlining the schedule and costs associated with all phases of the grind and inlay or overlay of NW Gardner Road, NW Lamont Road, N Main Street and NE Elm Street as identified in Exhibit A, by this reference made a part hereof, hereinafter referred to as "Project."
2. State has reviewed Agency's prospectus and considered Agency's request for the Fund Exchange. State has determined that Agency's Project is eligible for the exchange of funds.
3. To assist in funding the Project, Agency has requested State to exchange 2017 federal funds, which have been allocated to Agency, for state funds based on the following ratio:

\$94 state for \$100 federal

4. Based on this ratio, Agency wishes to trade \$113,874 federal funds for \$107,042 state funds.

5. The term of this Agreement will begin upon execution and will terminate two (2) years from the date that all required signatures are obtained unless extended by an executed amendment.
6. The Parties agree that the exchange is subject to the following conditions:
 - a. The federal funds transferred to State may be used by State at its discretion.
 - b. State funds transferred to Agency must be used for the Project. This Fund Exchange will provide funding for specific roadway projects and may also be used for the following maintenance purposes:
 - i. Purchase or Production of Aggregate. Agency shall ensure the purchase or production of aggregate will be highway related and used exclusively for highway work.
 - ii. Purchase of Equipment. Agency shall clearly describe how it plans to use said equipment on highways. Agency shall demonstrate that the equipment will only be used for highway purposes.
 - c. State funds may be used for all phases of the Project, including preliminary engineering, right of way, utility relocations and construction. Said use shall be consistent with the Oregon Constitution and statutes (Section 3a of Article IX Oregon Constitution). Agency shall be responsible to account for expenditure of state funds.
 - d. This Fund Exchange shall be on a reimbursement basis, with state funds limited to a maximum amount of \$107,042. All costs incurred in excess of the Fund Exchange amount will be the sole responsibility of Agency.
 - e. State certifies, at the time this Agreement is executed, that sufficient funds are available and authorized for expenditure to finance costs of this Agreement within State's current appropriation or limitation of the current biennial budget.
 - f. Agency, and any contractors, shall perform the work as an independent contractor and will be exclusively responsible for all costs and expenses related to its employment of individuals to perform the work including, but not limited to, retirement contributions, workers' compensation, unemployment taxes, and state and federal income tax withholdings.
 - g. Agency shall comply with all federal, state, and local laws, regulations, executive orders and ordinances applicable to the work under this Agreement, including, without limitation, the provisions of ORS [279C.505](#), [279C.515](#), [279C.520](#), [279C.530](#) and [279B.270](#) incorporated herein by reference and made a part hereof. Without limiting the generality of the foregoing, Agency expressly agrees to comply with (i) [Title VI of Civil Rights Act of 1964](#); (ii) [Title V and Section 504 of the Rehabilitation Act of 1973](#); (iii) the [Americans with Disabilities Act of 1990](#) and ORS [659A.142](#); (iv) all regulations and administrative rules established

pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

- h. Agency, or its consultant, shall conduct the necessary preliminary engineering and design work required to produce final plans, specifications and cost estimates; purchase all necessary right of way in accordance with current state and federal laws and regulations; obtain all required permits; be responsible for all utility relocations; advertise for bid proposals; award all contracts; perform all construction engineering; and make all contractor payments required to complete the Project.
- i. Agency shall submit invoices to State on a quarterly basis, for actual costs incurred by Agency on behalf of the Project directly to State's Project Manager for review and approval. Such invoices will be in a form identifying the Project, the agreement number, the invoice number or account number or both, and will itemize all expenses for which reimbursement is claimed. Under no conditions shall State's obligations exceed \$107,042, including all expenses. Travel expenses will not be reimbursed.
- j. Agency shall, at its own expense, maintain and operate the Project upon completion at a minimum level that is consistent with normal depreciation and service demand.
- k. All employers, including Agency, that employ subject workers in the State of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage unless such employers are exempt under ORS 656.126. Employers Liability insurance with coverage limits of not less than \$500,000 must be included. Agency shall ensure that each of its subcontractors complies with these requirements.
- l. This Agreement may be terminated by either party upon thirty (30) days' notice, in writing and delivered by certified mail or in person.
 - i. State may terminate this Agreement effective upon delivery of written notice to Agency, or at such later date as may be established by State, under any of the following conditions:
 - A. If Agency fails to provide services called for by this Agreement within the time specified herein or any extension thereof.
 - B. If Agency fails to perform any of the other provisions of this Agreement, or so fails to pursue the work as to endanger performance of this Agreement in accordance with its terms, and after receipt of written notice from State fails to correct such failures within ten (10) days or such longer period as State may authorize.

- ii. Either Party may terminate this Agreement effective upon delivery of written notice to the other Party, or at such later date as may be established by the terminating Party, under any of the following conditions:
 - A. If either Party fails to receive funding, appropriations, limitations or other expenditure authority sufficient to allow either Party, in the exercise of their reasonable administrative discretion, to continue to make payments for performance of this Agreement.
 - B. If federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the work under this Agreement is prohibited or either Party is prohibited from paying for such work from the planned funding source.
 - iii. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.
 - m. State and Agency agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be invalid, unenforceable, illegal or in conflict with any law, 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 Agreement did not contain the particular term or provision held to be invalid.
7. Agency acknowledges and agrees that State, the Oregon Secretary of State's Office, the federal government, and their duly authorized representatives shall have access to the books, documents, papers, and records of Agency which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcripts for a period of six (6) years after final payment. Copies of applicable records shall be made available upon request. Payment for costs of copies is reimbursable by State.
8. Agency certifies and represents that the individual(s) signing this Agreement has been authorized to enter into and execute this Agreement on behalf of Agency, under the direction or approval of its governing body, commission, board, officers, members or representatives, and to legally bind Agency.
9. This Agreement may be executed in several counterparts (facsimile or otherwise) all of which when taken together shall constitute one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of this Agreement so executed shall constitute an original.
10. This Agreement and attached exhibits constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, shall be

effective only in the specific instance and for the specific purpose given. The failure of State to enforce any provision of this Agreement shall not constitute a waiver by State of that or any other provision.

THE PARTIES, by execution of this Agreement, hereby acknowledge that their signing representatives have read this Agreement, understand it, and agree to be bound by its terms and conditions.

The funding for this Fund Exchange program was approved by the Oregon Transportation Commission on May 20, 2015, as a part of the 2015-2018 Statewide Transportation Improvement Program (STIP).

The Program and Funding Services Manager approved the Fund Exchange on February 7, 2017.

Signature Page to Follow

CITY OF PRINEVILLE, by and through
its elected officials

By _____
Mayor

Date _____

STATE OF OREGON, by and through
its Department of Transportation

By _____
Region 4 Manager

Date _____

**APPROVED AS TO LEGAL
SUFFICIENCY**

By _____
Counsel

Date _____

APPROVED AS TO LEGAL SUFFICIENCY

By N/A
Assistant Attorney General

Date _____

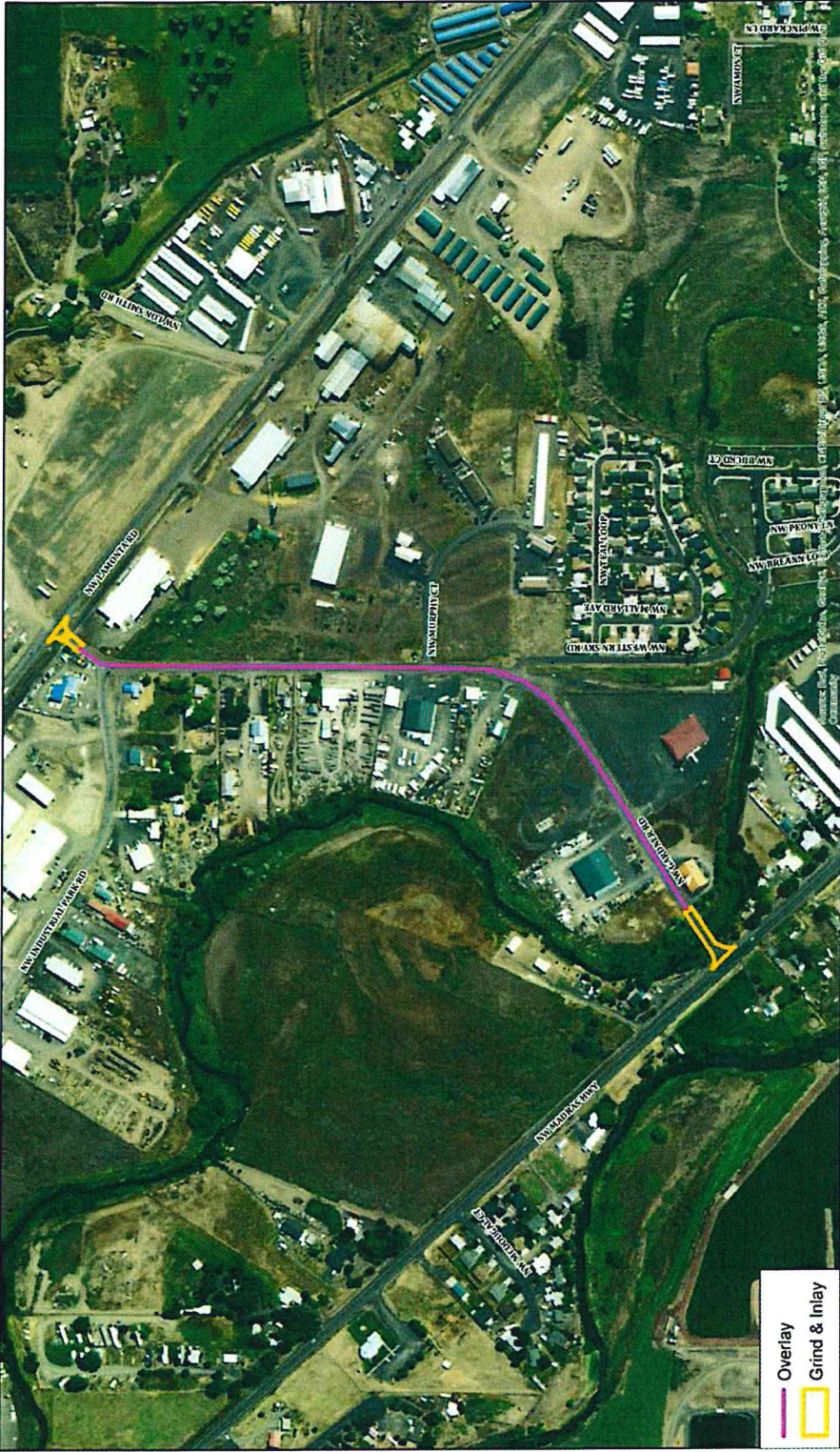
Agency Contact:

Scott Smith – Street Supervisor
1233 NW Lamonta Road
Prineville, OR 97754
(541) 447-7844
ssmith@cityofprineville.com

State Contact:

Darrell Newton - Local Agency
Programs Coordinator
63055 N. Highway 97, Bldg M
Bend OR, 97701-5765
(541) 388-6272
darrell.r.newton@odot.state.or.us

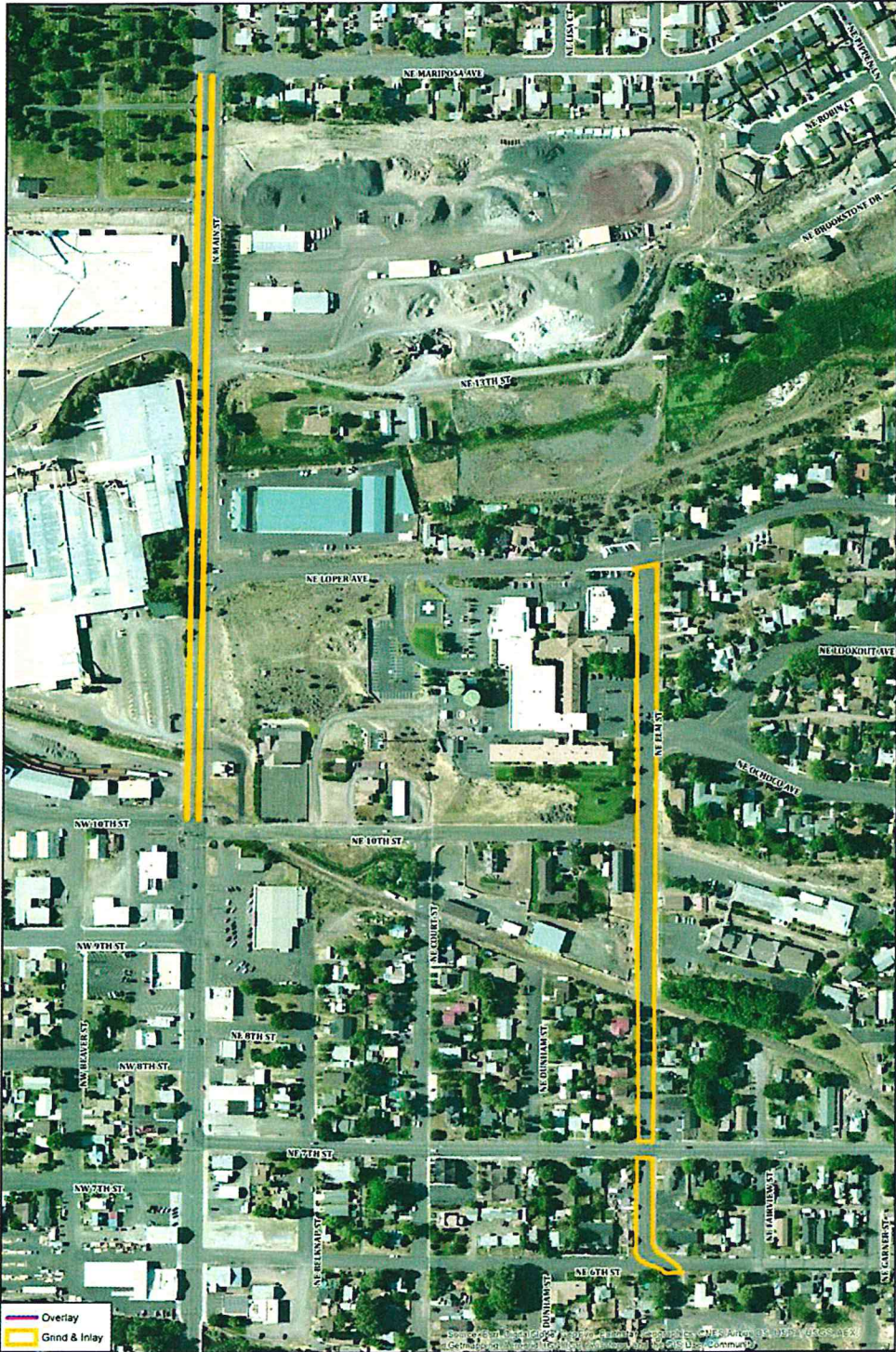
EXHIBIT A



2014 Aerial

2016 Grind & Inlay

EXHIBIT A



2016 Grind & Inlay

2014 Aerial

