



CITY COUNCIL MEETING

Monday, July 21, 2025 at 6:00 PM
Sandy City Hall and via Zoom

AGENDA

TO ATTEND THE MEETING IN-PERSON:

Come to Sandy City Hall (lower parking lot entrance) - 39250 Pioneer Blvd., Sandy, OR 97055

TO ATTEND THE MEETING ONLINE VIA ZOOM:

Please use this link: <https://us02web.zoom.us/j/81955728215>

Or by phone: (253) 215-8782; Meeting ID: 81955728215

WORK SESSION – 6:00 PM

1. [Policy Discussion: Bike Use in City Parks](#)

REGULAR MEETING – 7:00 PM

PLEDGE OF ALLEGIANCE

ROLL CALL

CHANGES TO THE AGENDA

PUBLIC COMMENT (3-minute limit)

Note: public hearing testimony will take place later on the agenda. The Council welcomes your comments on other matters at this time. The Mayor will call on each person when it is their turn to speak for up to three minutes.

-- If you are attending the meeting in-person, please submit your comment signup form to the City Recorder before the regular meeting begins at 7:00 p.m. Forms are available on the table next to the Council Chambers door.

-- If you are attending the meeting via Zoom, please complete the online comment signup webform by 4:00 p.m. on the day of the meeting:
<https://www.ci.sandy.or.us/citycouncil/webform/council-meeting-public-comment-signup-form-online-attendees>.

RESPONSE TO PREVIOUS COMMENTS

CONSENT AGENDA

2. [City Council Minutes: June 16, 2025](#)
3. [Resolution 2025-25: Formalizing Utility Billing Practices for City Accounts](#)

PRESENTATIONS

4. [Life Saving Medal: Officer Ferguson](#)

ORDINANCES

5. [PUBLIC HEARING: Ordinance 2025-17 - Alternative Wastewater Systems](#)
6. [PUBLIC HEARING: Ordinance 2025-16 - Flood and Slope Hazard \(FSH\) Overlay District Text Amendments](#)

RESOLUTIONS

7. [Resolution 2025-26: Incorporating Food, Beverage, and Other Items into the Compensation Package for Council Positions 1, 2, and 5](#)
8. [Resolution 2025-27: Incorporating Food, Beverage, and Other Items into the Compensation Package for Council Positions 3, 4, and 6](#)
9. [Resolution 2025-28: Incorporating Food, Beverage, and Other Items into the Compensation Package for Mayor, Volunteers, and City Staff](#)

OLD BUSINESS

10. [Second Reading: Ordinance 2025-22 – Amending SMC Chapter 3.28 Transient Lodging Tax Rate](#)

NEW BUSINESS

11. [Contract Award: 2025 Pavement Maintenance](#)
12. [Contract Approval: Fiber Optic Improvements for Alder Creek, Sandercock, and Terra Fern Sites](#)
13. [Policy Adoption: Special Service Contract Program Guidelines](#)

REPORT FROM THE CITY MANAGER

COMMITTEE / COUNCIL REPORTS

STAFF UPDATES

Monthly Reports: <https://reports.cityofsandy.com/>

ADJOURN

Americans with Disabilities Act Notice: Please contact Sandy City Hall, 39250 Pioneer Blvd. Sandy, OR 97055 (Phone: 503-668-5533) at least 48 hours prior to the scheduled meeting time if you need an accommodation to observe and/or participate in this meeting.



STAFF REPORT

Item # 1.

Meeting Type: City Council
Meeting Date: July 21, 2025
From: Tiana Rundell, Interim Parks and Recreation Director
Subject: Policy Discussion: Bike Use in City Parks

DECISION TO BE MADE:

Provide direction to staff as to where the use of e-bikes in City parks is allowed and establish rules to be posted regarding their usage.

APPLICABLE COUNCIL GOAL:

- 1.6 – Update Park Rules and City Facility Rules to ensure safe and equitable use for all.
- 5.7 – Work with community service personnel to ensure that parks are patrolled regularly and that park regulations are enforced.

BACKGROUND / CONTEXT:

The City Council reviewed Ordinance 2025-15 to amend conduct and exclusion provisions in the Sandy Municipal Code on [April 21, 2025](#) and [June 16, 2025](#). The [ordinance](#) was adopted on June 16, 2025. During these meetings, there was extensive discussion regarding the use of e-bikes in City parks and the enforceability of related rules. The Council ultimately determined that motorized vehicles (i.e. e-bikes and e-scooters) should be prohibited in all parks, except as otherwise expressly allowed in designated areas or by written authorization from the City Manager or designee.

For context, the Jim Slagle Loop Trail and Tickle Creek Trail are designated as multi-use trails. Additionally, Cedar Park features Base Camp, an action sports park designed for bikes, scooters, and skateboards.

Upon further evaluation, staff has identified the need to address not only the use of e-bikes and e-scooters, but also the generally accepted use of bicycles in City parks.

KEY CONSIDERATIONS / ANALYSIS:

Council Comments Heard and Addressed

During the discussions held in April and June of this year, multiple Councilors expressed a preference for regulating behavior, not the classification of devices (types of e-bikes or e-scooters). In response, staff has focused on creating consistent, enforceable guidelines that promote safety and appropriate

use across all City parks, while still allowing for recreational biking and commuter cycling where appropriate.

Potential Solutions

Staff has identified a few possible solutions, with one rising to the forefront for potential implementation:

1. Disallow bikes and scooters in all City parks, with the exception of Cedar Park's Base Camp action sports areas.
2. Allow bikes and scooters in all City parks with no formal regulations.
3. Mimic the State of Oregon's regulations for e-bikes and scooters – generally allowing these devices on bike paths, bike lanes, and roads where traditional bicycles are allowed. E-bikes are not allowed on sidewalks.
4. Develop clear expectations which may vary from park to park, depending on the intended use of each location.

Staff believes that option 4 is the best path forward.

Developing Clear Expectations

Passive vs. Active Use Defined

To better guide implementation and park designations, staff recommends distinguishing between passive and active bicycle use:

Passive Bike Use refers to leisurely riding or using a bicycle as a means of commuting to or from a destination. This includes casual riding on park paths, children learning to ride, or traversing a park to reach another destination.

Active Bike Use refers to more intensive, recreational biking activities such as downhill biking, adventure riding, use of jump lines, pump tracks, and other features designed for sport or skill-based riding.

This distinction helps establish expectations for user behavior and guides where different types of bike use are appropriate based on each park's intended purpose and infrastructure.

Staff Observations and Safety Concerns

City staff has observed an increasing number of unsafe interactions between park users and individual operating bikes, e-bikes, and scooters – especially on narrow paths not designed for multi-use. In Sandy Bluff and Bornstedt Parks, pedestrians have been forced off the trail due to high-speed or inattentive riders. These incidents highlight the need to regulate active use while continuing to support passive bike use in a safe, controlled manner.

Implementation Framework for Option 4

Park Specific Regulations

- All City Parks – Passive bike use will continue to be allowed on trails designed for shared use. Active bike use is reserved for designated areas. Clear signage and consistent trail markings will be used to indicate where bikes are permitted or restricted.

- Sandy River Park – This park will support both passive and active bicycle use in clearly designated areas.
- Cedar Park’s Base Camp Action Sports Park – Active recreational bike use is permitted and encourages within the designated action sports areas, including jump lines, pump tracks, and skill-building features. Passive bike use is also supported along the return trail (multi-use) and on the Goodfellow Way loop to maintain a safe pedestrian environment.

Proposed Safe Use of City Paths and Trails for Bikes, e-Bikes, and Scooters

To promote safe and respectful use of shared trails, staff proposed the following rules be posted as part of the updated signage across City parks:

1. Speed Limit
 - a. Ride at a safe speed. Passive use not to exceed 12 MPH. Active use not to exceed 20 MPH.
 - b. All users must slow down when approaching pedestrians, curves, or congested areas.
2. Yield to Pedestrians
 - a. Bikes, e-bikes, and scooters must yield to pedestrians at all times.
 - b. Announce your presence when passing – use a bell or call out “on your left!”
3. Pass Safely
 - a. Pass only when it is safe and clear to do so.
 - b. Maintain at least 3 feet of distance when passing.
 - c. Pass on the left; never weave through groups.
4. Stay Right, Pass Left
 - a. Keep to the right side of the trail unless passing.
 - b. Pedestrians and slower users should stay right as well.
5. Be Alert and in Control
 - a. Stay aware of your surroundings – no headphones in both ears.
 - b. Always maintain control of your bike, e-bike, or scooter.
6. No Reckless Riding
 - a. Racing and aggressive riding are prohibited in passive use areas.
 - b. Be especially cautious near playgrounds, trailheads, and rest areas.
7. Respect All Users
 - a. Be courteous to all trail users – including dogs, strollers, and children.
 - b. Obey all posted signs and park rules.
8. Park Responsibly
 - a. Do not block trails when stopped. Pull off the trail to rest or regroup.

Staff believes that setting clear expectations and regulating behavior is the best approach in keeping our parks safe and usable for all parkgoers. Incorporating regulations similar to what is described above will allow for safe bike and scooter use, regardless of whether a traditional bike/scooter or electronic variety.

BUDGET IMPACT:

New signage will be needed and the changes will need to be communicated to the public. These nominal expenses can be absorbed within the existing Parks and Recreation budgets.

RECOMMENDATION:

Staff recommends the Council discuss the proposed rules and provide staff direction in the implementation of these rules.



CITY COUNCIL MEETING

Monday, June 16, 2025 at 7:00 PM
Sandy City Hall and via Zoom

MINUTES

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT

Mayor Kathleen Walker
Council President Don Hokanson
Councilor Chris Mayton
Councilor Laurie Smallwood
Councilor Rich Sheldon
Councilor Kristina Ramseyer
Councilor Lindy Hanley

CHANGES TO THE AGENDA

(none)

PUBLIC COMMENT (3-minute limit)

(none)

RESPONSE TO PREVIOUS COMMENTS

The City Manager provided a response to concerns raised by Mr. Breames at the June 2, 2025 meeting. Staff believe the property immediately to the east is the only other property in a similar situation. It was noted that the cul-de-sac has already met the 50% driveway threshold established in the municipal code. Council discussion ensued on whether exceptions have been made in the past, considerations related to sidewalk construction standards and risk of deterioration, and concerns about vehicles and/or boats being parked in backyards. Ultimately it was determined that the City should not take any action in this matter at this time.

CONSENT AGENDA

1. City Council Minutes: June 2, 2025
2. Street Closures & Park Use Approvals for Mountain Festival
3. Noise Exception Requests: St. Michael's Catholic Church

MOTION: Adopt the Consent Agenda

Motion made by Councilor Sheldon, Seconded by Council President Hokanson.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 7-0

ORDINANCES

4. PUBLIC HEARING: Amending SMC 12.12 Conduct and Exclusion Rules
Ordinance 2025-15

Abstentions

(none)

Conflicts of Interest

(none)

Staff Report

The Interim Parks and Recreation Director summarized the staff report in the meeting packet.

Public Testimony

(none)

Recap and Recommendation

Staff recommended Council adoption of the proposed ordinance.

MOTION: Close the public hearing

Motion made by Council President Hokanson, Seconded by Councilor Ramseyer.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 7-0

Council Discussion

Council discussion ensued on the following topics:

- Discussion related to park hours, and the desire to ensure that Jonsrud Viewpoint can continue to be enjoyed for special nighttime nature events
- Clarification regarding regulations pertaining to animals at large
- Desire for further specificity regarding disposal of animal waste
- Clarification regarding 12.12.050(Y)
- Discussion regarding regulation of motorized vehicles in parks
 - Whether Class 1 e-bikes are allowed on sidewalks or on Tickle Creek Trail

- Whether Class 3 e-bikes are allowable if they are being walked; whether usage of Class 3 e-bikes is limited to streets per state law
- Whether Class 1 e-bikes should be allowed in parks other than Cedar Park
- Discretion of the City Manager to designate certain parks, trails, and pathways for e-bike usage, according to the proposed code language
- Distinctions between regular e-bikes and e-mountain bikes
- Suggestion to allow all e-bikes and focus regulation on problematic behavior, rather than specific types of vehicles
- Suggestion to allow Class 1 and 2 e-bikes, but not Class 3
- Note that enforcement will be complaint-driven

Amendment: the Council expressed its desire for two amendments to the proposed ordinance:
#1: insert the words “and properly dispose of” after the word “remove” in 12.12.050(W)(b); and
#2: strike 12.12.050(E)(e).

The Council directed staff to prepare for a future work session to further consider and refine regulation of e-bikes in parks and/or provide additional direction to staff.

MOTION: Approve the first reading of Ordinance 2025-15, as amended

Motion made by Councilor Sheldon, Seconded by Councilor Smallwood.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 7-0

MOTION: Approve the second reading of Ordinance 2025-15, as amended

Motion made by Council President Hokanson, Seconded by Councilor Ramseyer.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 7-0

5. PUBLIC HEARING: Amending SMC Chapter 3.28 Transient Lodging Tax Rate Ordinance 2025-22

Abstentions

(none)

Conflicts of Interest

(none)

Staff Report

The Finance Director summarized the staff report in the meeting packet.

Public Testimony

(none)

Recap and Recommendation

Staff recommended Council adoption of the proposed ordinance.

MOTION: Close the public hearing

Motion made by Council President Hokanson, Seconded by Councilor Sheldon.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 7-0

Council Discussion

Council discussion ensued on the following topics:

- Questions as to when comparison agencies last updated their tax rates
- Plans for the City to further refine short term rental regulations during the upcoming HPS process
- Discussion regarding proposed changes to state law pertaining to transient lodging taxes, and potential increased flexibility for City usage of the new portion of transient lodging tax revenue
- Note of the City's grant application for Travel Oregon funds to complete improvements in Meinig Park
- Questions as to whether both City and County taxes are assessed within city limits; concern that if both rates are assessed within Sandy, the cumulative rate could potentially deter visitors

MOTION: Approve the first reading of Ordinance 2025-22

Motion made by Council President Hokanson, Seconded by Councilor Hanley.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

Voting Nay: Councilor Mayton

MOTION CARRIED: 6-1**RESOLUTIONS**

6. Supplemental Budget for Biennium 2023-25

Resolution 2025-23

The Finance Director summarized the staff report in the meeting packet.

MOTION: Adopt Resolution 2025-23

Motion made by Councilor Sheldon, Seconded by Councilor Ramseyer.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 7-0

7. PUBLIC HEARING: Updating the Master Fee Schedule Updates Resolution 2025-21

Abstentions

(none)

Conflicts of Interest

(none)

Staff Report

The Finance Director summarized the staff report in the meeting packet. Staff provided a handout that provided details about the proposed increases to SandyNet rates, including comparisons to other internet providers. A copy of the handout is attached to these minutes. It was noted that SandyNet does not offer artificially low introductory rates, and that the SandyNet master plan will be presented for Council adoption in the near future.

Public Testimony

(none)

Recap and Recommendation

Staff recommended Council adoption of the proposed ordinance.

MOTION: Close the public hearing

Motion made by Councilor Sheldon, Seconded by Councilor Ramseyer.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 7-0

Council Discussion

Council discussion ensued on the following topics:

- Clarification on the process for reviewing and approving special event permits, including the scope of events subject to new fees
- Acknowledgment that SandyNet remains competitively priced despite the proposed rate increase
- Discussion of the \$1 per month stormwater fee increase and its role in balancing the stormwater budget
- Recognition that the public safety fee only funds personnel costs for two officers, not associated equipment; suggestion that long-term funding strategies may be needed for comprehensive public safety needs
 - Discussion of the further fee increase that would be necessary to fully fund equipment needs
 - Questions as to why the increase was not applied differently between residential and commercial utility accounts
 - Details on the methods for assessing public safety fees for multifamily dwellings
- Clarification on the purpose of the historic/cultural resource application fee and its alignment with staff time recovery
- Concern that the cost of fees in the City is generally too high, and is making the cost of living in Sandy too expensive
- General affirmation that the majority of fee updates are inflationary in nature, and are assessed on development not existing residents

MOTION: Adopt Resolution 2025-21

Motion made by Councilor Sheldon, Seconded by Council President Hokanson.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

Voting Nay: Councilor Smallwood

MOTION CARRIED: 6-1

NEW BUSINESS

8. Re-Zoning Extension Request: Michael Maiden

The Senior Planner summarized the staff report in the meeting packet and presented slides that were also included in the packet. During the presentation, discussion occurred regarding the context and history of the I-1 zone, the progress made thus far in improving each building's façade, and the degree of work required to achieve Sandy Style given the metal buildings on the site.

Mr. Maiden provided additional remarks, summarizing the impact of COVID-19 on his building improvement efforts, the time-intensive nature of the improvements and the limits associated with self-funding the project, his priorities for completing work on highly visible portions of the property first, and his commitment to finishing the project.

The City Manager stated that he will keep the Council informed on the status of the improvements.

MOTION: Grant the requested extension of 5 years (to a new date of July 29, 2030) for the Eagle Park Façade Improvements and the modification of the underlying zoning designation to Industrial Park (I-1), and authorize the City Manager to execute a revised development agreement with the concurrence of the City Attorney

Motion made by Councilor Smallwood, Seconded by Council President Hokanson.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 7-0

9. Contract Award: Deer Pointe Park Construction

The Interim Parks and Recreation Director summarized the staff report in the meeting packet.

Council discussion ensued on the following topics:

- The recourse the City would have if any problems are encountered during the construction process; lessons learned during the Cedar Park construction process; and acknowledgement that Cedar Park was uniquely complicated and Deer Pointe will be much more straightforward from a construction standpoint
- Discussion regarding the nature of capital construction contract disputes generally, and differences between architectural and construction services
- Emphasis on the importance of City departments working together to review and refine City construction projects

MOTION: Authorize the City Manager to execute a contract with N8 Holmlund Inc DBA N8 Excavation for the construction of Deer Pointe Park, in an amount not to exceed \$998,000.00; and execute all subsequent change orders pursuant to the terms of the contract, up to the appropriate threshold value set forth in the contract

Motion made by Councilor Sheldon, Seconded by Councilor Ramseyer.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 7-0

REPORT FROM THE CITY MANAGER

- Recognition of Cedar Park as one of DJC's Top Projects
- Reminder of fire season dangers
- Note that the July 7th Council meeting is canceled, and that week he will participate in an infrastructure funding presentation at the OCCMA conference
- Reminder of Longest Day Parkway

- Discussion regarding 4th of July fireworks and fireworks regulations generally
- Discussion of the possibility of changing the City's tagline/slogan
- Reminder that the Legislature will be deciding on the City's wastewater funding request in the coming days as the session concludes

COMMITTEE / COUNCIL REPORTS

Councilor President Hokanson

- Optimism regarding the work of the new firm retained by the City for wastewater communications
- Desire for changes to SandyNet's rate structure, particularly because of the relatively low commercial rates currently in place

Councilor Hanley

(none)

Councilor Ramseyer

- Recap of the recent Transit Advisory Board meeting, the new transit operations contractor, the new general manager, and new bus wraps. Ridership rates are improving
- Note of the upcoming Longest Day Parkway event
- Praise for improving conditions on Industrial Way
- Praise for the visibility of police in the community

Councilor Sheldon

- Recap of the recent Economic Development Advisory Board meeting

Councilor Smallwood

(none)

Councilor Mayton

- Recap of the recent Economic Development Advisory Board meeting
- Optimism regarding the work of the new firm retained by the City for wastewater communications

Mayor Walker

- Optimism regarding the work of the new firm retained by the City for wastewater communications; emphasis on the need for consistent talking points
- Note of the upcoming Longest Day Parkway event
- Note that she will appear on the upcoming Mayor Monday segment on KOIN
- Praise for police presence at Cedar Park
- Recap of the recent Library Task Force meeting at which she pushed for more equity in district funding for rural cities
- Recap of the recent Economic Development Advisory Board meeting, and the need to address commercial vacancies

STAFF UPDATES

Monthly Reports: <https://reports.cityofsandy.com/>

ADJOURN

DRAFT

SandyNet Comparable Rates
1 GB Residential (Monthly)

Local ISP Name	Monthly \$
Starlink	120.00
HughesNet	64.99
Astound	91.93
Ziply	60.00
SandyNet - current	59.95
SandyNet - proposed	67.00



STAFF REPORT

Item # 3.

Meeting Type: City Council
Meeting Date: July 21, 2025
From: Tyler Deems, City Manager
Subject: Resolution 2025-25: Formalizing Utility Billing Practices for City Accounts

DECISION TO BE MADE:

Formalize the direction provided by the City Council to reduce utility costs associated with the Bornstedt Park splash pad, while also formalizing the City's utility billing practices for City utility accounts.

APPLICABLE COUNCIL GOAL:

- **Goal 5.4** – Identify strategies to reduce utility costs associated with the Bornstedt Park splash pad.

BACKGROUND / CONTEXT:

The City of Sandy has historically treated itself like any other utility customer, charging the same utility rates for all city buildings, facilities, parks, and open spaces. Recent utility rate increases have made it extremely expensive to operate the Bornstedt Park splash pad and irrigate lawns in our parks and open spaces, both of which have a direct benefit to the public. In an effort to stabilize costs within the Parks Maintenance budget, specifically the utility charges, the City Council adopted Council Goal 5.4 – Identify strategies to reduce utility costs associated with the Bornstedt Park splash pad.

Staff implemented this goal and developed a strategy within the Biennium 2025-27 budget which discontinues the practice of charging the splash pad and irrigation in our parks and open spaces to ensure that these public amenities remain in good working order, while not needing to reduce hours of operation or cutting other vital public services.

Utility charges for the Bornstedt Park splash pad in fiscal year 2025 totaled \$32,354. To continue to operate at the same level of service, a severe reduction in the hours of the operation or a new fee would have been needed to balance the budget.

While researching options, staff realized that there was no formal process outlining how City utility accounts are billed. Resolution 2025-25 formalizes our internal billing practices for City utility accounts, while also identifying exemptions, specifically for parks and open spaces that provide a direct public benefit and do not have a City building/facility where staff conduct business.

KEY CONSIDERATIONS / ANALYSIS:

Staff begin to realize in the Biennium 2025-27 budget planning process that the utility costs associated with operating these public spaces were increasing so rapidly that a change needed to be implemented in order to continue to offer the same level of service that the community has come to expect. The higher utility rates, coupled with warmer, drier weather, which has increased water and wastewater usage, has become a significant challenge for the Parks Maintenance Department to financially manage.

The Council adopted a goal in early 2025 directing staff to identify solutions. After reaching out to several other cities, we learned that there is no consistent practice. Several cities do not charge any utility rates for city accounts, some charge for specific types of accounts, while others charge all city accounts in a similar manner to what Sandy has done. With no consistent practice across cities, staff reviewed our accounts and is proposing the following change:

- No longer charge water, wastewater, stormwater, fiber internet, or public safety fee for any accounts designated as parks and open spaces.

To be clear, there is no change being proposed to how City buildings, offices, and other facilities are being billed. These locations (City Hall, Library, Community Center, pump stations, etc.) will continue to be treated as any other utility account. This resolution only makes changes to utility accounts designated as parks and open spaces, which offer a direct public benefit. The impact of this resolution reduces utility changes in the Parks Maintenance Department by approximately \$100,000, allowing for a larger repairs and maintenance budget to improve park assets throughout the City. The resulting decrease in revenue in the utility funds, specially water and wastewater, is negligible and will not have an impact on the financial standing of those funds.

BUDGET IMPACT:

None. The reduction in expenses for Parks Maintenance and reduction in revenue for the utility funds is already reflected in the biennium 2025-27 budget.

RECOMMENDATION:

Staff recommends approving Resolution 2025-25 to accomplish Council goal 5.4, which will reduce specific utility charges in City parks and open spaces and formalize the City's utility billing practices for other City utility accounts.

SUGGESTED MOTION LANGUAGE:

"I move to approve Resolution 2025-25."

LIST OF ATTACHMENTS / EXHIBITS:

- Resolution 2025-25



RESOLUTION NO. 2025-25

A RESOLUTION ADOPTING THE POLICY OF UTILITY CHARGES FOR CITY ACCOUNTS.

WHEREAS, the City of Sandy provides utility services, including water, wastewater, stormwater, and fiber internet, and public safety services; and

WHEREAS, the City of Sandy currently charges itself the same rates and fees as all other accounts are charged for these services at all City locations; and

WHEREAS, the City of Sandy provides numerous parks and public spaces that require the services noted above, and the costs of operating these spaces have continued to rise in recent years and pose a direct threat to the continuance of providing services in parks and public spaces; and

WHEREAS, the City Council of the City of Sandy adopted its 2025-27 Council Goals, which include Goal 5.4: Identify strategies to reduce the costs associated with the Bornstedt Park Splash Pad; and

WHEREAS, it appears to the City Council that the public benefit provided by parks and public spaces warrants exempting those spaces from such charges.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANDY:

Section 1: The City of Sandy will no longer charge itself water, wastewater, stormwater, and fiber internet utility or public safety fee charges for those certain City accounts as specified in Section 2.

Section 2: The City of Sandy accounts no longer subject to these fees and charges are all City facilities in locations designated as parks and open spaces, except that any such facilities which include offices where City of Sandy business is regularly conducted shall continue to be subject to said fees and charges.

Section 3: The City Manager is authorized and directed to implement the necessary account and billing modifications as designated above.

This resolution is adopted by the City Council of the City of Sandy this 21st day of July, 2025.

Kathleen Walker, Mayor

ATTEST:

Jeffrey Aprati, City Recorder

To: Officer Jordan Ferguson

From: Lieutenant Samuel Craven

RE: Life Saving Medal

On Friday July 11th, 2025, Officer Jordan Ferguson responded to a report of a 22-year-old male who had lost consciousness. This happened outside of the city limits of Sandy, and while Officer Ferguson was on his way into work. Officer Ferguson was actively monitoring his radio, ready to assist, and was the first responder on scene. Officer Ferguson immediately began chest compressions until medical personnel arrived.

Clackamas Fire Lieutenant Mike Gasperson said, *"I wanted to pass along details from a recent cardiac arrest call that Engine 308 and Squad 319 responded to at the Carver Store. The patient was a 22-year-old male who was with his sister purchasing ice for a river float when he suddenly collapsed inside the store."*

Officer Jordan Ferguson arrived within minutes and immediately began high-quality CPR. He continued compressions for multiple rounds before we arrived. As the incident progressed, we delivered a total of four shocks, including a dual sequential defibrillation, which resulted in an immediate ROSC.

There's no question that Officer Ferguson's actions were instrumental in this outcome. His quick response and high-quality CPR gave this young man the best possible chance of survival. I wanted to make sure his efforts were recognized, as he truly went above and beyond."

Sandy Police Department policy allows for a lifesaving medal to be awarded to any police department employee that performs an exceptional act under emergency conditions wherein a service is rendered that results directly to sustaining a human life. Officer Ferguson, it is with great pride that I award you this life saving medal for your action on July 11th, 2025. Congratulations, and thank you for your dedicated service!

Respectfully,

Samuel Craven

Lieutenant



STAFF REPORT

Item # 5.

Meeting Type: City Council
Meeting Date: July 21, 2025
From: Josh Soper, City Attorney
Kelly O'Neill Jr., Development Services Director
AJ Thorne, Public Works Director
Subject: PUBLIC HEARING: Ordinance 2025-17 - Alternative Wastewater Systems

DECISION TO BE MADE:

Hold a legislative public hearing to review and take comments on the proposed code amendments to Title 17: [Chapter 17.12](#) – Procedures for Decision Making and [Chapter 17.84](#) – Improvements Required with Development of the Sandy Municipal Code and decide whether to adopt Ordinance No. 2025-17.

APPLICABLE COUNCIL GOAL:

- **7.8:** Explore possible alternative wastewater treatment systems to facilitate targeted economic development under the moratorium.

BACKGROUND / CONTEXT:

The City first enacted a development moratorium relating to capacity issues with its wastewater treatment system on October 3, 2022 (Moratorium 1.0). Since that time, the City has periodically enacted replacement moratoria as circumstances change, generally to loosen restrictions or provide improved flexibility as much as possible.

Additionally, as initially discussed with the City Council on November 4, 2024, ([meeting link](#)) and then again on March 17, 2025, ([meeting link](#)) staff is seeking to implement alternative wastewater systems municipal code modifications to facilitate targeted economic development while the moratorium is in effect.

Amongst other inquiries, City staff have been contacted by two industrial property owners at the intersection of Industrial Way and Champion Way that want to construct structures. Both of the sites would provide living wage jobs in Sandy and at least one of the sites would align with a desired growth sector as identified in Goal 3 of the [Economic Development Strategic Plan](#) (metals manufacturing). Without consideration of alternative wastewater treatment systems during the sanitary sewer moratoria there could be several sites that will not develop, and thus potentially limit the expansion of living wage jobs in Sandy.

As required by state law, City staff notified the Department of Land Conservation and Development (DLCD) of the proposed code amendments on May 21, 2025.

KEY CONSIDERATIONS / ANALYSIS:

The attached ordinance addresses such issues as:

1. What types of systems would be allowed? Porta-potties and greywater systems have been identified as the most likely system types to be proposed. However, there is also a mechanism for other types of systems to be considered as detailed in Section 17.84.70.E.2.
2. What review process would be required? There is a more streamlined review for porta-potties and greywater systems, while a more robust review is required for other system types that may be proposed. All requests will be processed as a Type IV procedure in accordance with Chapter 17.12, thus requiring quasi-judicial public hearings before the Planning Commission and the City Council. The review process is listed in Section 17.12.40.D.9. and Section 17.84.70.D.
3. What approval criteria will be used to analyze requests from developers and business owners? Because alternative wastewater systems would not be allowed for residential uses, state law does not require that the criteria be clear and objective. It's therefore recommended that the criteria are discretionary in nature to ensure that the City's objectives are met under this program. Criteria for approval are proposed in Section 17.84.70.E.
4. What would be required for future connection to the City's system and how would this be enforced? The requirements depend on the type of system being installed because it may be advantageous to the City for some types of systems to remain in place even after public sewer capacity becomes available. Conditions of approval are proposed in Section 17.84.70.F. and enforcement of the future connection is proposed in Section 17.84.70.G.
5. What are the application requirements? The applicant will be required to submit materials as detailed in Section 17.84.70.C. The fee for processing the alternative wastewater treatment systems request will be a Type IV public hearing review fee plus a three percent technology fee for a total fee of \$2,251.58 (current fee schedule but subject to future increase).

BUDGET IMPACT:

City Attorney charges

RECOMMENDATION:

Adopt Ordinance No. 2025-17 to amend Title 17, Chapter 17.12 – Procedures for Decision Making and Chapter 17.84 – Improvements Required with Development of the Sandy Municipal Code as recommended by the Planning Commission at their meeting on June 30, 2025.

The Planning Commission also recommended the following two amendments for the City Council's consideration:

- 1) Modify Section 17.84.70.F.7. to require that porta-potties are cleaned at least twice a week.
- 2) Modify Section 17.84.70.E.1.b. to broaden the allowance for commercial and industrial uses where the general public is received. Note: The examples that were mentioned by the Planning Commission were auto parts stores and convenience stores.

If the City Council would like to amend Ordinance No. 2025-17 as recommended by the Planning Commission the motion should include language to modify the two sections as stated above.

SUGGESTED MOTION LANGUAGE:

"I move to approve the first reading of Ordinance No. 2025-17."

LIST OF ATTACHMENTS / EXHIBITS:

- Attachment 1. Ordinance No. 2025-17
 - Exhibit A. Code Amendments
 - Exhibit B. Findings



ORDINANCE NO. 2025-17

AN ORDINANCE AMENDING CHAPTERS 17.12 AND 17.84 RELATED TO ALTERNATIVE WASTEWATER SYSTEMS

WHEREAS, the City of Sandy is currently under a development moratorium enacted pursuant to ORS 197.510 et seq., relating to a lack of capacity in its wastewater system; and

WHEREAS, the City has received requests from property and business owners to consider allowing alternative wastewater systems during the moratorium as a means of enabling certain limited types of development to occur without impacting the City's sanitary sewer system; and

WHEREAS, as a result of those requests, staff developed an outline of potential terms under which such a program could operate and discussed this issue in a public work session with the City Council on March 17, 2025; and

WHEREAS, based on the direction received at that work session, staff prepared this ordinance, which would amend the City's development code to allow the issuance of permits for alternative wastewater systems under certain circumstances; and

WHEREAS, the Planning Commission held a public hearing on June 30, 2025, allowing the public an opportunity to provide testimony on the proposed code amendments; and

WHEREAS, the City Council held a public hearing on July 21, 2025, allowing the public an opportunity to provide testimony on the proposed code amendments.

NOW, THEREFORE, THE CITY OF SANDY ORDAINS AS FOLLOWS:

Section 1: Title 17 Development Code, Chapters 17.12 and 17.84, are hereby amended as reflected in Exhibit A, attached to this ordinance and incorporated by reference.

Section 2: This ordinance is supported by findings, attached as Exhibit B, and incorporated by reference.

Section 3: This ordinance shall take effect thirty days after it is adopted by the City Council.

This ordinance is adopted by the City Council of the City of Sandy this 21st day of July, 2025.

Kathleen Walker, Mayor

ATTEST:

Jeffrey Aprati, City Recorder

DRAFT

Sec. 17.12.40. - Type IV.

Type IV decisions are usually legislative but may be quasi-judicial.

Type IV (Quasi-Judicial) procedures apply to individual properties. This type of application is generally considered initially by the Planning Commission with final decisions made by the City Council.

Type IV (Legislative) procedures apply to legislative matters. Legislative matters involve the creation, revision, or large-scale implementation of public policy (e.g., adoption of land use regulations, zone changes, and comprehensive plan amendments that apply to entire districts, not just one property). Type IV matters are typically considered first by the Planning Commission with final decisions made by the City Council. Occasionally, the Planning Commission will not consider a legislative matter prior to its consideration by the City Council.

Applications processed under a Type IV procedure involve a public hearing pursuant to the requirements of Chapter 17.20. Notification of this public hearing shall be noticed according to the requirements of Chapter 17.22 with appeal of a Type IV decision made to the state Land Use Board of Appeals according to the provisions of Chapter 17.28.

- A. The City Council shall consider the recommendation of the Planning Commission and shall conduct a public hearing pursuant to Chapter 17.20. The Director shall set a date for the hearing. The form of notice and persons to receive notice are as required by the relevant sections of this Code. At the public hearing, the staff shall review the report of the Planning Commission and provide other pertinent information, and interested persons shall be given the opportunity to present new testimony and information relevant to the proposal that was not heard before the Planning Commission and make final arguments why the matter should or should not be approved and, if approved, the nature of the provisions to be contained in approving action.
- B. To the extent that a finding of fact is required, the City Council shall make a finding for each of the applicable criterion and in doing so may sustain or reverse a finding of the Planning Commission. The City Council may delete, add or modify any of the provisions pertaining to the proposal or attach certain development or use conditions beyond those warranted for compliance with standards in granting an approval if the City Council determines the conditions are appropriate to fulfill the criteria for approval.
- C. To the extent that a policy is to be established or revised, the City Council shall make its decision after information from the hearing has been received. The decision shall become effective by passage of an ordinance.
- D. Types of Applications:
 1. Appeal of Planning Commission decision.
 2. Comprehensive Plan text or map amendment.
 3. Zoning District Map changes.
 4. Village Specific Area Plan (master plan).
 5. Annexations.
 6. Extension of City Services Outside the City Limits.
 7. Vacating of Public Lands and Plats.
 8. Zoning Map Overlay Districts.
 9. [Alternative Wastewater System Permits.](#)

- E. *Timing of Requests.* The City accepts legislative requests twice yearly, in March and September. The City Council may initiate its own legislative proposals at any time.

Sec. 17.84.60. - Public facility extensions.

- A. All development sites shall be provided with public water, sanitary sewer, broadband (fiber), and storm drainage and shall meet the following requirements:
1. The required improvements shall be installed at the expense of the developer.
 2. Public water facilities shall meet the requirements of Title 13 of the Sandy Municipal Code and the 2022 City of Sandy Water System Master Plan and shall be designed in conformance with the City of Sandy Water Service Utility Standard Details.
 3. Sanitary sewer facilities shall meet the requirements of Title 13 of the Sandy Municipal Code and shall be designed in conformance with the City of Sandy Sewer Service Utility Standard Details.
 4. Storm drainage facilities meet the requirements of Title 13 of the Sandy Municipal Code and the City of Portland Stormwater Management Manual, as adopted by the City of Sandy, and shall be designed in conformance with the City of Sandy Stormwater Utility Standard Details.
- B. Where necessary to serve property as specified in A. above, required public facility installations shall be constructed concurrent with development, and shall be completed prior to issuance of a Certificate of Occupancy.
- C. Off-site public facility extensions necessary to fully serve a development site and abutting properties, as shown in the utility plan, shall be constructed concurrent with development.
1. If requested by the applicant, the City Engineer or designee may approve an alternative to the off-site public facility extensions required under Subsection C., based upon information submitted by the applicant showing that the extensions which would otherwise be required by this code would not be reasonably related or roughly proportional to the impact of the proposed development, as determined by the City.
- D. Public facilities installed concurrent with development of a site shall be extended through the site and extended or stubbed out to adjacent undeveloped land or to a point in the street that allows for connection with adjacent property(ies). If abutting land has an approved tentative plat, public facilities shall align with public facilities in the approved tentative plat.
- E. Private on-site sanitary sewer and storm drainage facilities shall only be considered [either as described in Section 17.84.70, or](#) if all the following conditions exist:
1. Extension of a public facility through the site is not necessary for the future development of adjacent properties;

2. The development site remains in one ownership and land division does not occur (with the exception of land divisions that may occur under the provisions of 17.84.50.E.7. or 17.84.50.F.5., above);
3. The facilities are designed and constructed in accordance with the Uniform Plumbing Code and other applicable codes, and permits and/or authorization to proceed with construction is issued prior to commencement of work.

Sec. 17.84.70. – Alternative wastewater systems.

A. Purpose. The purpose of Section 17.84.70 is to provide a means by which certain types of development may obtain a permit to allow use of an alternative wastewater system in lieu of connecting to the City's sanitary sewer system as otherwise required by this code.

B. Definitions. As used in Section 17.84.70, the following terms are defined as follows:

1. "Alternative wastewater system" means a system which provides for the collection and treatment or reuse of sanitary waste and/or wastewater by a means other than through connection to the City's sanitary sewer system. It includes, but is not limited to, greywater systems and portable restrooms.
2. "Associated use" means the use on the subject property which produces sanitary waste and/or wastewater which will flow into an alternative wastewater system.
3. "Greywater system" means a system which collects wastewater for reuse for non-potable purposes such as irrigation.
4. "Portable restroom" means a movable, self-contained toilet which is not connected to the City's sanitary sewer system and which collects sanitary waste and/or wastewater for off-site disposal.
5. "Sanitary waste" means waste from toilets, urinals, and similar devices.
6. "Wastewater" means water which has been used for shower, sink, washing machine, and similar purposes, but does not include sanitary waste.

C. Application requirements. An application shall be made on forms provided by the Director. The application shall be accompanied by the following:

1. A narrative description of the proposed alternative wastewater system accompanied by site plans, technical specifications, and a screening plan when applicable.
2. A description of the operation and maintenance requirements for the proposed alternative wastewater system.
3. Payment of the alternative wastewater system permit fee established by resolution.
4. Such other information and materials as may be necessary to demonstrate compliance with the approval criteria in Subsection E.

D. Review Process. Alternative wastewater system permit applications will be processed as a Type IV decision.

E. Criteria for Approval.

1. All applications for an alternative wastewater system permit shall meet the following criteria:

- a. The alternative wastewater system will be located on a lot or parcel with a commercial, industrial, or community service use and will be used only in connection with a commercial, industrial, or community service use;
- b. If the associated use is commercial or industrial, the use is of a type where the public generally is not received;
- c. The alternative wastewater system will have no impact on the City's sanitary sewer system and will adequately protect against environmental contamination;
- d. Disposal of waste will occur entirely outside the City's sanitary sewer system;
- e. The alternative wastewater system, including its operation and maintenance program, is adequate to meet the wastewater character and volumes of the associated use;
- f. The alternative wastewater system will be fully screened from view from public right-of-way and adjacent properties; and
- g. The proposed alternative wastewater system complies with all applicable federal, state, and local laws, including but not limited to the Americans with Disabilities Act.

2. In addition to the criteria specified in Subsection (E)(1), an application for an alternative wastewater system permit seeking approval for an alternative wastewater system other than a portable restroom or greywater system shall meet the following criteria:

- a. The alternative wastewater system proposal, taken as a whole, is not materially detrimental or injurious to the public welfare or the surrounding area; and
- b. The associated use is identified as a target industry in the City's Economic Development Strategic Plan or otherwise advances the goals of the Economic Development Strategic Plan.

F. Conditions of Approval. Any approval of an alternative wastewater system permit will be subject to the following conditions of approval:

- 1. Prior to certificate of occupancy, the applicant shall install all interior plumbing and fixtures required by the building code (e.g. toilets, urinals, sinks, etc.), all sanitary sewer infrastructure otherwise required by this code, and all infrastructure necessary for the associated use to connect to the City's sanitary sewer system, up to the point of connection in the public right-of-way or a public utility easement, but no connection may be made until authorized by the City in writing.

2. When the alternative wastewater system includes portable restrooms, the applicant shall remove all portable restrooms from the property and connect to the City's sanitary sewer system within ninety (90) calendar days after written notice from the City.
 3. Grey water systems may remain in place for the useful life of the system. Substantial replacement of a greywater system will require a new alternative wastewater system permit.
 4. Alternative wastewater systems other than portable restrooms and greywater systems are subject to the requirements of Subsection (F)(2) or (F)(3) as specified by the City Council based on an evaluation of the nature of the alternative wastewater system.
 5. Sanitary sewer system development charges are due and payable at the time of issuance of any permits required for connection to the City's sanitary sewer system, or upon such connection, whichever occurs sooner.
 6. The property owner shall record a deed restriction, in a form approved by the City Attorney, obligating the property owner and all successors to comply with Subsections (F)(2) through (5) and setting forth the penalties described in Subsection (G).
 7. The alternative wastewater system shall be operated and maintained in accordance with the approved proposal.
 8. Such other conditions of approval as the City Council may determine necessary to ensure compliance with the approval criteria and the purposes of Section 17.84.70.
- G. Enforcement. In addition to and not in lieu of enforcement under Chapter 17.06 for any violation of Section 17.84.70, if a property owner fails to connect to the City's sanitary sewer system as described in Subsection (F)(2) through (4), the City may at its option perform or cause to be performed the work required to effectuate the connection at the property owner's sole cost and expense. The City shall notify the property owner in writing of the final cost within thirty (30) calendar days after completing the work, and the property owner shall submit payment in full within thirty (30) calendar days after the date the City sends such notice by U.S. mail to the owner's address reflected in the property records of Clackamas County. Any amounts unpaid after such date shall become a lien upon the real property and shall be recorded in the City lien docket. That lien shall have priority over all other liens and encumbrances of any character. The lien shall accrue interest at the rate applicable for municipal assessment liens from the date of docketing until clearance. The lien may be foreclosed on and the property sold as may be necessary to discharge the lien in the manner specified in ORS 223.505 through 223.595.

Ordinance 2025-17 Findings

Goal 1: Citizen Involvement

This goal calls for "the opportunity for citizens to be involved in all phases of the planning process."

Findings: The City held public hearings before both the Planning Commission and City Council to afford the public the opportunity to be involved. Notice of the two hearings was published in the Sandy Post, posted on the City's website, and on the City Facebook account. Notice was provided to the Department of Land Conservation and Development on May 21, 2025.

Conclusion: *Goal 1 Public Involvement requirements are met.*

Goal 2: Land Use

This goal requires each local government in Oregon to have and follow a comprehensive land use plan and implementing regulations. Cities and counties must build their comprehensive plans on a factual base and follow their plan when making decisions on appropriate zoning.

Findings: The proposed alternative wastewater systems code amendments show that the City is continuing to seek alternative actions during the sanitary sewer moratoria. Allowing alternative wastewater systems for limited types of development validates the City's decision making to mitigate the negative impact on the City's economic goals, while providing continued support to the development community and business owners.

Conclusion: *Goal 2 Land Use requirements are met.*

Goal 9: Economic Development

This goal requires cities to provide adequate opportunities for a variety of economic activities vital to the health, welfare, and prosperity of their citizens. Cities comply with Goal 9 through analysis of economic development needs and inventories of related land supplies.

Findings: The proposed alternative wastewater systems ordinance will assist with economic development growth which is critical to meet future economic development needs as outlined in the 2024 Economic Opportunities Analysis (EOA). The proposed code amendments provide the development community and business owners with an approval process for limited types of development that would otherwise not be possible during the sanitary sewer moratoria.

Conclusion: *Goal 9 Economic development requirements are met.*

Goal 11: Public Facilities

This goal is to establish policies to plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

Findings: The City's comprehensive plan contains an acknowledged Goal 11 element that contains policies to ensure sufficient and adequate public services are available (or will be available as appropriate) to serve lands within the UGB. This alternative wastewater systems option during the moratorium is a means of enabling certain limited types of development to occur without impacting the City's sanitary sewer system. Therefore, this ordinance will not be in violation of the moratorium and will not place any additional burdens on the sanitary sewer treatment system than what is already anticipated.

Conclusion: *Goal 11 Public Facilities requirements are met.*

Goal 12: Transportation

This goal is to establish policies to provide and encourage a safe, convenient, and economic transportation system.

Findings: The City's Comprehensive Plan with respect to Goal 12, its transportation system plan, and its standards governing transportation and transportation-related facilities are not affected by this decision. The City's comprehensive plan contains an acknowledged Goal 12 element that contains policies to ensure sufficient and adequate transportation facilities and services are available (or will be available as appropriate) to serve lands within the UGB. This alternative wastewater systems ordinance would enable some industrial and commercial land to be developed, thus prompting frontage improvements, including additional sidewalks in Sandy.

Conclusion: *Goal 12 Transportation requirements are met.*



STAFF REPORT

Item # 6.

Meeting Type: City Council
Meeting Date: July 21, 2025
From: Kelly O'Neill Jr., Development Services Director
Josh Soper, City Attorney
Subject: PUBLIC HEARING: Ordinance 2025-16 - Flood and Slope Hazard (FSH)
Overlay District Text Amendments

DECISION TO BE MADE:

Hold a legislative public hearing to review and take comments on the proposed code amendments to [Title 17, Chapter 17.60 – Flood and Slope Hazard \(FSH\) Overlay District](#) of the Sandy Municipal Code and decide whether to adopt Ordinance No. 2025-16.

FEMA was required to implement changes to the National Flood Insurance Program (NFIP) related to the Endangered Species Act (ESA). Since the City of Sandy participates in the NFIP, the City has mandatory compliance requirements.

APPLICABLE COUNCIL GOAL:

- **6.9:** Ensure compliance with state legislative and regulatory mandates through code amendments that are responsible and reflect the community's values.

BACKGROUND / CONTEXT:

The City of Sandy has floodplain regulations that apply to development within the Flood and Slope Hazard (FSH) Overlay District. The Flood and Slope Hazard (FSH) Overlay District regulations are in [Chapter 17.60 of the City of Sandy Municipal Code](#). The FSH Overlay District is an overlay zone classification defining areas subject to periodic flooding or inundation which can result in property harm or loss, disruption of public services, hazards for public health, or added expense for public services.

Compliance with floodplain development regulations is reviewed through the land use review and building permitting process, with review responsibility by the Development Services Department and Public Works Department. The Floodplain Administrator for the City of Sandy is the Development Services Director. All conditions and restrictions of land use established by Chapter 17.60 are in addition to such restrictions and conditions as may be imposed and established in underlying zoning districts.

The City has adopted FEMA's 100-year floodplain maps. Anyone may view the floodplain layers on the FEMA website under - [Flood Map Service Center](#) - that shows the City of Sandy's map area number as **41005C0094E** that became effective on January 18, 2019. The City of Sandy uses the combination of the Flood and Slope Hazard (FSH) Overlay District and FEMA's 100-year floodplain as the basis for determining flood hazard.

Pursuant to the result of a 2007 lawsuit and a 2016 Biological Opinion from National Marine Fisheries Services, FEMA must develop reasonable alternatives to its current floodplain regulations and implement changes to the National Flood Insurance Program (NFIP), to address Endangered Species Act (ESA) - listed species (Attachment 1). Since the City of Sandy participates in the NFIP, the City has mandatory compliance requirements. The City of Sandy's ongoing participation in the NFIP is critical, as it provides access to flood insurance for property owners, renters, and businesses. In the City of Sandy there are currently twelve (12) NFIP policies in force representing \$2,887,000 in coverage.

KEY CONSIDERATIONS / ANALYSIS:

The first stage of FEMA's compliance plan begins with Pre-Implementation Compliance Measures, or PICMs. Local governments participating in the NFIP were required to inform FEMA of their selection of one of the three following PICM options by December 1, 2024:

1. Adopt the FEMA model ordinance;
2. Require a habitat assessment and mitigation plan for development on a permit-by-permit basis; or
3. Prohibit development in the Special Flood Hazard Area.

Based on input and recommendations from the City Attorney, City staff sent FEMA the selection to assess floodplain development requests on a permit-by-permit basis on November 18, 2024. Included in that correspondence was that the City would adopt new municipal code language by FEMA's final compliance deadline of July 31, 2025. City staff, with the City Attorney's direction, have drafted amendments to Sandy Municipal Code 17.60 Flood Slope Hazard (FSH) Overlay District (Attachment 2, Exhibit A) to implement the permit-by-permit review option in a clear and objective manner.

In addition to the usual notices provided in conjunction with a legislative land use hearing, City staff provided individual Measure 56 notices to all affected property owners in accordance with ORS 227.186. The Measure 56 notice was sent on June 9, 2025.

Staff have included some additional information on what the FEMA terms and requirements mean.

What is a mitigation assessment?

A mitigation assessment must achieve three goals:

1. Describe the existing site conditions where the proposed development and impacts are expected to occur.
2. Describe the project and its impact to the floodplain functions within the Special Flood Hazard Area.
3. Identify mitigation required to achieve no net loss.

The intention of a mitigation assessment is to demonstrate compliance with the Endangered Species Act (ESA) and the Pre-Implementation Compliance Measures requirements. ESA compliance measures require No Net Loss of three (3) floodplain functions essential to the survival of ESA-listed species under the jurisdiction of National Marine Fisheries Service within the implementation area, the establishment of riparian buffer zones (RBZ) measured from the Ordinary High-Water Mark (OHWM) of a fresh waterbody and the Mean Higher-High Waterline (MHHW) from a tidally-influenced waterbody, and beneficial gain requirement for development that is located within the RBZ.

What does 'No Net Loss' mean?

No net loss is defined as any development action resulting in negative impacts to one or more key floodplain functions (i.e. floodplain storage, water quality, and vegetation) that are then mitigated or avoided to offset said impacts. No net loss is primarily achieved through mitigation, but practicing avoidance and minimization can lessen the impact of development and the amount of mitigation required to achieve compliance.

When is a mitigation assessment required?

A mitigation assessment is required whenever a development project is proposed in the Special Flood Hazard Area in the City of Sandy. Under the permit-by-permit approach the property owner must obtain a permit for development within the floodplain. The mitigation assessment must identify existing site conditions before development occurs, describe the impact of the proposed development on existing floodplain and instream habitat functions, and identify mitigation required to achieve no net loss.

What projects and activities are exempt from 'No Net Loss' standards?

1. Maintenance of structures, such as re-roofing and replacing siding, provided there is no change in the footprint or expansion of the roof of the structure;
2. Street, sidewalk, and road maintenance, including filling potholes, repaving, and installing signs and traffic signals, that do not alter contours (this does not include expansion of paved areas);
3. Maintenance of landscaping that does not involve grading, excavation, or fill;
4. Routine agricultural practices such as tilling, plowing, harvesting, soil amendments, and ditch cleaning that does not alter the ditch configuration provided the spoils are removed from a special flood hazard area or tilled into fields as a soil amendment;
5. Routine silviculture practices (harvesting of trees), including hazardous fuels reduction and hazard tree removal so long as root balls are left in place;
6. Removal of noxious weeds and hazard trees, and replacement of non-native vegetation with native vegetation;
7. Maintenance of above ground utilities and facilities, such as replacing downed power lines and utility poles provided there is no net change in footprint;
8. Maintenance of a levee or other flood control facility prescribed in the operations and maintenance plan for the levee or flood control facility;
9. Habitat restoration activities; and,
10. Preemptive removal of documented susceptible trees to manage the spread of invasive species.

BUDGET IMPACT:

City Attorney charges

RECOMMENDATION:

Adopt Ordinance No. 2025-16 to amend Title 17, Chapter 17.60 – Flood and Slope Hazard (FSH) Overlay District of the Sandy Municipal Code as recommended by the Planning Commission at their meeting on June 30, 2025.

SUGGESTED MOTION LANGUAGE:

“I move to approve the first reading of Ordinance No. 2025-16.”

LIST OF ATTACHMENTS / EXHIBITS:

- Attachment 1. FEMA Community PICM Letter to City of Sandy
- Attachment 2. Ordinance No. 2025-16
 - Exhibit A. Code Amendments
 - Exhibit B. Findings
- Attachment 3. Presentation Slides

**FEMA**

July 15, 2024

Stan Pulliam
City Hall
39250 Pioneer Boulevard
Sandy, Oregon 97055

Dear Stan Pulliam:

The purpose of this letter is to announce the start of the United States Department of Homeland Security's Federal Emergency Management Agency's (FEMA) Pre-Implementation Compliance Measures (PICM) for National Flood Insurance Program (NFIP) participating communities in Oregon. The intent of PICM is to ensure the continued existence of threatened or endangered species in compliance with the Endangered Species Act (ESA). These measures include coordination with communities to provide appropriate technical assistance, help identify available resources, deliver trainings, and facilitate workshops to ensure on-going community participation in the NFIP. These pre-implementation compliance measures will assist communities in preparing for the Final NFIP-ESA Implementation Plan by helping them develop short and long-term solutions to ensure their on-going participation in the NFIP.

FEMA is currently conducting a National Environmental Policy Act (NEPA) evaluation of impacts associated with the Oregon NFIP-ESA Implementation Plan. FEMA developed this plan, in part, due to a Biological Opinion in 2016 from National Marine Fisheries Services. The Biological Opinion recommended specific measures for FEMA to take to avoid jeopardizing endangered species, including interim compliance measures. The release of the Final Implementation Plan (Plan) is anticipated by 2026, following the Record of Decision in the Environmental Impact Statement (EIS) process, then FEMA will fully implement the Plan in 2027.

FEMA has heard concerns from several communities regarding challenges they are facing to meet the expectations of this Plan. To provide communities with the support needed to incorporate ESA considerations to their permitting of development in the floodplain, FEMA will inform, educate, and support our Oregon NFIP participating communities through the PICM before the Final Implementation Plan is released.

NFIP participating communities in Oregon must select one of the PICM pathways which include the following: (1) adopt a model ordinance that considers impacts to species and their habitat and requires mitigation to a no net loss standard; (2) choose to require a habitat assessment and mitigation plan for development on a permit-by-permit basis; or (3) putting in place a prohibition on floodplain development in the Special Flood Hazard Area (SFHA). Communities must pick a PICM pathway by December 1, 2024. If a community fails to inform FEMA of its selection, they will default to the permit-by-permit PICM pathway. Communities will be required to report their floodplain development activities to FEMA beginning in January of 2025. Failure to report may result in a

compliance visit.

As a part of the PICM, FEMA will implement a delay in the processing of two types of Letters of Map Changes in the Oregon NFIP-ESA Implementation Plan area, specifically Letters of Map Changes associated with the placement of fill in the floodplain: Conditional Letter of Map Revision Based on Fill (CLOMR-F) and Letter of Map Revision Based on Fill (LOMR-F) requests. This action was specifically requested by NMFS in their 2016 Biological Opinion and serves to remove any perceived programmatic incentive of using fill in the floodplain. This delay in processing will begin on August 1, 2024, and will be in place until the Final Implementation Plan is released.

Your community's ongoing participation in the NFIP is critical, as it provides access to flood insurance for property owners, renters, and businesses. In City Of Sandy there are currently 12 of NFIP policies in force representing \$2887000 in coverage for your community.

FEMA will be conducting informational virtual webinars this summer to provide an overview and status update for the Oregon NFIP-ESA integration, introduce the Pre-Implementation Compliance Measures, and provide an opportunity for Oregon NFIP floodplain managers to ask questions of FEMA staff. In the fall, FEMA will hold workshops to provide in-depth opportunities for local technical staff to work with FEMA technical staff, to understand and discuss issues relating to the PICM.

The webinars will be held virtually over Zoom. The information at each webinar is the same so your jurisdiction only needs to attend one. You can register for a webinar using the links below.

- Wednesday, July 31 at 3-5pm PT: <https://kearnswest.zoom.us/meeting/register/tZEkc-murjstGdPJiFioethjRk-id8N-k0hj>
- Tuesday, August 13 at 9:30-11:30am PT: <https://kearnswest.zoom.us/meeting/register/tZAod-isrTsqGN0KqckRLPPeaZuu4rv96lcR>
- Thursday, August 15 at 2-4pm PT: https://kearnswest.zoom.us/meeting/register/tZlqcOGpqDojHtTXaa946aI9dMpCTcJIH_zt
- Wednesday, August 21 at 12:30-2:30pm PT: https://kearnswest.zoom.us/meeting/register/tZYqcuGsrD8rH9DZO22vG0v9KrNzVeUZA9g_y

FEMA will also develop a questionnaire to allow communities to identify how they currently incorporate or plan to incorporate ESA considerations, both in the short-term and long-term. To assist communities in making this determination, FEMA will be offering guidance on the potential pathways that help ensure current compliance. Communities will also be asked to help identify what technical assistance and training would be most beneficial. Feedback from this questionnaire will drive FEMA's engagement and outreach.

Upon completion of the Environmental Impact Statement review and determination, the Final Implementation Plan will be distributed along with several guidance documents and a series of Frequently Asked Questions. FEMA will also be starting NFIP Compliance Audits, in which we will be reviewing permits issued by communities for development in the floodplain and will expect the community to be able to demonstrate what actions are being taken to address ESA considerations.

If you have any questions, please contact us through our project email address fema-r10-mit-

PICM@fema.dhs.gov. Thank you for your community's on-going efforts to reduce flood risk in your community and for your support as we worked toward these milestones.

Sincerely,



Willie G. Nunn
Regional Administrator
FEMA Region 10

cc: KellyOneill, City Of Sandy
John Graves, Floodplain Management and Insurance Branch Chief
Deanna Wright, Oregon State National Flood Insurance Program Coordinator

Enclosure: Pre-Implementation Compliance Measures Fact Sheet

Oregon National Flood Insurance Program Endangered Species Act Integration

Pre-Implementation Compliance Measures Overview

Beginning this summer, FEMA will assist communities with coming changes to the National Flood Insurance Program (NFIP) in Oregon.

Why are the changes needed?

As the result of a Biological Opinion issued by the National Marine Fisheries Service, communities are required to demonstrate how floodplain development is compliant with the Endangered Species Act in Special Flood Hazard Areas. Changes are needed to protect the habitat of several species of fish and the Southern Resident killer whales to comply with the Endangered Species Act (ESA). FEMA outlined these changes in the [draft Oregon NFIP-ESA Implementation Plan](#).

Current status

FEMA is evaluating proposed changes to the NFIP outlined in the Implementation Plan through an environmental impact statement (EIS), in compliance with the National Environmental Policy Act (NEPA).



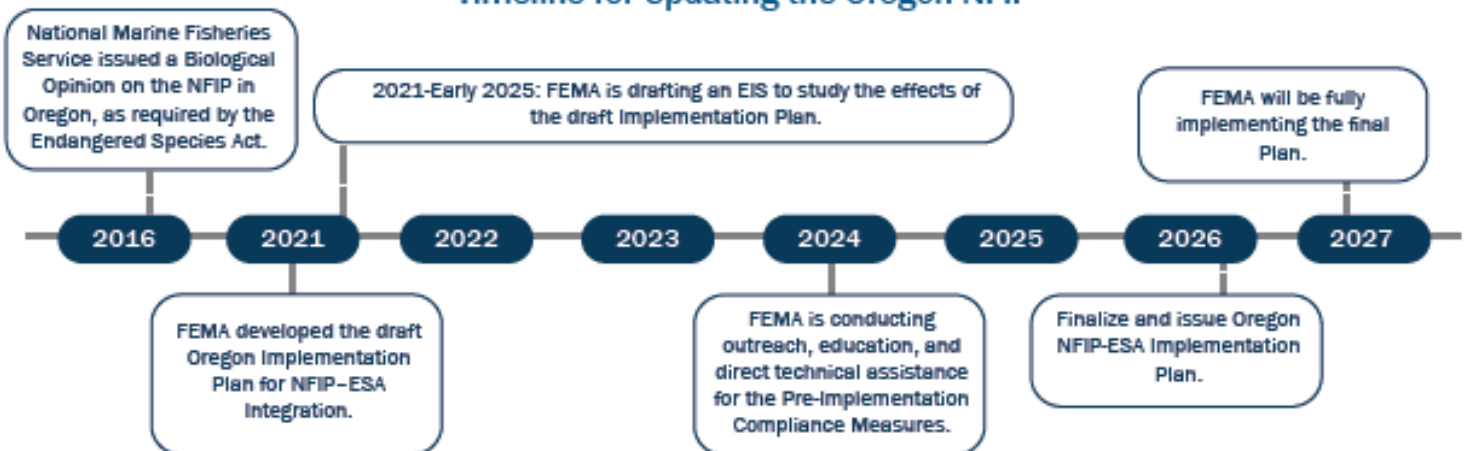
The National Flood Insurance Program serves to protect lives and property, while reducing costs to taxpayers due to flooding loss.

What is “no net loss”?

Any development action resulting in negative impacts to one or more key floodplain functions that are then mitigated or avoided to offset said impacts.

The Final Implementation Plan is anticipated by 2026 following the Record of Decision in the EIS process, then FEMA will fully implement the plan in 2027. Until then, communities need to begin taking action to protect habitat and achieve “no net loss.” FEMA is offering several resources for communities to learn more and implement interim measures, called Pre-Implementation Compliance Measures (PICMs).

Timeline for Updating the Oregon NFIP



What can communities do to comply with these changes?

Oregon communities participating in the NFIP can take short-term measures to comply with ESA requirements, known as PICMs. FEMA developed these measures in response to concerns from communities about the time and resources needed to meet requirements and ensure their future good standing in the NFIP. By implementing these measures now, communities will be better prepared for compliance audits, which will begin when the Final Implementation Plan is in place.

Communities can select one of the following three PICMs:

- Prohibit all new development in the floodplain.
- Incorporate the ESA into local floodplain ordinances.
- Require permit applicants to develop a Floodplain Habitat Assessment documenting that their proposed development in the Special Flood Hazard Area will achieve “no net loss.”

Communities must report to FEMA on their implementation of interim measures.

In addition to the above measures, as of August 1, 2024, FEMA is temporarily suspending processing applications for Letters of Map Revision based on Fill (LOMR-Fs) and Conditional Letters of Map Revision based on Fill (CLOMR-Fs) in NFIP communities to avoid potentially negative effects on ESA-listed species.

FEMA is here to support your community.

FEMA is offering several resources to assist communities in preparing for the Oregon NFIP-ESA Implementation Plan.

- **Informational Webinars (Summer 2024):** Learn about what FEMA is doing to revise the Implementation Plan and receive an introduction to the PICMs.
- **Questionnaire (Summer 2024):** Share what floodplain management measures your community is currently implementing to comply with the ESA, which PICMs you’re most interested in, and what support you need. Your feedback will help us plan the fall workshops and identify needs for technical assistance.
- **Workshops (Fall 2024):** Get an in-depth look at PICMs and talk through questions and concerns with FEMA staff.
- **Technical Assistance (Begins in Fall 2024):** Get support from FEMA to begin implementing PICMs.

Learn more and participate

Visit www.fema.gov/about/organization/region-10/oregon/nfip-esa-integration to read the latest information about NFIP-ESA Integration in Oregon.

You can also contact us at FEMA-R10-MIT-PICM@fema.dhs.gov



ORDINANCE NO. 2025-16

AN ORDINANCE AMENDING CHAPTER 17.60 FLOOD SLOPE HAZARD OVERLAY DISTRICT RELATED TO THE FLOODPLAIN REGULATIONS AND DECLARING AN EMERGENCY

WHEREAS, Title 17, Development Code of Sandy's Municipal Code (SMC), establishes requirements for development regulations in the City of Sandy; and

WHEREAS, Title 17, Chapter 17.60 – Flood and Slope Hazard (FSH) Overlay District includes floodplain regulations for the city of Sandy; and

WHEREAS, pursuant to a 2007 lawsuit, the National Marine and Fisheries Service (NMFS) issued a Biological Opinion requiring FEMA to develop reasonable and prudent alternatives (RPAs) to its current floodplain regulations and implement changes to the National Flood Insurance Program (NFIP) to address takings of Endangered-Species Act (ESA)-listed species in Oregon.; and

WHEREAS, the first stage of FEMA's compliance plan began with Pre-Implementation Compliance Measures (PICMs); and

WHEREAS, when FEMA issued the PICMs, FEMA stated that local governments participating in the NFIP were required to inform FEMA of their selection of one of the three following PICM options by December 1, 2024: prohibit all new floodplain development; assess floodplain development requests on a case-by-case basis; or adopt the FEMA model ordinance; and

WHEREAS, based on advice received from the City Attorney, two of the options presented by FEMA were not favorable and therefore City staff sent the selection to assess floodplain development requests on a case-by-case basis on November 18, 2024, prior to the deadline established by FEMA; and

WHEREAS, FEMA has required local governments to implement their selected PICM no later than July 31, 2025; and

WHEREAS, staff and the City Attorney have developed proposed code amendments intended to meet FEMA requirements while also complying with state law, including requirements relating to clear and objective standards; and

WHEREAS, the Planning Commission held a public hearing on June 30, 2025, allowing the public an opportunity to provide testimony on the proposed code amendments; and

WHEREAS, the City Council held a public hearing on July 21, 2025, allowing the public an opportunity to provide testimony on the proposed code amendments.

NOW, THEREFORE, THE CITY OF SANDY ORDAINS AS FOLLOWS:

Section 1: The amended Title 17 Development Code, Chapter 17.60, attached as Exhibit A to this Ordinance, is hereby adopted in its entirety and replaces the existing Chapter 17.60 of the Sandy Municipal Code (SMC).

Section 3: This ordinance is supported by findings, attached as Exhibit B, and incorporated by reference.

Section 2: To comply with the mandatory FEMA compliance deadline of July 31, 2025, an emergency is hereby declared and this ordinance shall take effect on July 31, 2025.

This ordinance is adopted by the City Council of the City of Sandy this 21st day of July, 2025.

Kathleen Walker, Mayor

ATTEST:

Jeffrey Aprati, City Recorder

DRAFT

Title 17 - DEVELOPMENT CODE
CHAPTER 17.60 FLOOD AND SLOPE HAZARD (FSH) OVERLAY DISTRICT

CHAPTER 17.60 FLOOD AND SLOPE HAZARD (FSH) OVERLAY DISTRICT¹

Sec. 17.60.00. Intent.

This chapter is intended to promote the public health, safety and general welfare by minimizing public and private adverse impacts from flooding, erosion, landslides or degradation of water quality consistent with Statewide Planning Goals 6 (Air, Land and Water Resources Quality) and 7 (Areas Subject to Natural Disasters and Hazards) and the Sandy Comprehensive Plan (SCP). This chapter is also intended to minimize public and private losses due to flooding in flood hazard areas by provisions designed to:

- A. Protect human life and health;
- B. Minimize expenditure of public money for costly flood control projects;
- C. Minimize the need for rescue and relief efforts associated with flooding and generally undertaken at the expense of the general public;
- D. Minimize prolonged business interruptions;
- E. Minimize damage to public facilities and utilities such as water and gas mains; electric, telephone and sewer lines; and streets and bridges located in flood hazard areas;
- F. Help maintain a stable tax base by providing for the sound use and development of flood hazard areas so as to minimize blight areas caused by flooding;
- G. Notify potential buyers that the property is in a Special Flood Hazard Area;
- H. Verify that development has achieved no net loss of key floodplain functions;
- ~~H.I.~~ Notify those who occupy flood hazard areas that they assume responsibility for their actions; and
- ~~I.J.~~ Participate in and maintain eligibility for flood insurance and disaster relief.

(Ord. No. 2024-01, § 1(Exh. A), 2-20-2024)

Sec. 17.60.10. Interpretation and mapping.

The Director has the ultimate responsibility for maintaining the FSH Overlay District on the City of Sandy Zoning Map, determining on-site measuring methods, and otherwise interpreting the provisions of this chapter. Technical terms used in this chapter are defined in Chapter 17.10, Definitions. This chapter does not regulate development on lots or parcels entirely outside the FSH Overlay District.

- A. *FSH Overlay District.* The only areas subject to the restrictions and prohibitions of the FSH overlay district are those indicated on the City of Sandy Zoning Map on file in the Planning Department and areas of special flood hazard identified by the Federal Insurance Administration in a scientific and engineering report entitled, "Flood Insurance Study (FIS) for Clackamas County, Oregon and

¹Editor's note(s)—Pre-republication, this chapter was last revised by Ord. No. 2019-01, effective January 7, 2019. Any amendments occurring post-republication have a history note in parenthesis at the bottom of the amended section.

Incorporated Areas," dated January 18, 2019, with accompanying Flood Insurance Rate Maps (FIRMs). This chapter does not regulate lots or parcels entirely outside the FSH Overlay District.

1. The FIS and FIRMs are hereby adopted by reference and declared to be a part of Section 17.60 and are on file at the City of Sandy.
- B. *Development Approval Required.* No development shall occur within the FSH overlay district without first obtaining City approval under the provisions of this chapter. The Director shall notify the Oregon Division of State Lands whenever any inventoried wetland is proposed for development, in accordance with ORS 227.350. In riverine situations, the Director shall notify adjacent communities and the State Coordinating Office prior to any alteration or relocation of a watercourse, and submit copies of such notification to the administrator.
- C. *Interpretation.* All provisions of the FSH overlay code shall be:
 1. Considered as minimum requirements;
 2. Liberally construed in favor of the governing body; and
 3. Deemed neither to limit nor repeal any other powers granted under state statutes.
- D. *Applicant Responsibilities.* The applicant for alteration or development within the FSH overlay district shall be responsible for preparing a survey of the entire site, based on site-specific field surveys or Corps of Engineers data that precisely maps and delineates the following areas:
 1. The name, location and dimensions of affected streams or rivers, and the tops of their respective banks.
 2. Area of Special Flood Hazard boundaries and elevations as determined by the January 18, 2019 FIS for Clackamas County and Incorporated Areas.
 3. The City of Sandy FSH overlay district boundary as depicted on the City of Sandy FSH Map.
 4. The water quality and slope setback area(s) as defined in Section 17.60.30.
 5. The size and location of locally significant wetlands shall be determined based on the City of Sandy Locally Significant Wetland Inventory (2002) unless modified by a wetland delineation approved by the Oregon Division of State Lands and submitted to the City. Wetland delineations that have formal concurrence from the Division of State Lands shall be valid for the period specified in that agency's administrative rules.
 6. Steep slope areas where the slope of the land is 25 percent or greater within the FSH overlay district boundary.
 7. The area enclosed by a continuous line, measured 25 feet horizontally, parallel to and upland from the top of a steep slope area, where the top of the steep slope is within the FSH overlay district boundary.
 8. Existing public rights-of-way, structures, roads and utilities.
 9. Natural vegetation, including trees six inches DBH or greater or tree groves and understory within the FSH Overlay District boundary.
 10. Existing and proposed contours at two-foot intervals.

(Ord. No. 2024-01, § 1(Exh. A), 2-20-2024)

Sec. 17.60.20. Permitted uses and activities.

This chapter lists permitted uses, or uses allowed under prescribed conditions, within the FSH overlay district. Where there are conflicts, this chapter supersedes the use provisions of the underlying district.

- A. *Restricted Development Areas.* Restricted development areas within the FSH overlay district as shown on the City of Sandy Zoning Map include:
 - 1. Slopes of 25 percent or greater that:
 - a. encompass at least 1,000 square feet; and
 - b. have an elevation differential of at least ten feet.
 - 2. Protected water features, including locally significant wetlands, wetland mitigation areas approved by the Division of State Lands, and perennial streams.
 - 3. Required setback areas as defined in Section 17.60.30.
- B. *Permitted Uses.* Permitted uses within restricted development areas are limited to the following:
 - 1. Open space and trails provided they are constructed consistent with standards in the 2022 Parks and Trails Master Plan.
 - 2. Removal of refuse and permitted fill.
 - 3. Planting of native vegetation species included in the City of Portland Plant List.
 - 4. Removal of non-native/invasive vegetation, dead or dying trees, or vegetation that is hazardous to the public.
 - 5. Removal of up to two trees of six inches or greater DBH in a calendar year, provided that each tree removed is replaced with two native trees, each of which must meet the standards in Section 17.92.50 and be placed within the restricted development area of the site.
 - 6. Construction or expansion of public facilities or private roads necessary to support permitted development.
 - 7. Construction or expansion of a single-family residence or duplex on a legal lot, provided the standards in Subsections a. through d., below, are met. If these standards cannot be met, exceptions may be approved in accordance with Subsection e.
 - a. The site review, engineering, erosion control, water quality, and re-vegetation standards of this chapter shall be fully satisfied.
 - b. The maximum disturbance area (permanent and temporary) allowed within the restricted development areas on a lot is determined by subtracting the area of the Buildable Portion of the lot from 4,000 square feet.
 - i. For purposes of this subsection, the Buildable Portion of the lot is the largest single contiguous area of the lot outside of the restricted development area.
 - ii. Except as specified in subsection iii, below, if the Buildable Portion of the lot is less than 4,000 square feet, encroachment into the restricted development area shall be limited to the amount of area needed to make up for the deficit.
 - iii. If the dimensions of the Buildable Portion of the lot are such that a 40-foot by 40-foot area cannot be located within the Buildable Portion of the lot, encroachment into the restricted development area shall be limited to the minimum area needed to accommodate a 40-foot by 40-foot area.

- c. In addition to the maximum disturbance area established by Subsection b., a stormwater facility serving only a single residential lot may be located on the site provided there is no disturbance to existing tree canopy, and it is located outside the critical root zone of existing trees over six inches DBH.
- d. Development shall not result in cuts or fills in excess of three feet except for basement construction.
- e. Exceptions to Subsections a. through d. may be approved by the Director through a Type II review provided the applicant demonstrates that:
 - i. There is insufficient buildable land on the lot to allow the proposed construction or expansion.
 - ii. An adjustment under Section 17.60.110_ is not sufficient to avoid impacts on restricted development areas.
 - iii. The design and location of the proposed construction or expansion minimizes adverse impacts to restricted development areas to the extent feasible.
 - iv. If the additional impervious area is for a driveway, a longer driveway will avoid required setbacks from protected water features, and the driveway will either: (a) more closely follow hillside contours and thereby reduce overall cut and fill area by at least 20 percent; or (b) avoid tree clusters and thereby reduce the number of six-inch or greater DBH trees that must be removed by at least 20 percent.
 - v. In no case shall the total disturbance area within restricted development areas exceed 10,000 square feet.
- 8. Replacement of a single-family dwelling constructed over substantially the same footprint as the original single-family dwelling. "Substantially the same footprint" means that the replacement footprint is relocated no more than ten feet from the original footprint in any direction except closer to the stream/wetland/steep slope.
- 9. Repair or stabilization of unstable slopes.
- 10. Stream bank restoration, subject to a stream bank restoration plan. This plan must:
 - a. Be prepared by a team of specialists in the fields of stream morphology, water quality, and riparian vegetation approved by the Director.
 - b. Remove invasive vegetation and replace it with multi-layered native vegetation that provides for stream shading within the entire stream bank.
 - c. Reduce the steepness of the bank along reaches that have been highly eroded.
 - d. Reduce the velocity of water carried by the stream.
 - e. Include guarantees and funding to assure at least a 90 percent survival rate of native plants over a three-year period. This guarantee shall be in one of the following forms:
 - i. A surety bond executed by a surety company authorized to transact business in the state of Oregon in a form approved by the City Attorney.
 - ii. In lieu of the surety bond, the applicant may:
 - Deposit with the City cash money to be released only upon authorization of the Director;

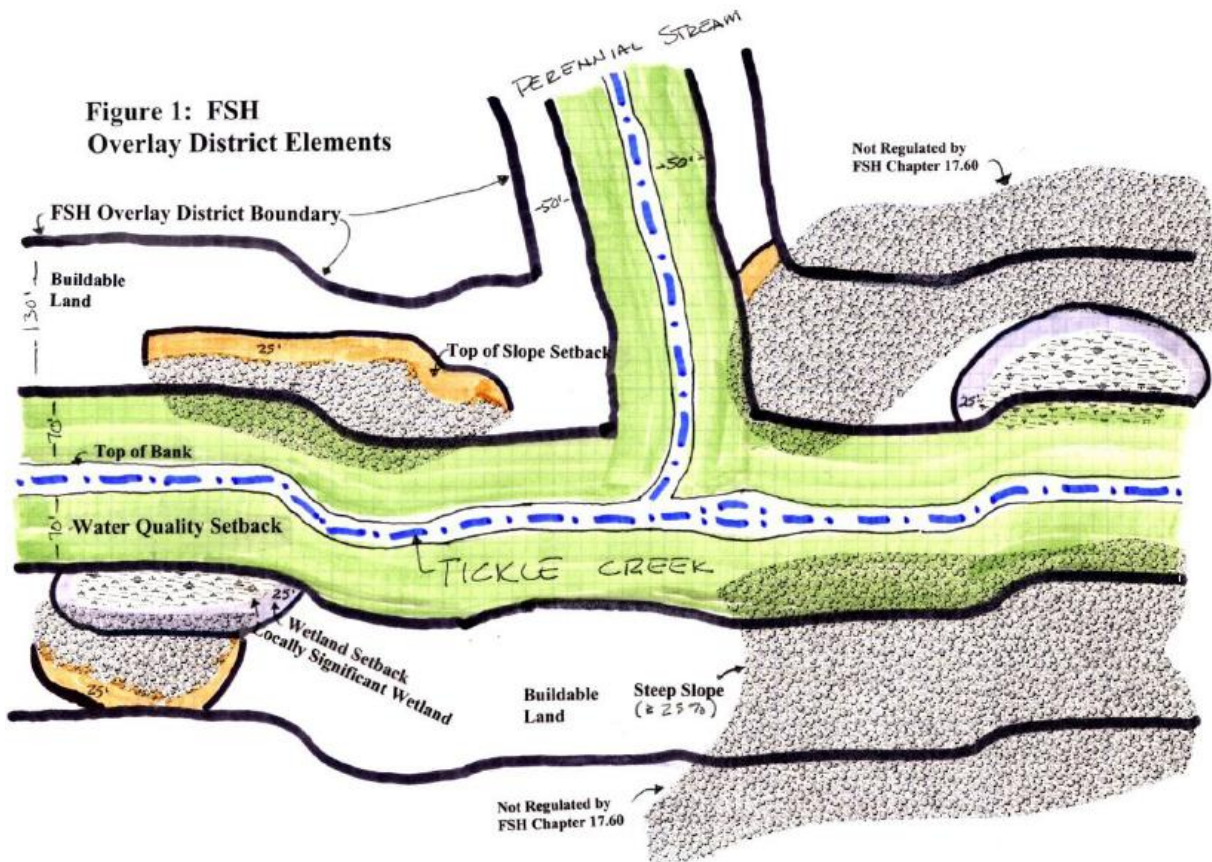
- Supply certification by a bank or other reputable lending institution that an irrevocable letter of credit in compliance with the International Chamber of Commerce Uniform Customs and Practice for Documentary Credits, UCP 600 or most current revision has been established to cover the cost of required improvements, to be released only upon authorization of the Director; or
 - iii. Such assurance of full and faithful performance shall be for a sum determined by the Director as sufficient to cover the cost of required restoration.
 - iv. If the applicant fails to construct one or more of the guaranteed restoration improvements and the City has expenses resulting from such failure, the City shall call on the performance guarantee for reimbursement. If the amount of the performance guarantee exceeds the expense incurred, the remainder shall be released. If the amount of the performance guarantee is less than the amounts of expense incurred by the City, the applicant shall be liable to the City for the excess costs. If the applicant fails to reimburse the City for expenses incurred to complete the public improvements, the City shall place a lien on the property in an amount equal to the City's costs.
11. Maintenance of existing landscaping on existing lots of record is permitted and is exempt from the requirements of the FSH Overlay District.
 12. Appurtenant structures as permitted under Section 17.60.70.[J.L.](#)
- C. *Platting of New Lots.* No new lot shall be platted or approved for development that is exclusively in restricted development areas as defined in Subsection 17.60.20.A.

(Ord. No. 2024-01, § 1(Exh. A), 2-20-2024)

Sec. 17.60.30. Required setback areas.

Setback areas shall be required to protect water quality and maintain slope stability near stream corridors and locally significant wetlands. Setbacks are measured horizontally from, parallel to, and upland from the protected feature.

- A. *Required Setbacks.* The required special setback(s), as illustrated in Figure 1, shall be:
1. Eighty feet from the top of bank of Tickle Creek and other fish-bearing streams (this supersedes the setback in Figure 1).
 2. Fifty feet from the top of bank along other perennial streams, except for "No Name Creek" east of Towle Drive, as provided in Subsection 17.60.30.C.2.
 3. Twenty-five feet around the edge of any mapped locally significant wetland.
 4. Twenty-five feet from the top of any 25 percent slope break where the slope break occurs within the FSH overlay district as mapped by the City.



- B. *Minimize Impacts.* Natural vegetation shall be preserved and enhanced, and excavation minimized within required water quality setback areas.
- C. *Exceptions, Intent.* Exception 1 below recognizes that existing hillside, stormwater detention, and erosion control measures are sufficient to maintain water quality and quantity in areas of steep slopes separated from streams and wetlands by improved public streets in existing rights-of-way. Exception 2 recognizes that "No Name Creek" east of Towle Drive has been severely impacted by culverting, erosion, and invasive plants, and has only a few remaining infill sites adjacent to its banks. This exception is intended to encourage appropriate development of these infill sites and the opening and restoration of No Name Creek.
1. Land lying within the FSH overlay district, but upland from an existing public right-of-way with an improved public street, shall not be subject to the steep slope restrictions of this chapter. Such land shall remain subject to applicable Section 17.56 Hillside Regulations and shall comply with required setbacks set forth in Subsection 17.60.30.A.3.
 - a. Applications for development that include only areas that meet this exception and have existing improved public streets and have no locally significant mapped wetlands are not subject to the provisions of this chapter.
 2. The required setback for "No Name Creek" east of the Towle Drive crossing may be reduced to 25 feet, subject to approval of a "stream bank restoration plan" that meets the standards of Subsection 17.60.20.B.10.

(Ord. No. 2024-01, § 1(Exh. A), 2-20-2024)

Sec. 17.60.40. Review procedures.

Review of development requests within the FSH Overlay District shall occur subject to the following procedures. Type II and III development applications shall be reviewed by the Director to ensure consistency with Sections 17.60.60-17.60.70. Section 17.60.50 special reports shall also be required, unless specifically exempted by the Director.

- A. *Type I Procedure.* The following uses shall be reviewed under a Type I procedure:
 1. Planting of native plant species identified in the City of Portland Plant List.
 2. Removal of permitted fill.
 3. Removal of non-native/invasive vegetation, dead, or dying vegetation that is hazardous to the public.
 4. Removal of up to two trees of six inches or greater DBH in a calendar year.
 5. Appurtenant structures as permitted under Subsection 17.60.70.[JL](#).
- B. *Type II Procedure.* The following uses shall be reviewed under a Type II review procedure:
 1. Construction or expansion of major public facilities identified in sanitary, storm, water, street, or parks master plans or of minor public facilities necessary to support development, where no other practical alternative exists.
 2. Construction or expansion of trails.
 3. Construction, expansion, or replacement of a single-family residence or duplex within a restricted development area or floodway on a legal lot.
 4. Repair and stabilization of unstable slopes. If emergency slope stabilization is required and authorized by the City Engineer, a Type II development application shall be submitted to the City within 60 days of having taken the emergency action.
 5. Stream bank restoration plans, consistent with the requirements of Subsection 17.60.20.B.10.
 6. Exemption of Type II development applications from one or more required reports.
 7. Development that is completely outside restricted development areas, as determined by available mapping based on site-specific information provided by the applicant and reviewed by a third-party professional consistent with Subsection 17.60.10.C. Such site-specific information shall remain valid for five years from the date approved by the Director, provided that topographical or hydrological changes have not occurred on the site that could invalidate such information.
 8. Development requests that are similar in scope and impact, as determined by the Director, except that no other residential uses shall be considered beyond the provisions of Subsection B.3. The Director shall include the justification for the classification decision in the required notice to affected property owners.
- C. *Type III Procedure.* The Planning Commission shall review all other public and private development requests under a Type III procedure.
- D. *Establishment of Development Decision.* A development decision shall be obtained before construction or development begins, within any Area of Special Flood Hazard. Application for a development permit may be made on forms provided by the Director and may include, but not be limited to, plans in duplicate drawn to scale showing the nature, location, dimensions, and elevation of the area in

question, existing or proposed structures, fill storage of materials, drainage facilities and the location of the aforementioned. Specifically, the following information is required:

1. Proposed elevation in relation to mean sea level of the lowest floor (including basement of all structures).
2. Proposed elevation in relation to mean sea level to which any non-residential structure will be floodproofed.
3. Certification by a registered professional engineer or architect that the floodproofing methods for any non-residential structure meet the floodproofing criteria detailed in Subsection 17.60.70.FH. below.
4. Description of the extent to which any watercourse will be altered or relocated as a result of proposed development.

(Ord. No. 2024-01, § 1(Exh. A), 2-20-2024)

Sec. 17.60.50. Special reports.

Where development is proposed on restricted development areas within the FSH overlay district as defined in Subsection 17.60.20.A., the following special reports shall be submitted. These reports shall be in addition to other information required for specific types of development and shall be prepared by professionals in their respective fields.

The Director may require one or more of these reports where necessary to address potential adverse impacts from development on buildable land within the FSH overlay district. Applications for residential construction allowed under Subsection 17.60.40.B.3. that are not requesting any exceptions or adjustments are exempt from requirements to submit these reports. The Director may exempt Type II permit applications from one or more of these reports where impacts are minimal and the exemption is consistent with the purpose of the FSH overlay zone as stated in Section 17.60.00.

- A. *Hydrology and Soils Report.* This report shall include information on the hydrological conditions on the site, the effect of hydrologic conditions on the proposed development, the proposed development's impact on surface and groundwater flows to wetlands and streams, and any hydrological or erosion hazards. This report shall also include soils characteristics of the site, their suitability for development, carrying capacity, and erosion or slumping characteristics that might present a hazard to life and property, or adversely affect the use or stability of a public facility or utility. Finally, this report shall include information on the nature, distribution, and strength of existing soils; the adequacy of the site for development purposes; and an assessment of grading procedures required to impose the minimum disturbance to the natural state. A licensed professional engineer registered in Oregon shall prepare the hydrology and soils report.
- B. *Grading Plan.* The grading plan shall be specific to a proposed physical structure or use and shall include information on terrain (two-foot intervals of property), drainage, direction of drainage flow, location of proposed structures and existing structures which may be affected by the proposed grading operations, water quality facilities, finished contours or elevations, including all cut and fill slopes and proposed drainage channels. Project designs including but not limited to locations of surface and subsurface devices, walls, dams, sediment basins, storage reservoirs, and other protective devices shall form part of the submission. The grading plan shall also include: 1) construction phase erosion control plan consistent with the provisions of Chapter 15.44; and 2) schedule of operations. A licensed professional engineer registered in Oregon shall prepare the grading and erosion control plan.

- C. *Native Vegetation Report.* This report shall consist of a survey of existing vegetative cover, whether it is native or introduced, and how it will be altered by the proposed development. Measures for revegetation with native plant species will be clearly stated, as well as methods for immediate and long-term stabilization of slopes and control of soil erosion. A landscape architect, landscape designer, botanist, or arborist with specific knowledge of native plant species, planting and maintenance methods, survival rates, and their ability to control erosion and sedimentation shall prepare the vegetation report. The applicant shall be responsible for replacing any native plant species that do not survive the first two years after planting, and for ensuring the survival of any replacement plants for an additional two years after their replacement.

(Ord. No. 2024-01, § 1(Exh. A), 2-20-2024)

Sec. 17.60.60. Approval standards and conditions.

The approval authority may approve, approve with conditions, or deny an application based on the provisions of this chapter. The approval authority may require conditions necessary to comply with the intent and provisions of this chapter. Residential construction allowed under Subsection 17.60.40.B.3. is subject to the approval standards in Subsection B. All other uses are subject to the approval standards in Subsection A.

- A. *Approval Standards.* The following approval standards apply to development proposed within restricted development areas of the FSH overlay district.
1. *Cumulative Impacts.* Limited development within the FSH overlay district, including planned vegetation removal, grading, construction, utilities, roads and the proposed use(s) of the site will not measurably decrease water quantity or quality in affected streams or wetlands below conditions existing at the time the development application was submitted.
 2. *Impervious Surface Area.* Impervious surface area within restricted development areas shall be the minimum necessary to achieve development objectives consistent with the purposes of this chapter.
 3. *Construction Materials and Methods.* Construction materials and methods shall be consistent with the recommendations of special reports, or third-party review of special reports.
 4. *Cuts and Fills.* Cuts and fills shall be the minimum necessary to ensure slope stability, consistent with the recommendations of special reports, or third-party review of special reports.
 5. *Minimize Wetland and Stream Impacts.* Development on the site shall maintain the quantity and quality of surface and groundwater flows to locally significant wetlands or streams regulated by the FSH Overlay District.
 6. *Minimize Loss of Native Vegetation.* Development on the site shall minimize the loss of native vegetation. Where such vegetation is lost as a result of development within restricted development areas, it shall be replaced on-site on a two:one basis according to type and area. Two native trees meeting the standards in Section 17.92.50. shall replace each tree removed. Disturbed understory and groundcover shall be replaced by native understory and groundcover species that effectively covers the disturbed area.
- B. *Approval Standards for Residential Construction.* The following standards apply to residential construction allowed under Subsection 17.60.40.B.3.
1. *Cumulative Impacts.* Limited development within the FSH overlay district will not measurably decrease water quantity or quality in affected streams or wetlands below conditions existing at the time the development application was submitted.

2. *Impervious Surface Area.* The maximum impervious surface coverage within restricted development areas shall be 2,500 square feet, unless an exception is granted as part of a discretionary review, pursuant to Subsection 17.60.20.B.7.d.
 3. *Construction Materials and Methods.* Construction materials and methods shall be consistent with the recommendations of special reports, or third-party review of special reports.
 4. *Cuts and Fills.* Development shall not result in cuts or fills in excess of three feet except for basement construction, unless specifically approved by the Director as part of a discretionary review.
 5. *Minimize Wetland and Stream Impacts.* Development on the site shall maintain the quantity and quality of surface and groundwater flows to locally significant wetlands or streams regulated by the FSH Overlay District, consistent with the recommendations of special reports, or third-party review of special reports.
 6. *Minimize Loss of Native Vegetation.* Where native vegetation is lost as a result of development within restricted development areas, it shall be replaced on-site on a two:one basis according to type and area. Two native trees meeting the standards in Section 17.92.50 shall replace each tree removed. Disturbed understory and groundcover shall be replaced by native understory and groundcover species that effectively covers the disturbed area.
- C. All development permits for areas partially or fully within the Area of Special Flood Hazard shall be reviewed by the Director to determine that:
1. The permit requirements of Chapter 17.60 have been satisfied;
 2. All other required state and federal permits have been obtained; and,
 3. For residential construction allowed under Subsection 17.60.40.B.3., the standards in Section 17.60.70.EG have been met; or
 4. For all other uses, the site is reasonably safe from flooding.
- D. *Conditions.* The required reports shall include design standards and recommendations necessary for the engineer and landscape expert to certify that the standards of this chapter can be met with appropriate mitigation measures. These measures, along with third party reviewer and staff recommendations, shall be incorporated as conditions into the final decision approving the proposed development.
- E. *Assurances and Penalties.* Assurances and penalties for failure to comply with mitigation, engineering, erosion, and water quality plans required under this chapter shall be as stated in Chapter 17.06.

(Ord. No. 2024-01, § 1(Exh. A), 2-20-2024)

Sec. 17.60.70. Floodplain regulations.

This section regulates development within the Area of Special Flood Hazard. For purposes of this section, “floodplain functions” mean flood storage, water quality, and riparian vegetation conditions. A “floodplain mitigation assessment” is an assessment of the portions of a site that are within the special flood hazard area, performed by a qualified professional, that identifies existing site conditions before development occurs, describes the impact the proposed development would have on existing floodplain functions within the applicable portion of the existing site, and identifies the mitigation needed for the proposed development to result in no net loss of those floodplain functions. The City website includes the guidance prepared by the Federal Emergency Management Agency for preparation of a floodplain mitigation assessment.

“No net loss” means adverse impacts to floodplain functions are avoided or offset so that there is no net change in the applicable floodplain functions from the existing condition when a development application is submitted to the City, as further described in NMFS Consultation No. NWR-2011-3197. A “qualified professional” is a person who has a minimum of a bachelor’s degree in wildlife or fisheries habitat biology, or a related degree in a biological field from an accredited college or university with a minimum of four years’ experience as a practicing fish or wildlife habitat biologist; or is listed on the Oregon Department of Transportation’s official list of consultants qualified to provide Endangered Species Act Documentation.

A. An application for a permit to develop in the area of special flood hazard shall include the following:

1. Either:

- a. A statement confirming that the applicant has obtained a floodplain mitigation assessment of the proposed development performed by a qualified professional;
- b. A statement that, in addition to being covered by the consultation and biological opinion issued by the National Oceanic and Atmospheric Administration’s National Marine Fisheries Service (NMFS) for the Federal Emergency Management Agency’s implementation of the National Flood Insurance Program in Oregon (NMFS Consultation No. NWR-2011-3197), the development proposed by the application is a project or project action that is covered by another formal consultation with NMFS or the United States Fish and Wildlife Service, pursuant to Section 4(d), 7, or 10 of the Endangered Species Act of 1973;
- c. A statement that the development proposed by the application fits within the nature and scope of the project types that are addressed in an existing full programmatic habitat assessment of all current and reasonably foreseeable future conditions; or
- d. A statement that the development proposed by the application is exempt from the requirement for a floodplain mitigation assessment because it is one or more of the following activities:
 - i. Normal maintenance, repairs, or remodeling of structures, such as re-roofing and replacing siding, that does not (1) alter the footprint or expand the roof of the structure or (2) constitute a substantial improvement or repair of substantial damage (meaning the work must be less than 50 percent of the market value of the structure(s)).
 - ii. Routine maintenance of streets, sidewalks, paths and roads (including but not limited to filling potholes, repaving, and installing signs and traffic signals) that does not alter contours or culverts, that is less than six inches above grade, and that does not expand paved areas;
 - iii. Routine maintenance of landscaping that does not include grading, excavation, or filling;
 - iv. Routine agricultural practices such as tilling, plowing, harvesting, soil amendments, and ditch cleaning that does not alter the ditch configuration and that removes all spoils from the special flood hazard area or tills spoils into fields as a soil amendment;
 - v. Routine silviculture practices (harvesting of trees), including hazardous fuels reduction and hazard tree removal with root balls left in place;
 - vi. Removal of noxious weeds and hazard trees or replacement of non-native vegetation with native vegetation;

- vii. Normal maintenance of above and below ground utilities and facilities, such as replacing downed power lines and utility poles that does not result in a net change in footprint;
 - viii. Normal maintenance of a levee or other flood control facility prescribed in the operations and maintenance plan for the levee or flood control facility (this does not include repair from flood damage, expansion of the prism, expansion of the face or toe or addition of protection on the face or toe with rock armor);
 - ix. Habitat restoration activities;
 - x. Activities with the sole purpose of creating, restoring, or enhancing natural functions associated with floodplains, streams, lakes, estuaries, marine areas, habitat, and riparian areas, provided the activities meet federal and state standards and do not include structures, grading, fill, or impervious surfaces;
 - xi. Repair to onsite septic systems, provided ground disturbance is the minimal necessary and best management practices are utilized to prevent stormwater runoff and soil erosion; and
 - xii. Pre-emptive removal of documented susceptible trees to manage the spread of invasive species.
2. If the applicant has confirmed that it has obtained a floodplain mitigation assessment under Section 17.60.70.A.1.a. above, a statement confirming that the proposed development activities, as shown on the design plans and drawings submitted with the application, include measures to incorporate all mitigation identified in the floodplain mitigation assessment as needed for no net loss of floodplain functions.
- B. The City will deny a permit to develop in the area of special flood hazard unless the applicant submits a statement meeting the requirements of Section 17.60.70.A.1.
- AC.** *Residential and Non-residential Structures.* No new residential structures (including manufactured dwellings) with the exception of Subsection 17.60.40.B.3., non-residential structures or critical facilities shall be permitted in the Area of Special Flood Hazard.
- BD.** *Flood Storage Capacity.* On-site flood storage capacity shall not decrease as a result of development. The cumulative effects of any proposed development shall not reduce flood storage capacity or raise base flood elevations on- or off-site.
- CE.** *Public Facilities and Private Roads.* Generally, public facilities and private roads shall avoid restricted development areas. However, where avoidance cannot be achieved consistent with City-approved facilities master plans and sound engineering principles, the following standards shall be met.
1. The facility shall be designed, located and constructed to minimize flood damage, excavation and loss of native vegetation and to avoid raising flood levels. Facilities and roads located within a floodway may be permitted only where a registered professional engineer certifies based on hydrologic and hydraulic analysis performed in accordance with standard engineering practice that encroachments shall not result in any increase in flood levels during the occurrence of the base flood discharge. Utilities necessary to serve permitted development, or a single family home on a legally-approved lot-of-record, may be permitted only where a registered professional engineer or architect certifies based on hydrologic and hydraulic analysis performed in accordance with standard engineering practice that encroachments shall not result in any increase in flood levels during the occurrence of the base flood discharge, and that water quality will not be adversely affected.

2. Water supply and sanitary sewer facilities shall be designed, located and constructed to avoid infiltration of floodwaters into the system, and to avoid discharges from such facilities to floodwaters, streams and wetlands.
 3. On-site septic systems, waste disposal systems, and private wells shall be prohibited within the FSH overlay district.
- E.** *Structural Elevation Report.* An application for any substantially improved structure, nonresidential structure or manufactured dwelling within the area of special flood hazard shall include the elevation, referenced to mean sea level, of the lowest floor, of the bottom of the lowest horizontal structural member (for manufactured dwellings), or the elevation to which the structure will be flood-proofed. The elevation of the lowest floor, and any basement area and the elevation of the service facilities/mechanical equipment shall also be provided. A professional engineer registered in Oregon shall prepare the structural elevation certificate.
- EG.** *Existing Residential Structures (including new construction allowed per Subsection 17.60.40.B.3.).* Improvements and substantial improvements to an existing residential structure (including manufactured dwellings) or replacement of a single family residence per Subsection 17.60.20.B.8. in a flood-prone area shall comply with the following:
1. Improvements shall be adequately anchored to prevent flotation, collapse, or lateral movement resulting from hydrodynamic and hydrostatic loads, including the effects of buoyancy;
 2. Materials used shall be resistant to flood damage;
 3. Utilities shall be designed and/or located to prevent water from entering or accumulating within the components during flooding;
 4. The lowest floor (including basement) shall be elevated at least one foot above the base flood level;
 5. Fully enclosed areas below the lowest floor used solely for vehicle parking or building access or storage in an area other than a basement shall be designed to automatically equalize hydrostatic flood forces on exterior walls by allowing for the entry and exit of floodwaters and shall either be designed and certified by a registered professional engineer or architect or meet or exceed the following minimum criteria;
 - a. A minimum of two openings having a total net area of not less than one square inch for every square foot of enclosed area subject to flooding shall be provided. The bottom of all openings shall be no higher than one foot above grade. Openings may be equipped with screens, louvers, valves, or other coverings or devices provided that they permit the automatic entry and exit of floodwaters.
- FH.** *Existing Non-Residential Structures.* Improvements and substantial improvements to existing non-residential structures within the floodplain shall comply with one of the following:
1. Elevate the lowest floor (including basement) at least one foot above the base flood level and ensure that any area below the elevated lowest floor meets the requirements of paragraph E.5. and E.5.a., above;
 2. Walls and utilities of structures below the base flood level shall be floodproofed so that the structure is watertight with walls substantially impermeable to the passage of water and structural components having the capability of resisting hydrostatic and hydrodynamic loads and effects of buoyancy. A registered professional engineer or architect shall develop and/or review structural design, specifications, and plans for the construction, and shall certify that the design and methods of construction are in accordance with accepted standards of practice for meeting the applicable provisions of NFIP Regulations per Volume 44 of the Code of Federal Regulations.

Upon completion of the structure, certification by a registered professional engineer or surveyor that the elevation requirements of the lowest floor, including basement, of this section have been satisfied shall be provided to the Director for verification; or certification by a registered professional engineer or architect that the floodproofing requirements of this section are satisfied, including the specific elevation in relation to mean sea level to which such structures are floodproofed, shall be provided to the Director for verification.

G.I. *Recreational Vehicles.* Recreational Vehicles within the floodplain shall comply with one of the following:

1. Be located on the site for fewer than 180 consecutive days; and
2. Be fully licensed and ready for highway use; or
3. Meet the elevation and anchoring requirements for manufactured homes dwellings and permit requirements of NFIP Regulations.

H.J. *Anchoring.* All new construction and substantial improvements (including manufactured dwellings) shall be anchored to prevent flotation, collapse or lateral movement of the structure resulting from hydrodynamic and hydrostatic loads, including the effects of buoyancy.

K. *Construction materials and methods.*

1. All new construction and substantial improvements shall be constructed with materials resistant to flood damage;
2. All new construction and substantial improvements shall be constructed using methods and practices that minimize flood damage; and,
3. All new construction and substantial improvement shall be constructed with electrical, heating, ventilation, plumbing, and air conditioning equipment and other service facilities that are designed and/or located so as to prevent water from entering or accumulating within the components during conditions of flooding.

L. *Appurtenant Structures (Detached Garages and Storage Structures).* Appurtenant structures used solely for parking of vehicles or storage may be constructed such that the floor is below the Base Flood Elevation, provided the structure is designed and constructed in accordance with the following requirements:

1. Use of the appurtenant structure must be limited to parking of vehicles or storage;
2. The portions of the appurtenant structure located below the Base Flood Elevation must be built using flood resistant materials;
3. The appurtenant structure must be adequately anchored to prevent flotation, collapse and lateral movement;
4. Any machinery or equipment servicing the appurtenant structure must be elevated or floodproofed to or above the Base Flood Elevation;
5. The appurtenant structure must meet the floodway requirements of Chapter 17.60 and must not result in any increase in base flood elevations and this shall be demonstrated through hydrologic and hydraulic analyses performed in accordance with standard engineering practices;
6. The appurtenant structure must be designed to allow for the automatic entry and exit of flood waters in accordance with Subsection 17.60.70.EG.5.;

7. The appurtenant structure must not be used to store toxic material, oil or gasoline, or any priority persistent pollutant identified by the Oregon Department of Environmental Quality unless confined in a tank elevated at least one foot above Base Flood Elevation; and
8. Shall not exceed the size requirements in the State of Oregon Residential and Structural Specialty Codes and shall not exceed one story.

Detached garages, storage structures and other appurtenant structures not meeting the above standards must be constructed in accordance with all applicable standards of Chapter 17.60.

(Ord. No. 2024-01, § 1(Exh. A), 2-20-2024)

Sec. 17.60.80. Notification to other entities and recordkeeping.

- A. Whenever a watercourse is to be altered or relocated, notification shall be sent to Clackamas County and DLCD prior to such alteration or relocation of a watercourse, and submit evidence of such notification to the Federal Insurance Administrator through appropriate notification means (i.e. submittal of a Letter of Map Revision (LOMR)), and assure that the flood carrying capacity of the altered or relocated portion of said watercourse is maintained.
- B. Base Flood Elevations may increase or decrease resulting from physical changes affecting flooding conditions. As soon as practicable, but not later than six months after the date such information becomes available, the Director shall notify the Federal Insurance Administrator of the changes by submitting technical or scientific data in accordance with Volume 44 Code of Federal Regulations Section 65.3. Such a submission is necessary so that upon confirmation of those physical changes affecting flooding conditions, risk premium rates and floodplain management requirements will be based upon current data.
- C. Notify the Federal Insurance Administrator in writing of acquisition by means of annexation, incorporation or otherwise, of additional areas of jurisdiction.
- D. Obtain and maintain the following for public inspection and make available as needed:
 1. Obtain and record the actual elevation (in relation to the mean sea level) of the lowest floor (including basements) of all new or substantially improved structures, and whether or not the structure contains a basement.
 2. For all new or substantially improved floodproofed structures:
 - a. Verify and record the actual elevation (in relation to mean sea level), and
 - b. Maintain the floodproofing certifications required in Subsection 17.60.70.F.H.
 3. Obtain and maintain certification for flood openings when certification is required under Subsection 17.60.70.E.G.5.

(Ord. No. 2024-01, § 1(Exh. A), 2-20-2024)

Sec. 17.60.90. Water quality treatment facilities.

Tickle Creek, the Sandy River, and associated natural drainage ways are vital to Sandy's recreationally based economy and to the quality of life of Sandy residents. Placement of water quality facilities shall be limited as follows:

- A. The water quality facility shall not be constructed in restricted development areas, except where necessary to serve approved development within restricted development areas (e.g., a road) and where no reasonable alternative exists in buildable areas of the site.

- B. Where the approval authority determines that a more efficient and effective regional site exists within the sub-basin, the water quality facility may be constructed off-site.

(Ord. No. 2024-01, § 1(Exh. A), 2-20-2024)

Sec. 17.60.100. Density transfer provisions.

Residential density transfer may be approved subject to the following:

- A. *Required Setback Areas.* Density may be transferred from restricted development areas (i.e., steep slopes, protected water features and required setbacks) to buildable portions of the site.
- B. *Density Maximum.* The maximum gross density for the buildable area of the site shall not exceed 150 percent of the maximum density allowed by the underlying zoning district for that buildable area.
- C. *Housing Types Not Permitted in Underlying Zoning District.* Housing types not permitted in the underlying zoning district may only be approved through the SAP (specific area plan) process.
- D. *Transfer Area.* Transfer of density may only occur within the same property and/or to properties contiguous to the primary property. The term "primary property" identifies the legal lot from which density is to be transferred to "secondary property(s)." Further development or land use action on the primary or secondary properties shall be reviewed together in the same application.

(Ord. No. 2021-16, § 9(Exh. I), 8-16-2021; Ord. No. 2024-01, § 1(Exh. A), 2-20-2024)

Sec. 17.60.110. Adjustments.

Variances to Chapter 17.60 provisions are not permitted. In contrast, adjustments to dimensional standards of the underlying zoning district may be approved when necessary to further the intent of this overlay district.

- A. *Adjustment Option.* One or more adjustments to the setback, height, or lot area standards of the underlying zoning district may be approved to allow development consistent with the intent of the FSH overlay district. The intent of the adjustment process is to reduce adverse impacts on water quantity and quality, locally significant wetlands and perennial streams, and on the potential for slope or flood hazards.
- B. *Adjustment Criteria.* A special FSH adjustment may be requested when development is proposed within the FSH overlay district. Adjustments are reviewed under the procedure type applicable to the primary application. The applicant shall demonstrate that the following criteria are fully satisfied:
 1. The adjustment is the minimum necessary to allow a permitted use, while at the same time minimizing disturbance to restricted development areas.
 2. Explicit consideration has been given to maximizing vegetative cover, minimizing excavation, and minimizing impervious surface area on restricted development areas.
 3. Design options have been considered to reduce the impacts of development, including but not limited to multi-story construction, siting of residences close to streets to reduce driveway distance, maximizing the use of native landscaping materials, minimizing parking area and garage space.
 4. In no case shall the impervious surface area (including the building footprint, parking areas, accessory structures, swimming pools and patios) exceed 2,500 square feet of restricted development area except for a private drive that reduces the disturbance to restricted development areas.

5. Assurances are in place to guarantee that future development will not encroach further onto restricted development areas under the same ownership.
6. The Planning Commission or Director may impose any reasonable condition necessary to mitigate identified impacts resulting from development on otherwise restricted development areas.

(Ord. No. 2024-01, § 1(Exh. A), 2-20-2024)

Sec. 17.60.120. Disclaimer.

The degree of hazard protection afforded by adherence to the provisions of this chapter is considered reasonable for regulatory purposes and is based on the best available engineering and scientific information available to the City. Larger floods than those anticipated by the chapter may occur. Landslides may occur in areas outside of the delineated steep slope and constrained slope boundaries. This chapter does not imply that areas outside the FSH overlay district or land use permitted within FSH boundaries will be free from any significant flooding, mass movement, landslide damage, erosion, or water pollution. This chapter shall not create liability on the part of the City of Sandy for any damage that results from reliance on the provisions of this chapter or any administrative decision lawfully made thereunder.

(Ord. No. 2024-01, § 1(Exh. A), 2-20-2024)

Ordinance 2025-16 Findings

Goal 1: Citizen Involvement

This goal calls for "the opportunity for citizens to be involved in all phases of the planning process."

Findings: The City held public hearings before both the Planning Commission and City Council to afford the public the opportunity to be involved. Notice of the two hearings was published in the Sandy Post, posted on the City's website, and on the City Facebook account. Notice was provided to the Department of Land Conservation and Development on May 14, 2025.

Conclusion: *Goal 1 Public Involvement requirements are met.*

Goal 2: Land Use

This goal requires each local government in Oregon to have and follow a comprehensive land use plan and implementing regulations. Cities and counties must build their comprehensive plans on a factual base and follow their plan when making decisions on appropriate zoning.

Findings: The proposed amendments include the adoption of regulatory changes required by the Federal Emergency Management Agency (FEMA), which will maintain the City's participation in the National Flood Insurance Program (NFIP) and protect public safety and welfare for properties located within the Flood and Slope Hazard (FSH) Overlay District.

Conclusion: *Goal 2 Land Use requirements are met.*

Goal 7: Areas Subject to Natural Hazards

This goal requires local comprehensive plans to address Oregon's natural hazards. Protecting people and property from natural hazards requires knowledge, planning, coordination, and education.

Findings: The proposed amendments include the adoption of updated regulations related to "no net loss" of the floodplain functions (storage, water quality, and vegetation). The existing regulations and proposed amendments to maintain no net loss of the floodplain functions ensures development can withstand hazardous events. The proposed amendments reduce the risk of loss of life and damage to property from severe weather events, particularly flooding events. These standards are applied in conjunction with the state building code to reduce the risk of damage to property.

Conclusion: *Goal 7 Areas Subject to Natural Hazards requirements are met.*

Goal 10: Housing

This goal requires that cities analyze housing needs to ensure opportunity for the provision of adequate numbers of needed housing units, the efficient use of buildable land within urban growth boundaries (UGBs), and to provide greater certainty in the development process so as to reduce housing costs.

Findings: The proposed amendments include “no net loss” standards to ensure floodplain functions, specifically floodplain storage, water quality, and vegetation. The proposed amendments allow residential development when located outside of the area of special flood hazard. Any development, including residential, must comply with all applicable standards when developing within the special flood hazard area.

Conclusion: *Goal 10 Housing requirements are met.*

File # 25-030 DCA

FEMA PICM Code Modifications

City Council
July 21, 2025

FEMA's National Flood Insurance Program (NFIP)

Item # 6.

The City of Sandy has floodplain regulations that apply to development within the Flood and Slope Hazard (FSH) Overlay District. The Flood and Slope Hazard (FSH) Overlay District regulations are in Chapter 17.60 of the City of Sandy Municipal Code.

The City of Sandy's ongoing participation in the NFIP is critical, as it provides access to flood insurance for property owners, renters, and businesses. In the City of Sandy there are currently twelve (12) NFIP policies in force representing \$2,887,000 in coverage.

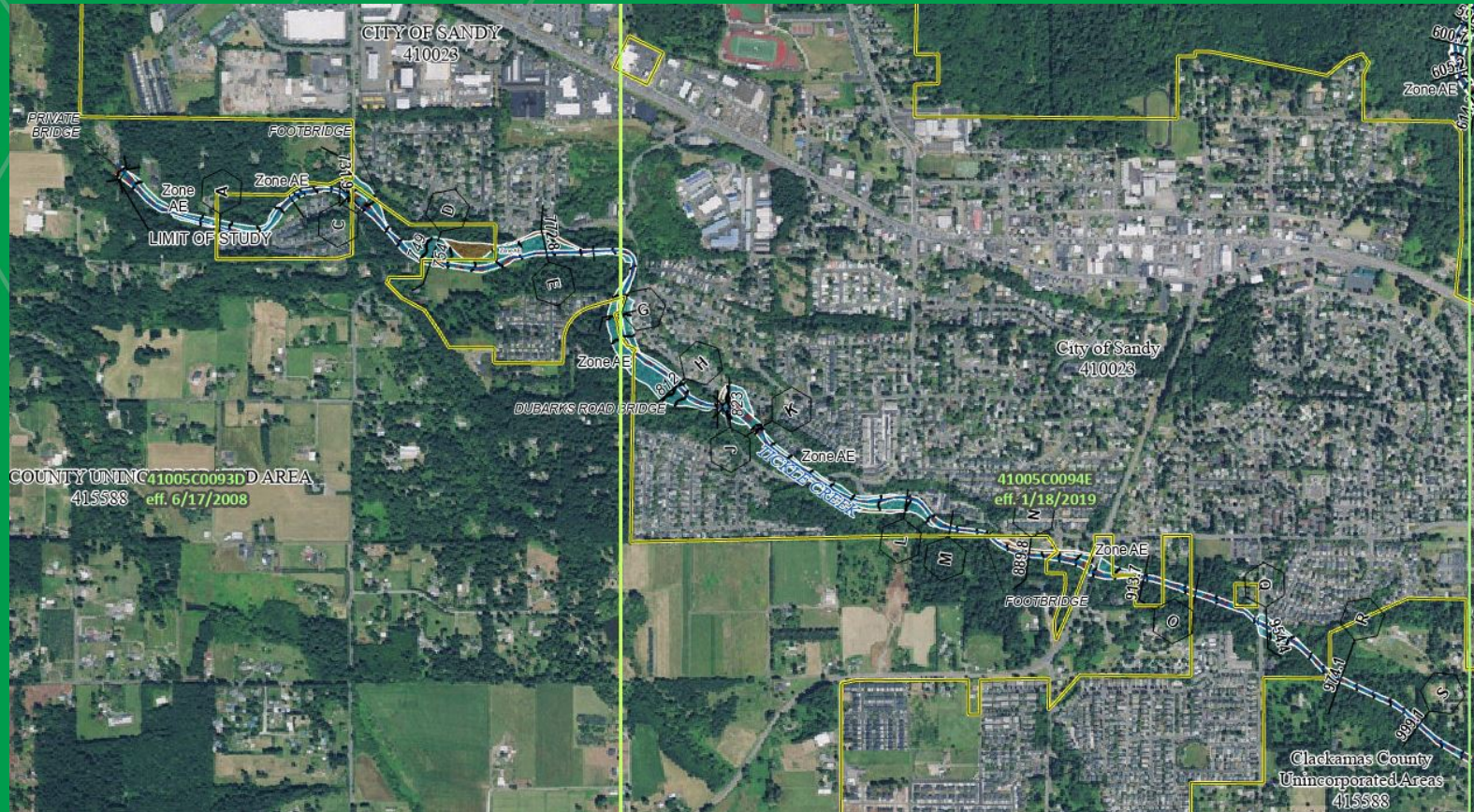
FEMA's National Flood Insurance Program (NFIP)

Item # 6.

- Makes available federally backed flood insurance and disaster relief funds.
- Communities must adopt minimum floodplain development provisions.
- Community Rating System (CRS) participation reduces insurance rates when additional floodplain protections are implemented.

Flood Plain

Item # 6.



FEMA's Pre-Implementation Compliance Measures (PICMs)

Item # 6.

- In July 2024, FEMA notified Oregon communities that adoption of PICMs would be required prior to the release of full compliance measures.
- Communities had to select one of three options by 12/1/2024:
 - Adopt the FEMA model ordinance;
 - Require a habitat assessment and mitigation plan for development on a permit-by-permit basis; or
 - Prohibit development in the Special Flood Hazard Area.

FEMA's Pre-Implementation Compliance Measures (PICMs)

Item # 6.

Based on input and recommendations from the City Attorney, City staff sent FEMA the selection to assess floodplain development requests on a permit-by-permit basis on November 18, 2024.

Included in that correspondence was that the City would adopt new municipal code language by FEMA's final compliance deadline of July 31, 2025.

Recommendation

Item # 6.

Adopt Ordinance No. 2025-16 to amend Title 17, Chapter 17.60 – Flood and Slope Hazard (FSH) Overlay District of the Sandy Municipal Code as recommended by the Planning Commission at their meeting on June 30, 2025.



STAFF REPORT

Item # 7.

Meeting Type: City Council
Meeting Date: July 21, 2025
From: Tyler Deems, City Manager
Subject: Resolution 2025-26: Incorporating Food, Beverage, and Other Items into the Compensation Package for Council Positions 1, 2, and 5

DECISION TO BE MADE:

Whether or not to incorporate food, beverage, and other items into the compensation package for Council positions 1, 2, and 5.

APPLICABLE COUNCIL GOAL:

n/a

BACKGROUND / CONTEXT:

At its May 9, 2025 meeting, the Oregon Government Ethics Commission (OGECE) adopted Advisory Opinion No. 25-126A, which concluded that ORS 244.040 prohibits a public body from providing food or beverages to its employees, elected, or appointed officials unless such food or beverages are made a part of the official or employee's compensation package.

This includes meals provided to members of the governing body or employees during meetings over lunch or dinner hours, volunteer appreciation lunches or dinners for members of appointed boards and commissions, team-building events that include food or beverages, or foods and beverages provided at a holiday potluck or retirement party.

This resolution adopts policy to make food and beverages part of the official compensation package for Council Positions 1, 2, and 5.

KEY CONSIDERATIONS / ANALYSIS:

The State of Oregon's ethics laws require disclosure of conflicts of interest and preclude public officials from participating in matters in which they have an actual conflict of interest. Making food and beverages "official compensation" would be considered a pecuniary benefit and an actual conflict of interest under ORS 244.040 for all elected officials. As such, the affected positions identified in this resolution must recuse themselves from the vote.

BUDGET IMPACT:

None. These expenses are already reflected in the Biennium 2025-27 budget.

RECOMMENDATION:

Staff recommends approving Resolution 2025-26. Councilors Mayton, Smallwood, and Hanley should abstain from voting on this Resolution.

SUGGESTED MOTION LANGUAGE:

"I move to approve Resolution 2025-26."

LIST OF ATTACHMENTS / EXHIBITS:

- Resolution 2025-26
 - Food, Beverage, and Other Items Policy



RESOLUTION NO. 2025-26

A RESOLUTION INCORPORATING FOOD, BEVERAGES, AND OTHER ITEMS INTO THE COMPENSATION PACKAGE FOR COUNCIL POSITIONS 1, 2, AND 5

WHEREAS, the Oregon Government Ethics Commission (OGE) issued advisory opinion No. 25-126A concluding that ORS 244.040 prohibits a public body from providing food or beverages to its employees, elected, or appointed officials unless those food and beverages are made a part of the officials or employee's compensation package; and

WHEREAS, the City of Sandy's City Council routinely hold work sessions, meetings, and events through meal hours; and

WHEREAS, the members of the City Council are asked to participate in events where they are identifiable as members of the City government; and

WHEREAS, the City does not provide financial compensation for participation in the City Council; and

WHEREAS, the policy is designed to provide reasonable accommodation to volunteer Councilmembers; and

WHEREAS, OGE recognizes in its opinion that by incorporating food and beverages as a part of the official's compensation package, the local government may provide such food and beverages.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANDY:

Section 1: The City Council adopts the Food, Beverage, and Other Items Policy, attached hereto as Exhibit A, and approves provision of foods, beverages, and other items as described in the Policy for Council positions 1, 2, and 5.

Section 2: This Resolution shall become effective immediately following its adoption by the City Council.

This resolution is adopted by the City Council of the City of Sandy this 21st day of July, 2025.

Kathleen Walker, Mayor

ATTEST:

Jeffrey Aprati, City Recorder

City of Sandy Food, Beverages, and Other Items Policy**Purpose**

This policy is to address any issues that might arise from providing meals, food, beverages, or other compensation to certain public officials in connection with performance of their official duties for the City of Sandy.

Covered Individuals

This policy applies to all “public officials” as that term is defined under ORS 244.020(15) serving the City of Sandy.

Policy

As part of their official compensation package as that term is used under ORS 244.040(2)(a), covered officials may receive the following from the City of Sandy:

- (1) Food, beverage, and other related items provided by the City of Sandy to covered officials and any of their relatives or household members who are accompanying them, including during a City of Sandy-related event such as, but not limited to, meetings, team building activities, potlucks, volunteer appreciation events, retirement parties, retreats, and conferences.
- (2) Items with the City of Sandy logo provided to them in their role as a covered official such as clothing, water bottles, pens, paper, etc.
- (3) This policy does not apply to:
 - (a) Food, lodging, transportation, and other related costs reimbursed by the City of Sandy and covered under existing City of Sandy reimbursement policies.
 - (b) Food, beverage, and other related items provided by the City of Sandy to covered officials that are also available to the public at large.
 - (c) Items that are considered “gifts” under ORS 244.020(7).
- (4) Compensation provided as part of an official compensation package may be subject to income tax per the IRS rules on taxable fringe benefits.

Examples

To follow are examples of when this policy would apply to elected officials and volunteers:

- (1) At its regular meetings, City of Sandy provides meals and beverages for the City Council. Those meals would be considered part of the official compensation package.
- (2) After being sworn in, all City of Sandy City Council members receive a City-logo water bottle. This water bottle would be considered part of the official compensation package.
- (3) A member of the City of Sandy City Council is provided with a meal by an outside third party. This is not considered part of the official compensation package and must be analyzed under ORS 244.
- (4) Members of all appointed boards for the City of Sandy are provided dinner at a volunteer recognition event. Dinner would be considered part of the official compensation package.

EXHIBIT A

To follow are examples of when this policy would apply to employees:

- (1) At its regular meetings, City of Sandy provides meals and beverages for employees staffing a public meeting. Those meals would be considered part of the official compensation package.
- (2) After being hired, all City of Sandy City Council employees receive a City-logo water bottle. This water bottle would be considered part of the official compensation package.
- (3) Employee, while performing City of Sandy related business, is provided with a meal by an outside third party. This is not considered part of the official compensation package and must be analyzed under ORS 244.

POLICY APPROVED: July 21, 2025



STAFF REPORT

Item # 8.

Meeting Type: City Council
Meeting Date: July 21, 2025
From: Tyler Deems, City Manager
Subject: Resolution 2025-27: Incorporating Food, Beverage, and Other Items into the Compensation Package for Council Positions 3, 4, and 6

DECISION TO BE MADE:

Whether or not to incorporate food, beverage, and other items into the compensation package for Council positions 3, 4, and 6.

APPLICABLE COUNCIL GOAL:

n/a

BACKGROUND / CONTEXT:

At its May 9, 2025 meeting, the Oregon Government Ethics Commission (OGECE) adopted Advisory Opinion No. 25-126A, which concluded that ORS 244.040 prohibits a public body from providing food or beverages to its employees, elected, or appointed officials unless such food or beverages are made a part of the official or employee's compensation package.

This includes meals provided to members of the governing body or employees during meetings over lunch or dinner hours, volunteer appreciation lunches or dinners for members of appointed boards and commissions, team-building events that include food or beverages, or foods and beverages provided at a holiday potluck or retirement party.

This resolution adopts policy to make food and beverages part of the official compensation package for Council Positions 3, 4, and 6.

KEY CONSIDERATIONS / ANALYSIS:

The State of Oregon's ethics laws require disclosure of conflicts of interest and preclude public officials from participating in matters in which they have an actual conflict of interest. Making food and beverages "official compensation" would be considered a pecuniary benefit and an actual conflict of interest under ORS 244.040 for all elected officials. As such, the affected positions identified in this resolution must recuse themselves from the vote.

BUDGET IMPACT:

None. These expenses are already reflected in the Biennium 2025-27 budget.

RECOMMENDATION:

Staff recommends approving Resolution 2025-27. Councilors Sheldon, Ramseyer, and Hokanson should abstain from voting on this Resolution.

SUGGESTED MOTION LANGUAGE:

"I move to approve Resolution 2025-27."

LIST OF ATTACHMENTS / EXHIBITS:

- Resolution 2025-27
 - Food, Beverage, and Other Items Policy



RESOLUTION NO. 2025-27

A RESOLUTION INCORPORATING FOOD, BEVERAGES, AND OTHER ITEMS INTO THE COMPENSATION PACKAGE FOR COUNCIL POSITIONS 3, 4, AND 6

WHEREAS, the Oregon Government Ethics Commission (OGE) issued advisory opinion No. 25-126A concluding that ORS 244.040 prohibits a public body from providing food or beverages to its employees, elected, or appointed officials unless those food and beverages are made a part of the officials or employee's compensation package; and

WHEREAS, the City of Sandy's City Council routinely hold work sessions, meetings, and events through meal hours; and

WHEREAS, the members of the City Council are asked to participate in events where they are identifiable as members of the City government; and

WHEREAS, the City does not provide financial compensation for participation in the City Council; and

WHEREAS, the policy is designed to provide reasonable accommodation to volunteer Councilmembers; and

WHEREAS, OGE recognizes in its opinion that by incorporating food and beverages as a part of the official's compensation package, the local government may provide such food and beverages.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANDY:

Section 1: The City Council adopts the Food, Beverage, and Other Items Policy, attached hereto as Exhibit A, and approves provision of foods, beverages, and other items as described in the Policy for Council positions 3, 4, and 6.

Section 2: This Resolution shall become effective immediately following its adoption by the City Council.

This resolution is adopted by the City Council of the City of Sandy this 21st day of July, 2025.

Kathleen Walker, Mayor

ATTEST:

Jeffrey Aprati, City Recorder

City of Sandy Food, Beverages, and Other Items Policy**Purpose**

This policy is to address any issues that might arise from providing meals, food, beverages, or other compensation to certain public officials in connection with performance of their official duties for the City of Sandy.

Covered Individuals

This policy applies to all “public officials” as that term is defined under ORS 244.020(15) serving the City of Sandy.

Policy

As part of their official compensation package as that term is used under ORS 244.040(2)(a), covered officials may receive the following from the City of Sandy:

- (1) Food, beverage, and other related items provided by the City of Sandy to covered officials and any of their relatives or household members who are accompanying them, including during a City of Sandy-related event such as, but not limited to, meetings, team building activities, potlucks, volunteer appreciation events, retirement parties, retreats, and conferences.
- (2) Items with the City of Sandy logo provided to them in their role as a covered official such as clothing, water bottles, pens, paper, etc.
- (3) This policy does not apply to:
 - (a) Food, lodging, transportation, and other related costs reimbursed by the City of Sandy and covered under existing City of Sandy reimbursement policies.
 - (b) Food, beverage, and other related items provided by the City of Sandy to covered officials that are also available to the public at large.
 - (c) Items that are considered “gifts” under ORS 244.020(7).
- (4) Compensation provided as part of an official compensation package may be subject to income tax per the IRS rules on taxable fringe benefits.

Examples

To follow are examples of when this policy would apply to elected officials and volunteers:

- (1) At its regular meetings, City of Sandy provides meals and beverages for the City Council. Those meals would be considered part of the official compensation package.
- (2) After being sworn in, all City of Sandy City Council members receive a City-logo water bottle. This water bottle would be considered part of the official compensation package.
- (3) A member of the City of Sandy City Council is provided with a meal by an outside third party. This is not considered part of the official compensation package and must be analyzed under ORS 244.
- (4) Members of all appointed boards for the City of Sandy are provided dinner at a volunteer recognition event. Dinner would be considered part of the official compensation package.

EXHIBIT A

To follow are examples of when this policy would apply to employees:

- (1) At its regular meetings, City of Sandy provides meals and beverages for employees staffing a public meeting. Those meals would be considered part of the official compensation package.
- (2) After being hired, all City of Sandy City Council employees receive a City-logo water bottle. This water bottle would be considered part of the official compensation package.
- (3) Employee, while performing City of Sandy related business, is provided with a meal by an outside third party. This is not considered part of the official compensation package and must be analyzed under ORS 244.

POLICY APPROVED: July 21, 2025



STAFF REPORT

Item # 9.

Meeting Type: City Council
Meeting Date: July 21, 2025
From: Tyler Deems, City Manager
Subject: Resolution 2025-28: Incorporating Food, Beverage, and Other Items into the Compensation Package for Mayor, Volunteers, and City Staff

DECISION TO BE MADE:

Whether or not to incorporate food, beverage, and other items into the compensation package for the Mayor, volunteers, and City staff.

APPLICABLE COUNCIL GOAL:

n/a

BACKGROUND / CONTEXT:

At its May 9, 2025 meeting, the Oregon Government Ethics Commission (OGE) adopted Advisory Opinion No. 25-126A, which concluded that ORS 244.040 prohibits a public body from providing food or beverages to its employees, elected, or appointed officials unless such food or beverages are made a part of the official or employee's compensation package.

This includes meals provided to members of the governing body or employees during meetings over lunch or dinner hours, volunteer appreciation lunches or dinners for members of appointed boards and commissions, team-building events that include food or beverages, or foods and beverages provided at a holiday potluck or retirement party.

This resolution adopts policy to make food and beverages part of the official compensation package for the Mayor, volunteers, and City staff.

KEY CONSIDERATIONS / ANALYSIS:

The State of Oregon's ethics laws require disclosure of conflicts of interest and preclude public officials from participating in matters in which they have an actual conflict of interest. Making food and beverages "official compensation" would be considered a pecuniary benefit and an actual conflict of interest under ORS 244.040 for all elected officials. As such, the affected positions identified in this resolution must recuse themselves from the vote.

BUDGET IMPACT:

None. These expenses are already reflected in the Biennium 2025-27 budget.

RECOMMENDATION:

Staff recommends approving Resolution 2025-28. The Mayor should abstain from voting on this Resolution.

SUGGESTED MOTION LANGUAGE:

"I move to approve Resolution 2025-28."

LIST OF ATTACHMENTS / EXHIBITS:

- Resolution 2025-28
 - Food, Beverage, and Other Items Policy



RESOLUTION NO. 2025-28

A RESOLUTION INCORPORATING FOOD, BEVERAGES, AND OTHER ITEMS INTO THE COMPENSATION PACKAGE FOR MAYOR, VOLUNTEERS, AND CITY STAFF

WHEREAS, the Oregon Government Ethics Commission (OGEC) issued advisory opinion No. 25-126A concluding that ORS 244.040 prohibits a public body from providing food or beverages to its employees, elected, or appointed officials unless those food and beverages are made a part of the officials or employee's compensation package; and

WHEREAS, the City of Sandy's Mayor, volunteers, and City staff routinely hold or participate in work sessions, meetings, and events through meal hours; and

WHEREAS, the Mayor, volunteers, and City staff are asked to participate in events where they are identifiable as members of the City government; and

WHEREAS, the City does not provide financial compensation for participation in the Mayor or volunteer roles; and

WHEREAS, the policy is designed to provide reasonable accommodation to the Mayor, volunteers, and City staff; and

WHEREAS, OGEC recognizes in its opinion that by incorporating food and beverages as a part of the official's compensation package, the local government may provide such food and beverages.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANDY:

Section 1: The City Council adopts the Food, Beverage, and Other Items Policy, attached hereto as Exhibit A, and approves provision of foods, beverages, and other items as described in the Policy for the Mayor, volunteers, and City staff.

Section 2: This Resolution shall become effective immediately following its adoption by the City Council.

This resolution is adopted by the City Council of the City of Sandy this 21st day of July, 2025.

Kathleen Walker, Mayor

ATTEST:

Jeffrey Aprati, City Recorder

City of Sandy Food, Beverages, and Other Items Policy**Purpose**

This policy is to address any issues that might arise from providing meals, food, beverages, or other compensation to certain public officials in connection with performance of their official duties for the City of Sandy.

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 - (a) Food, lodging, transportation, and other related costs reimbursed by the City of Sandy and covered under existing City of Sandy reimbursement policies.
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- (3) A member of the City of Sandy City Council is provided with a meal by an outside third party. This is not considered part of the official compensation package and must be analyzed under ORS 244.
- (4) Members of all appointed boards for the City of Sandy are provided dinner at a volunteer recognition event. Dinner would be considered part of the official compensation package.

EXHIBIT A

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- (3) Employee, while performing City of Sandy related business, is provided with a meal by an outside third party. This is not considered part of the official compensation package and must be analyzed under ORS 244.

POLICY APPROVED: July 21, 2025



STAFF REPORT

Item # 10.

Meeting Type: City Council
Meeting Date: July 21, 2025
From: Tyler Wallace, Finance Director
Subject: Second Reading: Ordinance 2025-22 – Amending SMC Chapter 3.28 Transient Lodging Tax Rate

DECISION TO BE MADE:

Whether to adopt changes to Sandy Municipal Code Chapter 3.28, amending the Transient Lodging Tax rate from 3% to 6%.

APPLICABLE COUNCIL GOAL:

- **Goal 6.6:** Develop Short-Term Rental Regulations and Pursue Flexibility for Usage of Associated Revenue.

BACKGROUND / CONTEXT:

The first reading for Ordinance 2025-22 was approved by the Council on [June 16, 2025](#). The vote to approve was not unanimous, therefore it moved to a second reading. Additional information was requested regarding the cumulative impact of transient lodging tax rates assessed by the State, Counties, and local municipalities, particularly for jurisdictions in close proximity that may be direct competitors. Additional information regarding rates is included in this revised staff report under the Key Considerations/Analysis section.

[Sandy Municipal Code Chapter 3.28](#) lays out the City of Sandy's transient lodging tax. This chapter was last amended in April 2025 to update the code to reflect industry changes, specifically the advent and prevalence of short-term rentals.

The City assesses a 3% Transient Lodging Tax on rent for periods of 30 days or less. Generally, the term Short-Term Rental refers to a whole house, a portion of a house, condo, or other dwelling unit where an owner rents their property for periods of 30 days or less. Rent for these types of properties is subject to the Transient Lodging Tax.

KEY CONSIDERATIONS / ANALYSIS:

Many jurisdictions charge a transient lodging tax. When compared to other jurisdictions in Oregon, Sandy's Transient Lodging Tax of 3% is relatively low. The following is a table showing what some other Oregon municipalities assess:

Lincoln City	12.0%
Salem	
Hotels	11.0%
STRs	9.0%
Corvallis	9.0%
Silverton	9.0%
Gresham	8.0%
Portland	6.0%
Fairview	6.0%
Canby	6.0%
Eugene	4.5%
Beaverton	4.0%
Sandy	3%
Hillsboro	3.0%

* list is not comprehensive

The State of Oregon assesses a 1.5% transient lodging tax on all transient lodging stays in Oregon. Counties also charge transient lodging taxes. Clackamas County's rate is 6%, Washington County's rate is 9% and Multnomah County's rate is 11.5% for unincorporated areas and 5.5% in incorporated areas like Portland and Gresham.

There was discussion and questions at the first reading of this ordinance about the cumulative impact of transient lodging taxes and how the total TLT rate charged in Sandy compared with nearby jurisdictions, specifically Gresham and Mt Hood.

Cumulative TLT Rate				
	State	County	City	Total
Sandy*	1.5%	6.0%	6.0%	13.5%
Gresham	1.5%	5.5%	8.0%	15.0%
Mt Hood	1.5%	6.0%	0.0%	7.5%
Silverton	1.5%	0.0%	9.0%	10.5%
Canby	1.5%	6.0%	6.0%	13.5%
Fairview	1.5%	5.5%	6.0%	13.0%

* Sandy's new proposed rate

Because transient lodging taxes are on stays at hotels/motels and short-term rentals, and paid by the visitor, these taxes will generally be paid by people visiting Sandy, not by residents. This modest increase to a rate of 6%, a rate in line with what many other local jurisdictions charge, will likely not have any measurable impact on tourism.

The tax is remitted quarterly. Since ordinances become effective 30 days after adoption, that would implement the new tax rate in the middle of a quarter. If adopted, the Ordinance will become effective October 1, 2025, to align with the quarterly filing period.

BUDGET IMPACT:

The proposed changes result in additional Transient Lodging Taxes being paid to the City. The estimated additional revenue is \$100,000. The use of Transient Lodging Tax Revenue is restricted by law. The existing 3% is exempt from ORS 320.350 and is required to be used for tourism and economic development. The marginal 3% generated from the tax rate increase is subject to the requirements of ORS 320.350. The marginal revenues are to be used 70% for tourism promotion or tourism related facilities, and 30% general City Services.

The use of this revenue is included in the City's budget for 2025-2027.

RECOMMENDATION:

Staff recommends adoption of Ordinance 2025-22 amending Sandy Municipal Code Chapter 3.28.

SUGGESTED MOTION LANGUAGE:

"I move to approve the second reading of Ordinance 2025-22."

LIST OF ATTACHMENTS / EXHIBITS:

- Ordinance No. 2025-22
 - Exhibit A – Proposed amendments to Municipal Code Chapter 3.28



ORDINANCE NO. 2025-22

AN ORDINANCE AMENDING SANDY MUNICIPAL CODE CHAPTER 3.28: TRANSIENT LODGING TAX

WHEREAS, a local transient lodging tax is a tax imposed by a local government on the sale, service or furnishing of transient lodging; and

WHEREAS, transient lodging includes hotel, motel and inn dwelling units that are used for temporary overnight human occupancy; spaces used for parking recreational vehicles or erecting tents during periods of human occupancy; and houses, cabins, condominiums, apartment units or other dwelling units, or portions of any of these dwelling units, that are used for temporary human occupancy; and

WHEREAS, Chapter 3.28 of the City of Sandy Municipal Code establishes requirements for the payment of transient lodging tax; and

WHEREAS, The City of Sandy's Transient Lodging tax rate is currently 3%, which is comparatively low when compared to other taxing jurisdictions in Oregon; and

WHEREAS, ORS 320.350 includes certain requirements regarding use of revenue for new transient lodging taxes, but the City's transient lodging tax pre-dates those requirements and is therefore exempt; and

WHEREAS, any marginal revenue resulting from an increase to the amount of the transient lodging tax would be subject to the requirements of ORS 320.350 relating to use of revenue; and

WHEREAS, the City Council adopted the 2025-2027 biannual budget on June 2, 2025, which reflected marginal tax revenue reflective of a Transient Lodging Tax rate increase; and

WHEREAS, the City Council held a hearing on June 16, 2025, allowing the public an opportunity to provide testimony on the proposed code amendments.

NOW, THEREFORE, THE CITY OF SANDY ORDAINS AS FOLLOWS:

Section 1: Sections 3.28.020 and 3.28.090 of Chapter 3.28, within Title 3, Revenue and Finance of the Sandy Municipal Code, are hereby amended as shown in Exhibit A, attached, and incorporated herein by reference.

Section 2: This ordinance shall take effect October 1, 2025.

This ordinance is adopted by the City Council of the City of Sandy this 21st day of July, 2025.

Kathleen Walker, Mayor

ATTEST:

Jeffrey Aprati, City Recorder

Exhibit A**Sec. 3.28.020. - Tax imposed.**

Each occupant shall pay a tax in the amount of ~~three~~ six percent of the rent. The tax constitutes a debt owed by the occupant to the City which is extinguishable only by payment to the transient lodging tax collector. The occupant shall pay the tax to the transient lodging tax collector. Tax amounts shall be rounded down to the nearest cent. The transient lodging tax collector shall maintain records of all rent charged and tax payments received. The transient lodging tax collector shall enter the tax on the records when rent is collected if the transient lodging tax collector keeps records on a cash accounting basis and when earned if the transient lodging tax collector keeps records on the accrual accounting basis. If rent is paid in installments, a proportionate share of the tax shall be paid by the occupant to the transient lodging tax collector with each installment.

Sec. 3.28.090. - Disposition of tax.

In recognition of the portion of the tax which pre-dates ORS 320.350, use of the tax collected by the City shall be as follows:

- A. Half of all tax collected by the City shall be exempt from ORS 320.350 and shall continue to be used for the promotion of tourism and economic development; and
- B. Half of all tax collected by the City shall be used in accordance with ORS 320.350:
 - a. Seventy percent to fund tourism promotion or tourism-related facilities; and
 - b. Thirty percent to fund city services.



STAFF REPORT

Item # 11.

Meeting Type: City Council
Meeting Date: July 21, 2025
From: AJ Thorne, Public Works Director
Subject: Contract Award: 2025 Pavement Maintenance

DECISION TO BE MADE:

Whether to authorize the City Manager to sign an agreement with S-2 Contractors for the 2025 Pavement Maintenance Project.

APPLICABLE COUNCIL GOAL:

- **Goal 8.3:** Ensure adoption of asset management principles throughout the organization.
- **Goal 9.4:** Budget for replacement of assets including vehicles and other major equipment.

BACKGROUND / CONTEXT:

The City uses Pavement Maintenance System software to prioritize street maintenance projects based on a condition survey performed every five years. Using local option fuel tax revenue, the City generally completes \$500,000 to \$600,000 worth of street maintenance (asphalt overlays and surface treatments) projects every two years. The goal of the program is to keep the Pavement Condition Index (PCI) at 80 or better.

The City hires a firm to perform an inventory of Sandy's streets every five years, assigning each street section a PCI score. In 2020, Capital Asset calculated Sandy's PCI score at 80. To maintain this PCI level, we would need to budget \$1,000,000 for maintenance each biennium. According to the report, a budget of \$500,000 each biennium was projected to lower our score to 77 by the year 2025. Capital Asset will be out in Sandy doing a street inventory in the summer of 2025. They will use the data collected to put together a suggested schedule for the next five years 2026-2030.

During the 2025-2027 budget adoption process, there was interest in moving funds from contingency into further street improvements. While there was no final decision or budget adjustment made at that time, in the interest of exploring that option Staff will bring a presentation to Council in the near future to consider adding a second pavement maintenance contract in the 2025-2027 biennium.

KEY CONSIDERATIONS / ANALYSIS:

As noted above, the City generally awards a street maintenance contract (asphalt overlays and surface treatments) of \$500,000 to \$600,000 every two years. Summer 2025 is the next iteration of this program. On June 5, 2025 the City of Sandy received three bids from paving contractors seeking to

execute our 2025 projects. The work will consist of slurry seal treatments and paving selected streets as shown on the attached map. A summary of the bids received is listed below:

Bidder	Amount
S-2 Contractors Inc.	\$518,766.00
Brix Paving Northwest	\$558,409.30
Knife River Corporation	\$657,083.00

BUDGET IMPACT:

The proposed contract with S-2 Contractors totals \$518,766.00 and will be paid from the Street Utility fund from the FY25-27 biennium budget. The City Budget for this work was \$600,000 and the lowest responsive bid is within budgeted amount.

RECOMMENDATION:

Authorize the City Manager to sign an agreement with the S-2 Contractors Inc. for the 2025 Pavement Maintenance Program Construction Contract in a not to exceed the amount of \$518,766.00

SUGGESTED MOTION LANGUAGE:

"I move to accept the low bid of \$518,766.00 with S-2 Contractors Inc. for the 2025 Pavement Maintenance Program Construction Contract, and authorize the City Manager to enter into an agreement with S-2 Contractors Inc. to complete this project."

LIST OF ATTACHMENTS / EXHIBITS:

- Map of streets to receive treatment
- Bid opening summary & tabulation
- Contract with S-2 Contractors

Item # 11.





0 500 1,000 2,000

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CITY OF SANDY
2025 STREET MAINTENANCE PROJECT
Bid Date: Thursday, June 5, 2PM

Item # 11.

BID TABULATION				S-2 Contractors		Brix Paving NW		Knife River	
Basic Bid Items:				Units		Unit / Total		Unit / Total	
A. SCHEDULE A - STREET OVERLAY									
A.1	Mobilization, Including Bonding, Insurance & Miscellaneous Costs Not Identified as a Bid Item	1	LS	\$	34,100.00	\$	50,000.00	\$	53,700.00
					34,100.00		50,000.00		53,700.00
A.2	Traffic Control & Temporary Erosion Control Measures	1	LS	\$	20,000.00	\$	50,000.00	\$	38,000.00
					20,000.00		50,000.00		38,000.00
A.3	Grind Existing Pavement, (6' wide panel along the curb, 2" to 0" depth)	4,610	LF	\$	7.10	\$	8.00	\$	8.80
					32,731.00		36,880.00		40,568.00
A.4	Full Depth Reconstruction of Failed Roadway Sections, Includes Saw Cut, 16" Common Excavation, 12" of Base Rock & 4" of HMAC in two lifts	540	SY	\$	180.00	\$	200.00	\$	209.00
					97,200.00		108,000.00		112,860.00
A.5	Full Depth Reconstruction of Roadway, Full Lane Width, Includes Saw Cut, 16" Common Excavation, 12" of Base Rock. AC Paid under Bid Item A6.	285	SY	\$	100.00	\$	120.00	\$	130.00
					28,500.00		34,200.00		37,050.00
A.6	1/2" Dense Mix HMAC Pavement Overlay with 64/22 Binder, 2" Thick Single Lift	800	Tons	\$	150.00	\$	150.00	\$	158.00
					120,000.00		120,000.00		126,400.00
A.7	4" Wide White or Yellow Thermoplastic Stripe, Including All Labor, Equipment, Material, and Installation	3,200	LF	\$	3.00	\$	2.50	\$	3.30
					9,600.00		8,000.00		10,560.00
A.8	12" Wide White Stop Bars or 24" Wide White Thermoplastic Crosswalk Bars, 2' Wide x 9' Long Continental Crosswalk	736	SF	\$	19.00	\$	16.80	\$	22.00
					13,984.00		12,364.80		16,192.00
A.9	Bike Stencils, Left Turn Arrows, Straight & Right Turn Arrows, Including All Labor, Equipment, Material, and Installation	13	Ea	\$	450.00	\$	375.00	\$	492.00
					5,850.00		4,875.00		6,396.00
A.10	Minor Manhole Grade Adjustment Ring	3	Ea	\$	300.00	\$	250.00	\$	501.00
					900.00		750.00		1,503.00
Subtotal				\$	362,865.00	\$	425,069.80	\$	443,229.00
Basic Bid Items:				Units		Unit / Total		Unit / Total	
SCHEDULE B: SLURRY SEAL TREATMENT									
B.1	Mobilization, Including Bonding, Insurance & Miscellaneous Costs Not Identified as a Bid Item	1	LS	\$	20,000.00	\$	20,000.00	\$	11,100.00
					20,000.00		20,000.00		11,100.00
B.2	Traffic Control Measures, Including Public Outreach/Notification	1	LS	\$	10,000.00	\$	15,000.00	\$	13,900.00
					10,000.00		15,000.00		13,900.00
B.3	Turn Arrow Stencils	3	Ea.	\$	450.00	\$	375.00	\$	492.00
					1,350.00		1,125.00		1,476.00
B.4	4" Wide White or Yellow Thermoplastic Striping	4,500	LF	\$	3.00	\$	2.50	\$	3.30
					13,500.00		11,250.00		14,850.00
B.5	12" Wide White Stop Bars or 24" Wide White Thermoplastic Crosswalk Bars, 2' Wide x 9' Long Continental Crosswalk (Non-Skid Finish)	255	SF	\$	19.00	\$	16.80	\$	22.00
					4,845.00		4,284.00		5,610.00
B.6	Thermoplastic Striping Removal	3,005	LF	\$	1.20	\$	1.10	\$	8.60
					3,606.00		3,305.50		25,843.00
B.7	Type II Slurry Seal Including All Labor, Equipment, and Material	28,500	SY	\$	3.60	\$	2.75	\$	4.95
					102,600.00		78,375.00		141,075.00
Subtotal				\$	155,901.00	\$	133,339.50	\$	213,854.00
TOTAL BASIC BID				\$	518,766.00	\$	558,409.30	\$	657,083.00

CONTRACT FOR CONSTRUCTION

THIS AGREEMENT is dated as of the _____ day of _____ in the year 2025 by and between

City of Sandy
(hereinafter called OWNER) and

S-2 Contractors, INC
(hereinafter called CONTRACTOR)

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE 1 - WORK

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents:

City of Sandy 2025 STREET MAINTENANCE IMPROVEMENT PROJECT

The City reserves the right to adjust the basic bid quantities if the submitted low responsive bid exceeds the available budget. All adjusted quantities will be paid based on the bid unit prices.

The scope of work generally consists of milling approximately 4,600 LF along existing curbs and placing approximately 800 tons of ACP for overlays; 825 SY of full depth reconstruction for roadways; applying approximately 28,500 SY of type II slurry seal, and removal with re-installation of 7,700 LF of stripping. The total estimated project cost is \$550,000.

The City of Sandy reserves the right to modify the bid quantities to meet budget requirements without modification of unit prices.

ARTICLE 2 - ENGINEER

The Project has been designed by CURRAN-McLEOD, INC., Consulting Engineers, who is hereinafter called ENGINEER and who will assume all duties and responsibilities and will have the rights and authority assigned to ENGINEER in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents.

ARTICLE 3 - CONTRACT TIME

- 3.1 The Work will be substantially completed within **60** calendar days after the date when the Contract Time commences to run as provided in paragraph 4.01 of the General Conditions and completed and ready for final payment in accordance with Paragraph

15.06 of the General Conditions within 30 days after the date when the issuance of the Certificate of Substantial Completion including punch list items.

- 3.2 Liquidated Damages: OWNER and CONTRACTOR recognize that time is of the essence of this Agreement and that OWNER will suffer financial loss if the Work is not substantially complete within the time specified in paragraph 3.1 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. They also recognize the delays, expense and difficulties involved in proving in a legal proceeding the actual loss suffered by OWNER if the Work is not substantially complete on time.

Accordingly, instead of requiring any such proof, OWNER and CONTRACTOR agree that as liquidated damages for delay (but not as a penalty) CONTRACTOR shall pay OWNER or the OWNER may withhold from amounts due the CONTRACTOR Two Hundred Fifty Dollars (\$250.00) for each day that expires after the time specified in paragraph 3.1. for Substantial Completion until the Work is substantially complete AND/OR for each day of delay beyond the deadline for Final Completion.

ARTICLE 4 - CONTRACT PRICE

- 4.1 OWNER shall pay CONTRACTOR for performance of the Work in accordance with the Contract Documents in current funds by check, an amount totaling

FIVE HUNDRED EIGHTEEN THOUSAND SEVEN HUNDRED SIXTY-SIX Dollars

(\$518,766.00) as shown in the attached Bid Proposal.

ARTICLE 5 - PAYMENT PROCEDURES

CONTRACTOR shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by ENGINEER as provided in the General Conditions.

- 5.1 Progress Payments: OWNER shall make progress payments on account of the Contract Price on the basis of CONTRACTOR'S Applications for Payment as recommended by ENGINEER, on or about the 25th day of each month during construction as provided below. All progress payments will be on the basis of the progress of the Work measured by the schedule of values provided for in paragraph 2.03 of the General Conditions.
- 5.1.1 Prior to Substantial Completion progress payments will be in an amount equal to:
- (a) 95 % of the Work completed; and
 - (b) 95 % of materials and equipment not incorporated in the Work but delivered and suitably stored, less in each case the aggregate of payments previously

made.

5.1.2 Upon Substantial Completion, OWNER shall pay an amount sufficient to increase total payments to CONTRACTOR to 95% of the value of the Contract Work completed, less such amounts as ENGINEER shall determine in accordance with paragraph 15.01 of the General Conditions.

5.2 Final Payment: Upon final completion and acceptance of the Work in accordance with paragraph 15.06 of the General Conditions, OWNER shall pay the remainder of the value of the Contract Work completed, as recommended by ENGINEER as provided in said paragraph 15.06.

ARTICLE 6 - INTEREST

All monies not paid when due hereunder shall bear interest at the maximum rate allowed by law at the place of the Project, when requested in accordance with ORS 279C.570

ARTICLE 7 - CONTRACTOR'S REPRESENTATIONS

In order to induce OWNER to enter into this Agreement CONTRACTOR makes the following representations:

- 7.1 CONTRACTOR has familiarized himself with the nature and extent of the Contract Documents, Work, locality, and with all local conditions and federal, state, and local laws, ordinances, rules, and regulations that in any manner may affect cost, progress, or performance of the Work.
- 7.2 CONTRACTOR has carefully studied all reports of investigations and tests of subsurface and latent physical conditions at the site or otherwise affecting cost, progress or performance of the Work which were relied upon by ENGINEER in the preparation of the Drawings and Specifications and which have been identified in the Supplementary Conditions.
- 7.3 CONTRACTOR has made or caused to be made examinations, investigations and tests and studies of such reports and related data in addition to those referred to in paragraph 7.2 as he deems necessary for the performance of the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents; and no additional examinations, investigations, tests, reports or similar data are or will be required by CONTRACTOR for such purposes.
- 7.4 CONTRACTOR has correlated the results of all such observations, examinations, investigations, tests, reports and data with the terms and conditions of the Contract Documents.
- 7.5 CONTRACTOR has given ENGINEER written notice of all conflicts, errors, or discrepancies that he has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR.

ARTICLE 8 - CONTRACT DOCUMENTS

- 8.1 This Agreement
- 8.2 Exhibits to this Agreement.
- 8.3 Performance and other Bonds
- 8.4 Notice of Award.
- 8.5 General Conditions of the Construction Contract
- 8.6 Supplementary Conditions
- 8.7 Technical Specifications as listed in the Table of Contents.
- 8.8 Drawings & Specifications bearing the following general title:

City of Sandy
2025 Street Maintenance Project
- 8.9 Addenda numbers 1 - 1.
- 8.10 CONTRACTOR'S Bid
- 8.11 Any Modification, including Change Orders, duly delivered after execution of Agreement.

There are no Contract Documents other than those listed above in this ARTICLE 8. The Contract Documents may only be altered, amended, or repealed by a Modification (as defined in Article 1 of the General Conditions).

ARTICLE 9 - MISCELLANEOUS

- 9.1 Terms used in this Agreement which are defined in Article 1 of the General Conditions shall have the meanings indicated in the General Conditions.
- 9.2 No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically by without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

- 9.3 OWNER and CONTRACTOR each bind himself, his partners, successors, assigns and legal representatives to the other party hereto, his partners, successors, assigns and legal representatives in respect to all covenants, agreements and obligations contained in the Contract Documents.
- 9.4 In the event a suit, arbitration or other legal action is required by either the OWNER or the CONTRACTOR to enforce any provisions of this Agreement, the prevailing parties shall be entitled to all reasonable costs and reasonable attorney's fees upon trial or subsequent appeal.

IN WITNESS WHEREOF, the parties hereto have signed three counterparts of this Agreement.

This Agreement will be effective on _____, 2025.

OWNER:

City of Sandy
39250 Pioneer Blvd
Sandy, OR 97055

CONTRACTOR:

By: _____

Name/Title: _____

Name/Title: _____

By: _____

Name/Title: _____

Attest: _____

Address for giving notices:

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STAFF REPORT

Item # 12.

Meeting Type: City Council
Meeting Date: July 21, 2025
From: AJ Thorne, Public Works Director
Subject: Contract Approval: Fiber Optic Improvements for Alder Creek, Sandercock, and Terra Fern Sites

DECISION TO BE MADE:

Whether to authorize the City Manager to execute an agreement for the installation of the fiber optic cabling at the Alder Creek, Sandercock, and Terra Fern sites as part of the Alder Creek WTP Improvements project.

APPLICABLE COUNCIL GOAL:

- **Goal 7.1:** Complete Alder Creek Water Treatment Plant improvements (improved communications are required for new treatment operations)

BACKGROUND / CONTEXT:

The City of Sandy recently updated its Water System Master Plan, which was approved by the Oregon Health Authority (OHA) and adopted by the City in November 2022. The City selected Stantec as the Program Manager for its Sandy Drinking Water Reinvestment Program (SDWRP) in the spring of 2023. After consulting with the City, it was determined that stabilizing the Alder Creek Water Treatment Plant (WTP) was an immediate and critical need to ensure reliability. To stabilize the plant's production reliability, the required upgrades include upgrading the Raw Water Pump Station and constructing new building infrastructure containing new membrane filtration equipment, support facilities, and a new Finished Water Pump Station.

These upgrades to the Alder Creek WTP are occurring concurrently with the Portland to Sandy Water Filtration Plant Transmission System project, which will provide a secure connection to the Bull Run Supply at the Bull Run Filtration Facility. The connection to the Bull Run Filtration Facility and the upgrades to the Alder Creek WTP will provide the City with two reliable sources to secure supply for the near-term future (year 2040) expected treated water demand.

These new fiber services will be connected to the SandyNet fiber line along highway 26. This section of fiber line is contracted with our partner CBX, who maintains the fiber connection along the highway to other service locations such as the Hoodland library. Using SandyNet as the provider for this site will offer rapid service response times with a partner that is already familiar with the needs of the City. There is no other service provider readily available at any of these sites.

KEY CONSIDERATIONS / ANALYSIS:

Installation of fiber optic communications infrastructure is the last step in shoring up communications for Sandy's drinking water system. Staff has been battling communication issues with the water site for some time, often resulting in unnecessary off-hours site visits to confirm operation. Due to the remote location of Alder Creek, it will be very beneficial to have fiber at this site. With all three sites on fiber connections, Sandy's water system will be able to run more efficiently with more automation, and safely with accurate data being conveyed to the SCADA system.

An invitation to bid for fiber optic cabling at the Alder Creek, Terra Fern, and Sandercock sites was released on June 18, 2025, for the drilling of approximately 8,561 lineal feet of underground cabling for the extension of fiber services at each site.

On July 9, 2025, the City received three (3) bids from contractors with the apparent lowest bidder being NorthStar Electrical Contractors, Inc. at \$206,000

The bids were reviewed by the City of Sandy's IT Director Greg Brewster and design drawings were developed by K&B.

BUDGET IMPACT:

Funds for the construction of the Fiber Optic Cabling Project are identified in the water capital appropriations for the FY23_25 budget as part of the Alder Creek WTP Improvements project. This project will be financed from the City's Special Public Works Fund Loan, B24002.

RECOMMENDATION:

Authorize the City Manager to execute a contract with NorthStar Electrical Contractors, Inc. for a maximum total fee of \$206,000.

SUGGESTED MOTION LANGUAGE:

"I move to authorize the City Manager to execute a construction contract with NorthStar Electrical Contractors, Inc. for the installation of fiber optic cabling at the Alder Creek, Terra Fern, and Sandercock sites, for a maximum total fee of \$206,000 with terms substantially similar to those included in the meeting packet."

LIST OF ATTACHMENTS / EXHIBITS:

- A) NorthStar Electrical Contractors, Inc. Bid
- B) Draft Contract Documents

The terms used in this Bid with initial capital letters have the meanings stated in the General Conditions. This form constitutes a Request for Pricing Proposal and any mutually agreed upon companion documentation prepared by CONTRACTOR to support the response to the Request for Pricing Proposal.

ARTICLE 1—OWNER AND BIDDER

1.01 This Bid is submitted via email (gbrewster@ci.sandy.or.us):

The City of Sandy, Oregon

Attn: Greg Brewster – IT Director/SandyNet General Manager

39250 Pioneer Blvd

Sandy, OR 97055

Phone: (503) 489-0937

1.02 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into a Task Order Agreement with Owner in the form included to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2—ATTACHMENTS TO THIS BID

2.01 The following documents are required to be submitted with and made a condition of this Bid:

A. A tentative schedule of the work, from Notice to Proceed through Substantial Completion.

1. For purposes of scheduling, bidder shall assume a Notice to Proceed date of August 5, 2025.
2. Bidder, in Bidder's tentative schedule, shall identify critical path for the project and identify work sequenced in accordance with Section 01 15 00 of Article 2.
3. City will consider both the Bid and Bidder's tentative schedule in determining a responsive bid. A clear and appropriately sequenced construction schedule is an important consideration when determining the responsiveness of the Bidder.

B. List of Proposed Subcontractors;

1. List the name of each subcontractor that will be furnishing labor or materials in connection with this contract that will have (1) a contract value equal to or greater than 5 percent of the total bid or \$15,000, whichever is greater, or (2) \$350,000, regardless of the percentage of the total bid.
2. Otherwise, provide a statement of 'There are no subcontractors that will be furnishing labor or materials in connection with this Contract' if there are no subcontractors that need to be disclosed.

C. Identification of Key Personnel assigned to the Task Order by the Contractor including a current resume listing similar assignments. Key Personnel include:

1. Project Manager and/or General Superintendent
2. Safety Director or Manager
3. Project Foreman or Engineer

3.01 *Lump Sum Bids*

- A. Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents, the amounts that follow for the lump sum (stipulated) price, subject to adjustment under the Contract:

Item No.	Item	Unit	Estimated Quantity	Lump Sum Price
1	Alder Creek Fiber Optic Cabling	LS	1	70,000
2	Sandercock Fiber Optic Cabling	LS	1	80,000
3	Terran Fern Fiber Optic Cabling	LS	1	56,000
Total of all Lump Sum Price Work				

Total Bid: \$ Two Hundred, Seven Thousand and 00/100 Dollars \$206,000
 (Use words) (Use numbers)

*Abbreviations

LS – Lump sum

LBS – Pounds

CY – Cubic yards

LF – Lineal feet

EA – Each

SY – Square yard

- B. Bidder acknowledges that each Bid Item Lump Sum Price includes an amount considered by the Bidder to be adequate to cover Contractor's overhead and profit for each separately identified item.

ARTICLE 4—TIME OF COMPLETION

- 4.01 Each Contractor's proposal will be evaluated based on a best value analysis, of which time to complete the work, is an element of evaluation. As part of the response to the Request for Pricing Proposals, each Contractor shall fill in the Contract Time they will require to complete the work. **Each Contractor shall fill in the number of calendar days to achieve substantial and final completion in the following table, as a condition of their complete response to the Bid Proposal.**

Item No.	Description	Calendar Days after the date when the Contract Times commence run as provided in Paragraph 4.01 of the General Conditions	
		Substantial Completion	Final Completion
1	Alder Creek Fiber Cabling	30	35
2	Sandercock Fiber Cabling	45	55
3	Terra Fern Fiber Cabling	60	70

- 4.02 The Work will be substantially complete in accordance with Paragraph 15.03 of the General Conditions and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions.
- 4.03 Bidder accepts the provisions of the Agreement as to liquidated damages.

ARTICLE 5—BIDDER’S ACKNOWLEDGEMENTS: ACCEPTANCE PERIOD, INSTRUCTIONS, AND RECEIPT OF ADDENDA

5.01 *Bid Acceptance Period*

- A. This Bid will remain subject to acceptance for 45 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.

5.02 *Bidder’s Representations*

- A. In submitting this Bid, Bidder represents the following:
1. Bidder has examined and carefully studied the Bidding Documents.
 2. Bidder has visited the Site, conducted a thorough visual examination of the Site and adjacent areas, and become familiar with the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
 3. Bidder is familiar with all Laws and Regulations that may affect cost, progress, and performance of the Work.
 4. Bidder has carefully studied the reports of explorations and tests of subsurface conditions at or adjacent to the Site and the drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, with respect to the Technical Data in such reports and drawings.
 5. Bidder has carefully studied the reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, with respect to Technical Data in such reports and drawings.
 6. Bidder has considered the information known to Bidder itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and the Technical Data identified in the Supplementary Conditions or by definition, with respect to the effect of such information, observations, and Technical Data on (a) the cost, progress, and performance of the Work; (b) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder, if selected as Contractor; and (c) Bidder’s (Contractor’s) safety precautions and programs.
 7. Based on the information and observations referred to in the preceding paragraph, Bidder agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
 8. Bidder is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents.
 9. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and of discrepancies

between Site conditions and the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.

10. The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
11. The submission of this Bid constitutes an incontrovertible representation by Bidder that without exception the Bid and all prices in the Bid are premised upon performing and furnishing the Work required by the Bidding Documents.

5.03 Bidder's Certifications

A. The Bidder certifies the following:

1. This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation.
2. Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid.
3. Bidder has not solicited or induced any individual or entity to refrain from bidding.
4. Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 8.02.A:
 - a. Corrupt practice means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process.
 - b. Fraudulent practice means an intentional misrepresentation of facts made (a) to influence the bidding process to the detriment of Owner, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition.
 - c. Collusive practice means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish bid prices at artificial, non-competitive levels.
 - d. Coercive practice means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

BIDDER hereby submits this Bid as set forth above:

Bidder:

NorthStar Electrical Contractors, Inc.

(typed or printed name of organization)

By:

(individual's signature)

Name:

Jesse Culp

(typed or printed)

Title:

President

(typed or printed)

Date:

07/09/2025

(typed or printed)

If Bidder is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.

Attest:

(individual's signature)

Name:

Jesse Culp

(typed or printed)

Title:

President

(typed or printed)

Date:

07/09/2025

(typed or printed)

Address for giving notices:

11055 SW Clay Street

Sherwood, OR 97140

Bidder's Contact:

Name:

Jesse Culp

(typed or printed)

Title:

President

(typed or printed)

Phone:

503-612-0840

Email:

jesse.culp@northstarelect.com

Address:

11055 SW Clay Street

Sherwood, OR 97140

Bidder's Contractor License No.:

90454



March 31, 2013

Meeting of the Board of Directors – March 31, 2013

Meeting called to order by President Kenneth E. Murphy on March 31st, 2013 at 2:30 PM at 19450 SW Cipole Road, Suite 107, Tualatin, Oregon 97062.

Attendees: Kenneth E. Murphy and Jesse N. Culp.

Sales agreement signed by both parties transferring 100 percent ownership of the KemCorp, Inc. Corporate Stock from Kenneth E. Murphy to Jesse N. Culp effective March 31st, 2013.

The Corporation name was changed from KemCorp, Inc. to NorthStar Electrical Contractors, Inc. and registered with the State of Oregon on March 31st, 2013.

Kenneth E. Murphy resigned the positions of President, Secretary and Treasurer of the Corporation. Jesse N. Culp received majority vote to replace Murphy as President, Secretary and Treasurer of the Corporation.

All amendments and changes were approved. Meeting adjourned at 4PM.

Signed by:

Kenneth E. Murphy

A handwritten signature in blue ink that reads "K E Murphy".

Date

3-31-2013

Jesse N. Culp

A handwritten signature in blue ink that reads "J N Culp".

Date

3-31-2013

SECTION 00 43 13 - BID BOND

Bidder Name: NORTHSTAR ELECTRICAL CONTRACTORS, INC. Address (principal place of business): 11055 SW CLAY STREET SHERWOOD OR 97140		Surety Name: MERCHANTS NATIONAL BONDING, INC. Address (principal place of business): 6700 WESTOWN PARKWAY WEST DES MOINES IA 50266	
Owner Name: CITY OF SANDY, OR		Bid Project: FIBER OPTIC CABLING FOR ALDER CREEK, SANDERCOCK, AND TERRA FERN SITES AS PART OF THE ALDER CREEK WTP IMPROVEMENTS PROJECT	
Address: 39250 Pioneer Boulevard Sandy, OR 97055		SW Bluff Road, between the intersections of SW Hudson Road and SW Proctor Road	
		Bid Due Date: July 9, 2025	
Bond Penal Sum: NOT TO EXCEED TEN PERCENT OF AMOUNT BID** (**10%**)			
Date of Bond: JULY 8, 2025			
Surety and Bidder, intending to be legally bound hereby, subject to the terms set forth in this Bid Bond, do each cause this Bid Bond to be duly executed by an authorized officer, agent, or representative.			
Bidder NORTHSTAR ELECTRICAL CONTRACTORS, INC. (Full formal name of Bidder)		Surety MERCHANTS NATIONAL BONDING, INC. (Full formal name of Surety) (corporate seal)	
By: <u>Jesse Culp</u> (Signature)		By: <u>Robin Baird</u> (Signature) (Attach Power of Attorney)	
Name: <u>Jesse Culp</u> (Printed or typed)		Name: <u>ROBIN BAIRD</u> (Printed or typed)	
Title: <u>President</u>		Title: <u>ATTORNEY-IN-FACT</u>	
Attest: <u>J. W. Culp</u> (Signature)		Attest: <u>Rose Fiedler</u> (Signature)	
Name: <u>Jesse Culp</u> (Printed or typed)		Name: <u>ROSE FIEDLER</u> (Printed or typed)	
Title: <u>Secretary</u>		Title: <u>OFFICE ADMIN</u>	
Notes: (1) Note: Addresses are to be used for giving any required notice. (2) Provide execution by any additional parties, such as joint venturers, if necessary.			

1. Bidder and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to pay to Owner upon default of Bidder the penal sum set forth on the face of this Bond. Payment of the penal sum is the extent of Bidder's and Surety's liability. Recovery of such penal sum under the terms of this Bond will be Owner's sole and exclusive remedy upon default of Bidder.
2. Default of Bidder occurs upon the failure of Bidder to deliver within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents.
3. This obligation will be null and void if:
 - 3.1. Owner accepts Bidder's Bid and Bidder delivers within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents, or
 - 3.2. All Bids are rejected by Owner, or
 - 3.3. Owner fails to issue a Notice of Award to Bidder within the time specified in the Bidding Documents (or any extension thereof agreed to in writing by Bidder and, if applicable, consented to by Surety when required by Paragraph 5 hereof).
4. Payment under this Bond will be due and payable upon default of Bidder and within 30 calendar days after receipt by Bidder and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project, and including a statement of the amount due.
5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue Notice of Award agreed to in writing by Owner and Bidder, provided that the total time for issuing Notice of Award including extensions does not in the aggregate exceed 120 days from the Bid due date without Surety's written consent.
6. No suit or action will be commenced under this Bond prior to 30 calendar days after the notice of default required in Paragraph 4 above is received by Bidder and Surety, and in no case later than one year after the Bid due date.
7. Any suit or action under this Bond will be commenced only in a court of competent jurisdiction located in the state in which the Project is located.
8. Notices required hereunder must be in writing and sent to Bidder and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier, or by United States Postal Service registered or certified mail, return receipt requested, postage pre-paid, and will be deemed to be effective upon receipt by the party concerned.
9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent, or representative who executed this Bond on behalf of Surety to execute, seal, and deliver such Bond and bind the Surety thereby.

10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond will be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable statute, then the provision of said statute governs and the remainder of this Bond that is not in conflict therewith continues in full force and effect.
11. The term "Bid" as used herein includes a Bid, offer, or proposal as applicable.

END OF SECTION

MERCHANTS BONDING COMPANY™ POWER OF ATTORNEY

Know All Persons By These Presents, that MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., both being corporations of the State of Iowa, and MERCHANTS NATIONAL INDEMNITY COMPANY, an assumed name of Merchants National Bonding, Inc., (herein collectively called the "Companies") do hereby make, constitute and appoint, individually,

Keith M Yam; Ken Price; Kyle Hudson; Michelle Bench; Robin Baird; William Kaufmann

their true and lawful Attorney(s)-in-Fact, to sign its name as surety(ies) and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

This Power-of-Attorney is granted and is signed and sealed by facsimile under and by authority of the By-Laws adopted by the Board of Directors of the Companies.

"The President, Secretary, Treasurer, or any Assistant Treasurer or any Assistant Secretary or any Vice President shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

"The signature of any authorized officer and the seal of the Company may be affixed by facsimile or electronic transmission to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner - Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

In Witness Whereof, the Companies have caused this instrument to be signed and sealed this 2nd day of June, 2025.



MERCHANTS BONDING COMPANY (MUTUAL)
MERCHANTS NATIONAL BONDING, INC.
MERCHANTS NATIONAL INDEMNITY COMPANY

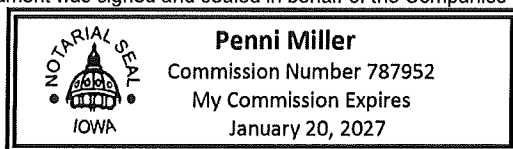
By

Larry Taylor

President

STATE OF IOWA
COUNTY OF DALLAS ss.

On this 2nd day of June, 2025, before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of MERCHANTS BONDING COMPANY (MUTUAL), MERCHANTS NATIONAL BONDING, INC., and MERCHANTS NATIONAL INDEMNITY COMPANY; and that the seals affixed to the foregoing instrument are the Corporate Seals of the Companies; and that the said instrument was signed and sealed in behalf of the Companies by authority of their respective Boards of Directors.



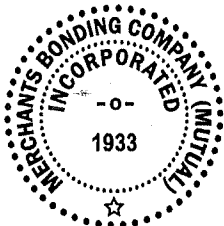
(Expiration of notary's commission
does not invalidate this instrument)

Penni Miller

Notary Public

I, Elisabeth Sandersfeld, Secretary of MERCHANTS BONDING COMPANY (MUTUAL), MERCHANTS NATIONAL BONDING, INC., and MERCHANTS NATIONAL INDEMNITY COMPANY do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said Companies, which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Companies on this 8 day of JULY, 2025.



Elisabeth Sandersfeld

Secretary

POA 0018 (5/25)

SECTION 00 45 13 - BIDDER QUALIFICATION STATEMENT

ITB No.: Jesse CulpBidder Name: NorthStar Electrical Contractors, Inc.Bidder Address: 11055 SW Clay Street, Sherwood, OR 97140Bidder Contact for Qualification Statement: Jesse CulpPhone Number for Contact: 503-612-0840E-mail for Contact: jesse.culp@northstarelect.com

The above-named Bidder submits the information on this form and attached to this form as evidence that it is a responsible bidder. The Bidder acknowledges that this information shall be used by the Owner to make an award determination. In addition to this form, Owner may obtain any information Owner deems necessary to make the determination. Owner will notify the Bidder of any other documentation required, which may include, but is not limited to, Oregon Department of Revenue Letter of Debt Compliance, recent profit-and-loss history; current balance statements and cash flow information; assets-to-liabilities ratio, including number and amount of secured versus unsecured creditor claims; availability of short and long-term financing; bonding capacity; insurability, credit information; material; equipment; facility and personnel information; record of performance under previous contracts; etc. Owner may postpone the award of the Contract in order to complete its investigation and evaluation. Failure to promptly provide requested information and clearly demonstrate Responsibility may result in offer rejection and ineligibility of contract award.

SUPPLEMENTAL RESPONSIBILITY REQUIREMENTS

A. In making a determination whether or not the Bidder is a responsible bidder, the Owner will evaluate the Bidder on the following Responsibility Criteria:

1. The Bidder has the necessary resources to complete the Work to the quality specified within the Contract Time.

In evaluating the "success" of such project Work, completion, resources and quality, the Owner may check owner references for prior projects and evaluate the owner's assessment of the Bidder's performance, including but not limited to the following areas:

- a. Quality and timeliness of required submittals and associated paperwork;
- b. Adherence to standards;
- c. Utilization and management of qualified subcontractors;
- d. Financial capability to obtain the requisite bonds and procure supplies;
- e. Financially responsible of payments to subcontractors, suppliers, and workers;
- f. Compliance with applicable laws and regulations applicable to the Work, including by not limited to health and safety laws and regulations;

- g. Communication with owner and other affected parties;
 - h. Cost control; and
 - i. Compliance with contract documents.
2. The Bidder has experienced personnel with the knowledge, skills and abilities to carry out the Work including;
- a. Superintendent has a minimum of five (5) years' experience supervising the construction of at least two (2) construction projects of a similar scope and complexity to the Project; and
 - b. Project Manager has at least five (5) years of successful experience performing the same type of work that will be assigned to them for this project on projects of a similar scope and complexity to the Project.

In evaluating the "success" of such project management staff, the Owner may check owner references for prior projects and evaluate the owner's assessment of the Bidder's performance, including but not limited to the following areas:

- 1) Names of Superintendent and Project Manager;
 - 2) Contractor's name and Superintendent and Project Manager's employer, if different than the Contractor;
 - 3) Project Name;
 - 4) Project Value;
 - 5) Construction Duration;
 - 6) Owner Name/Contact Information;
 - 7) Project Description including the Scope of Work, project location, and a description of any required specialty work;
 - 8) Description of the work the Superintendent was responsible for supervising; and
 - 9) Description of the work performed by the Project Manager.
- B. To demonstrate its compliance with the above Responsibility Criteria, please submit the below information:
- 1. Provide a description of five (5) projects of a nature, scope, and magnitude equal to or greater than the Project that the Bidder has completed in the past ten (10) years noted for Items 1, 2 and 3 listed under A. above. Attach a document containing the following information and please label it as a response to question B1.
 - a. Project Name;
 - b. Project Value and Final Contract Amount;

- c. Project Duration/Term and Final Contract Term;
 - d. Owner Name/Contact Information;
 - e. Project Description including the Scope of Work, project location, and a description of any required specialty work;
 - f. Project Superintendent;
 - g. Description of delays or problems experienced on each project;
 - h. Project compliance in relation to health and safety laws and regulations;
 - i. Management of safety and safety record with an Experience Modification Rate (EMR) scores relating to construction activities performed;
 - j. Project resources utilized (qualified subcontractors, suppliers, etc.); and
 - k. Project compliance regarding applicable laws and regulations.
2. Demonstrate the Bidder's commitment to safety by providing a listing of any major "incidents" relating to construction activities in the last 5 years. For each event, please attach a detailed explanation of the circumstances, the allegations and the findings, whether the matter is still pending or has been resolved, and contacts that the District may contact for additional information. Please label this "response to question B2".
 3. Besides the five projects listed above, provide any other statements, qualifications, certifications, or other evidence that the Bidder has the ability, capacity, and skill to successfully perform the Contract. If you attach a document containing this information, please label it as a response to question B3.
 4. Provide any other references, awards, certifications, or other proof that the Bidder has the character, integrity, reputation, judgment, experience, and efficiency to successfully perform the Contract. If you attach a document containing this information, please label it as "response to question B4".
 5. Provide a schedule, sourcing list and other documentation to show the Bidder has the ability to perform the Contract within the time specified. The Bidder has the necessary resources to complete the Work to the quality specified within the Contract Time. If you attach a document containing this information, please label it as "response to question B5".
 6. Has the Bidder ever been ticketed, fined, charged, sued, or otherwise found to be out of compliance with the laws relating to the Work, this Contract, or the Project? If yes, please attach a detailed explanation of the circumstances, the allegations, and the findings, whether the matter is still pending or has been resolved, and contacts that the Owner may contact for additional information. Label attachment as "response to question B6".
 Yes: _____ No: X
 7. Provide any other evidence (if any) that the Bidder has which demonstrates its previous and existing compliance with laws relating to this Contract and this Project. If you attach a document containing this information, please label it as "response to question B7".

8. Attach resumes, statements or other documentation for each member of the Bidder's proposed project management staff (project manager, superintendent, engineer or similar level personnel) to show that the Bidder's proposed project management staff members each have at least five (5) years of successful experience performing the same type of work that will be assigned to them for this project on projects of a similar nature, scope and complexity to the Project noted for Item 4 listed under A. above.

The list may include projects supervised on behalf of Bidder and projects supervised on behalf of the proposed Supervisor's prior employer(s). If more than one Supervisor may be used provide the information for each Supervisor.

If you attach a document containing this information, please label it as a response to question B8.

9. Is the Bidder currently a party to a claim against, or a formal dispute resolution process with, the Owner—i.e., pending mediation, arbitration or litigation?

Yes: _____ No: X

If "No," please explain in an attached document.

10. Demonstrate the responsibility of its proposed Subcontractors. The verification may include a representation that each Subcontractor, at the time of subcontract execution, meets the Responsibility Criteria and possesses all required licenses. The Owner reserves the right to request additional information or to investigate the veracity of any statements provided and to make its own determination of responsibility. If you attach a document containing this information, please label it as a response to question B10.

Does the Bidder have all required licenses, insurance and/or registrations, if any, and is the business legally authorized to do business in the state of Oregon?

Yes: X No: _____

If "No," please explain in an attached document.

11. Within the last 3-year period, has your business been notified of any delinquent Federal or State taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied.

Yes: _____ No: X

If "YES," please explain in an attached document.

12. Within the last 3-year period, has your business filed a bankruptcy action, filed for reorganization, made a general assignment of assets for the benefit of creditors, or had an action for insolvency instituted against it?

Yes: _____ No: X

If "YES," please explain in an attached document.

13. Within the last 3-year period, has your business had one or more contracts terminated for default by any federal, state or local government agency, or any lawsuits filed against it by creditors or involving contract disputes?

Yes: _____

No: X

If "YES," please explain in an attached document.

14. Is your business experiencing financial distress or having difficulty securing financing?

Yes: _____

No: X

If "YES," please explain in an attached document.

15. Does your business have sufficient cash flow to fund day-to-day operations throughout the proposed contract period?

Yes: X

No: _____

If "NO," please explain in an attached document.

On behalf of the Bidder, I have read through the responses to this form and the attached information and declare under penalty of perjury under the law of Oregon that the information contained in this Bidder's Qualification Statement with attachments is true and correct.

Signed on the 9th day of July, 2025 (date)(month)(year)

at Sherwood, OR, United States (city, state and county)

Print Name: Jesse Culp Title: President

Signed: 

CONFIDENTIALITY STATEMENT

The City of Sandy abides by the public records laws of the State of Oregon. As such, proposal documents are generally considered to be a matter of public record after the contract for work has been awarded. Information in a proposal may or may not be considered to be exempt from public disclosure based on the following:

- Trade secrets as identified in ORS 192.345(2);
- Information submitted in confidence as identified in ORS 192.355(2).

To the extent of the law, the City will endeavor to keep information confidential if the proposer marks the subject information as confidential. If a proposal contains any information that the Proposer believes is exempt from disclosure under the various grounds specified in the Oregon Public Records Law, the Proposer must clearly designate each such portion of its proposal as exempt at the time of proposal submission, along with a justification and citation to the legal authority relied upon. Identifying the proposal, in whole, as exempt from disclosure is not acceptable. Failure to identify specific portions of the proposal as exempt shall be deemed a waiver of any future claim of that information as exempt.

The City will make available to any person requesting information, through the City processes for disclosure of public records, any and all information submitted as a result of this RFP not exempted from disclosure without obtaining permission from any Proposer to do so. City may also, in its sole discretion, elect to publish all such information at any time, regardless of whether or not a public records request has been received. However, if a public records request is made for material marked by the Proposer as exempt, the City will attempt to notify the impacted Proposer prior to any release of the material. Application of the Oregon Public Records Law by the City will determine whether any information is actually exempt from disclosure. The City accepts no liability for the release of any information submitted.

CERTIFICATION OF EMPLOYEE DRUG-TESTING PROGRAM

Bidder Company Name: NorthStar Electrical Contractors, Inc.Address: 11055 SW Clay StreetSherwood, OR 97140

The following information and signature must be provided by the company which provides employee drug-testing services to the company submitting this bid proposal, not by the bidder.

I hereby attest that my company provides employee drug-testing services to the firm submitting this bid proposal, consistent with ORS 279C.505(2) and the applicable administrative rules.

Drug-Testing Company Name: Labcorp (also known as MedTox)Address: 402 West Country Rd D
St Paul, MN 55112Drug-Testing Company Signature: Danielle ConklinPrinted Name: Danielle ConklinTitle: Client Services Team LeaderTelephone: 1(888) 295-9925

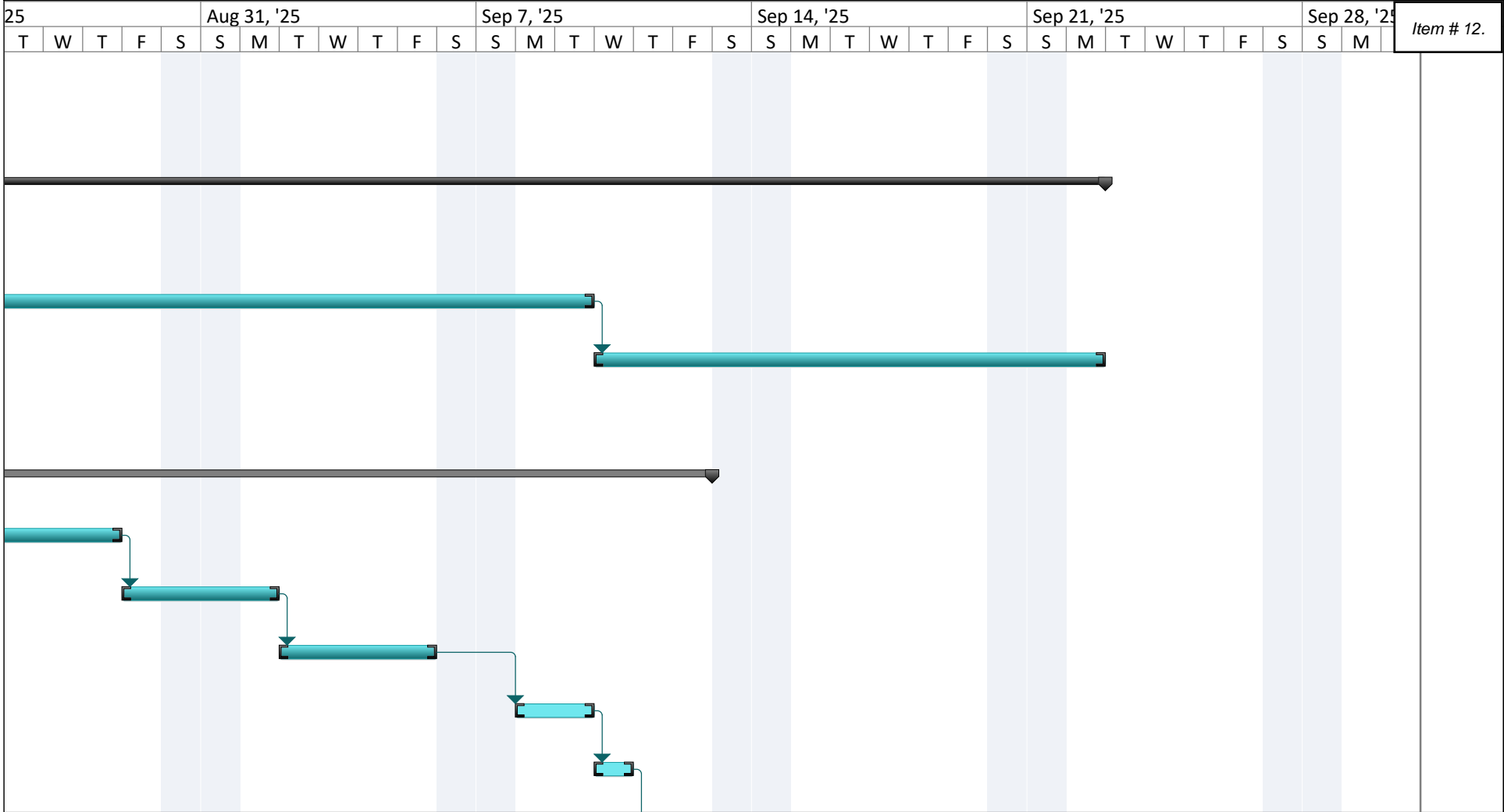
ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors								Jul 13, '25				Item # 12.
								T	W	T	F	S	S	M	T	W			
1			Contract and Submittals		July 15th	Aug 5th													
2																			
3			Directional Drilling	31 days	Mon 8/11/25	Mon 9/22/25													
4			Alder Creek Directional drilling	10 days	Mon 8/11/25	Fri 8/22/25													
5			Sandercock Lane Directional Drilling	12 days	Mon 8/25/25	Tue 9/9/25	4												
6			Terra Fern Directional Drilling	9 days	Wed 9/10/25	Mon 9/22/25	5												
7																			
8			Hand Holes and Trenching	15 days	Mon 8/25/25	Fri 9/12/25													
9			Hand Hole installation at Aldercreek	4 days	Mon 8/25/25	Thu 8/28/25	4												
10			Building and pole trenching/tie in at Aldercreek	2 days	Fri 8/29/25	Mon 9/1/25	9												
11			Hand Hole installation at Sandercock	4 days	Tue 9/2/25	Fri 9/5/25	10												
12			Building and pole trenching/tie in at Sandercock	2 days	Mon 9/8/25	Tue 9/9/25	11												
13			Hand Hole installation at Terra Fern	1 day	Wed 9/10/25	Wed 9/10/25	12												

Project: Alder Creek, Sandercock,
Date: Wed 7/9/25

Task		External Milestone		Manual Summary Rollup	
Split		Inactive Task		Manual Summary	
Milestone		Inactive Milestone		Start-only	
Summary		Inactive Summary		Finish-only	
Project Summary		Manual Task		Deadline	
External Tasks		Duration-only		Progress	

[illegible]

<div> <div>Project: Alder Creek, Sandercock, Date: Wed 7/9/25</div> <div> <div>Task</div> <div>Split</div> <div>Milestone</div> <div>Summary</div> <div>Project Summary</div> <div>External Tasks</div> </div> <div> <div>External Milestone</div> <div>Inactive Task</div> <div>Inactive Milestone</div> <div>Inactive Summary</div> <div>Manual Task</div> <div>Duration-only</div> </div> <div> <div>Manual Summary Rollup</div> <div>Manual Summary</div> <div>Start-only</div> <div>Finish-only</div> <div>Deadline</div> <div>Progress</div> </div> </div>									
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Project: Alder Creek, Sandercock,
Date: Wed 7/9/25

- Task

Split

Milestone

Summary

Project Summary

External Tasks
-
- External Milestone

Inactive Task

Inactive Milestone

Inactive Summary

Manual Task

Duration-only
-
- Manual Summary Rollup

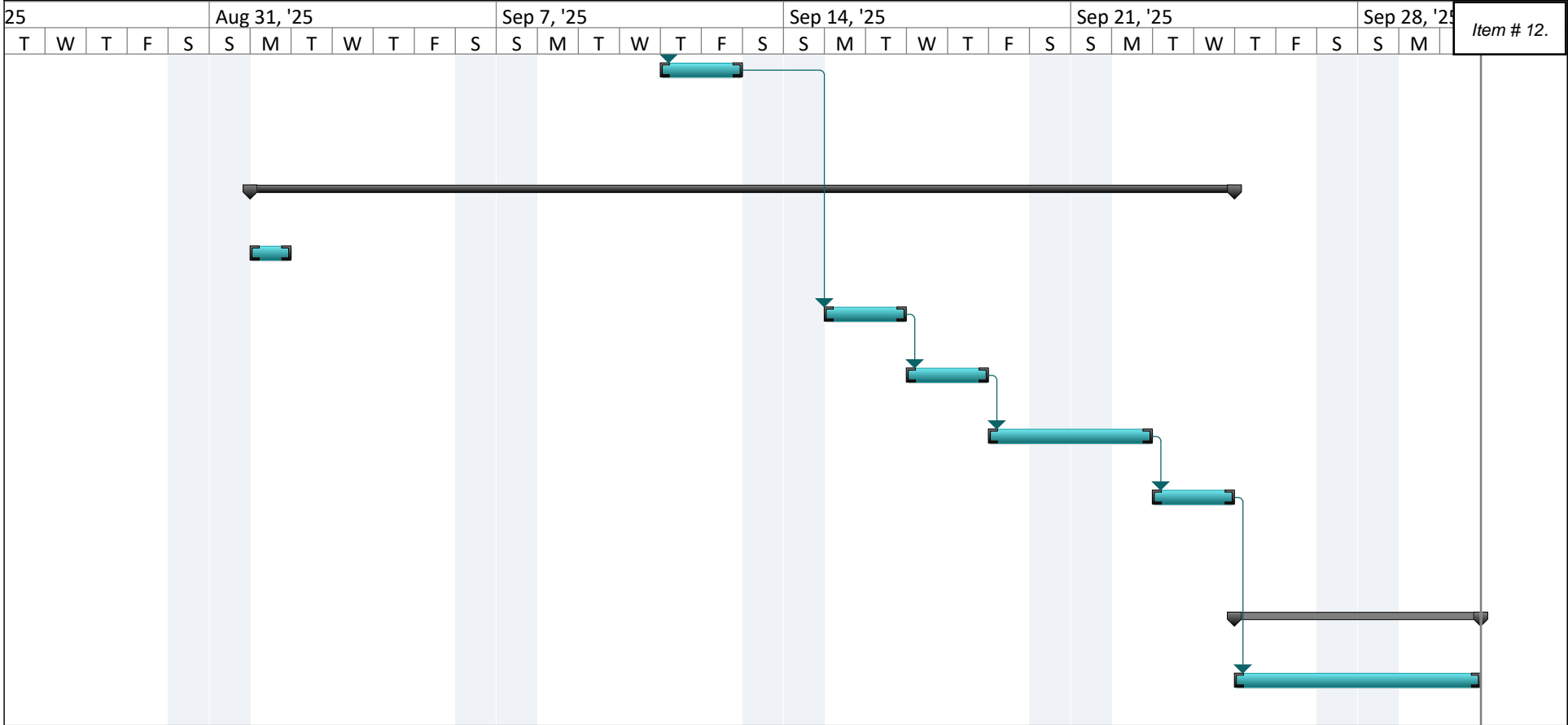
Manual Summary

Start-only

Finish-only

Deadline

Progress
-



Project: Alder Creek, Sandercock,
Date: Wed 7/9/25

Response to Question B1**1) River Road**

Project Value \$1.198 Million

Final Contract Amount \$1.108 Million

Project Duration: October 2023-March 2024

Owner Name/Contact Information: City of Salem, Steven Tjoelker stjoeiker@cityofsalem.net

Project Description: Installation of fiber conduit, installation of fiber, including underground and aerial on PGE poles

Project Superintendent: Dave Elhard

Project Delays: No major problems experienced

Project Compliance: No problem with compliance in relation to health and safety laws and regulations

EMR Score: 0.74

Subcontractors on Project: Precision Fiber, Gelco, Penetrations, Inc. Carlson Testings

2) CBX Fiber WCCCA Connection

Project Value \$219K

Final Contract Amount \$219K

Project Duration: December 2021-February 2022

Owner Name/Contact Information: Clackamas County, Duke Dexter 503-742-4400

Project Description: Installation of conduit for future fiber

Project Superintendent: Dave Elhard

Project Delays: None experienced

Project Compliance: No problem with compliance in relation to health and safety laws and regulations

EMR Score: 0.74

Subcontractors on Project: None

3) Canby Ferry

Project Value \$448K

Final Contract Amount \$446K

Project Duration: September 2023-May 2024

Owner Name/Contact Information: Clackamas County, Joel Howie, jhowie@clackamas.us

Project Description: Installation of aerial fiber, installation of fiber conduit and underground fiber.

Project Superintendent: Dave Elhard

Project Delays: None experienced

Project Compliance: No problem with compliance in relation to health and safety laws and regulations

EMR Score: 1.12

Subcontractors on Project: Precision Fiber, HQ Traffic Control, Benthin Engineering, Roth Communications, Inc

4) Construction of Western Ave (HB Hwy-Allen Blvd) Improvements, COB_1.1 16-inch Watermain Improvements

Project Value \$1.025 Million

Final Contract Amount \$1.190 Million

Project Duration: August 2021-August 2023

Owner Name/Contact Information: City of Beaverton, Tina Nguyen, 503-526-2228

Project Description: Installation of Traffic Signals, Luminaires, and Fiber. Fiber was also spliced and tested.

Project Superintendent: Dave Elhard

Project Delays: No major problems experienced

Project Compliance: No problems with compliance in relation to health and safety laws and regulations

EMR Score: 0.74

Subcontractors on Project: Fibernet

5)Central Eastside Access and Circulation Improvements

Project Value \$1.410 Million

Final Contract Amount \$1.104 Million

Project Duration: October 2023-July 2024

Owner Name/Contact Information: ODOT 503-731-8200

Project Description: Installation of Traffic Signal, Luminaires, Flashing Beacons, and Fiber System. Including directional drilling for the conduits.

Project Superintendent: Dave Elhard

Project Delays: General Contractor had change order work that delayed our work starting, no change in our work

Project Compliance: No problems with compliance in relation to health and safety laws and regulations

EMR Score: 1.12

Subcontractors on Project: Precision, ACS Testing, All-Ways Excavating, MAK Electric

Response to Question 2

NorthStar Electrical Contractors, Inc. does not have any major “incidents” in the last five years in relation to construction activities.

Response to Question 8

David W. Elhard, *Underground Superintendent*

20 years of experience as a fulltime underground superintendent at NorthStar Electrical. He has extensive Knowledge of PBOT, ODOT and City of Gresham Signal Standards. Successfully installed over 250 signal support drilled shafts. Supervised the excavation and foundation installation of over 100 traffic signals.

Lars Larson, *Electrical Superintendent*

11 years of experience building traffic signals for NorthStar Electrical as a full time employee. Has overseen the successful construction of 50 traffic signals.

Lars has extensive knowledge of PBOT, ODOT and City of Gresham Signal Standards. Has a reputation for a very clean finished product. He works very well with inspectors and general contractors.

Jesse Culp, *Project Manager*

17 years of experience leading NorthStar Electrical. Jesse started in the field as a site foreman on an excavation crew. He became an electrical apprentice, journeyman electrician, supervising electrician and owner of NorthStar. This gives him a broad knowledge base of all aspects of roadway electrical work.

Extensive knowledge of PBOT, ODOT and City of Gresham Signal Standards.

SECTION 00 41 00.01 - FIRST-TIER SUBCONTRACTOR DISCLOSURE FORM
FOR
FIBER OPTIC CABLING FOR ALDER CREEK, TERRAN FERN, AND SANDERCOCK AS PART OF THE ALDER
CREEK WTP IMPROVEMENTS PROJECT
FOR
CITY OF SANDY
Project #520-152-732200

Bid Period Closing Date & Time: July 9, 2025, at 2:00 PM

Disclosure Submittal Deadline: Within two hours after closing of the bid period.

This form must be submitted at the location specified in the Invitation to Bid on the advertised bid closing date and within two working hours after the advertised bid closing time.

List below the name of each Subcontractor that is required to be disclosed, the category of work that the Subcontractor will be performing and the dollar value of the subcontract. A Subcontractor is required to be disclosed if (A) it will be furnishing labor or labor and materials in connection with the contract; and (B) it will have a contract value that is equal to or greater than five percent of the total bid project or \$15,000, whichever is greater, or \$350,000 regardless of the percentage of the total project bid.

Enter "NONE" if there are no Subcontractors that need to be disclosed. (ATTACH ADDITIONAL SHEETS IF NEEDED.)

Subcontractor Name*	Dollar Value	Category of Work
NONE		

Failure to submit this form by the disclosure deadline will result in a nonresponsive bid. A nonresponsive bid will not be considered for award and will be rejected by the City.

Form Submitted by (Bidder Name): NorthStar Electrical Contractors, Inc.

Contact Name: Jesse Culp Phone No.: 503-612-0840

AGREEMENT FORM**Non-Transportation Related Public Improvement
Contract**

THIS CONTRACT is made as of the **22 day of July, 2025** by and between

“Owner”:

City of Sandy, Oregon
Tyler Deems
City Manager
39250 Pioneer Blvd
Sandy, OR 97055
503-826-1079
tdeems@ci.sandy.or.us

and **“Contractor”:**

Jesse Culp
NorthStar Electrical Contractors, Inc.
11055 SW Clay Street
Sherwood, OR 97140
503-612-0840
Jesse.culp@northstarelect.com
[tax ID]

for **“Project”**: Fiber Optic Cabling for Alder Creek, Sandercock, and Terra Fern Sites

Owner and Contractor agree as follows:

CONTRACT**ARTICLE 1 – WORK**

- 1.01 Contractor will complete all Work as specified or indicated in the Contract Documents or reasonably inferable as necessary to produce the results intended by the Contract Documents. The Work is described as follows: furnish and installation of fiber optic cable at the Alder Creek (2,809 feet), Sandercock (3,798 feet), and Terra Fern (1,954 feet) sites. Conduit shall be installed at a minimum dept of 36 inches within the Clackamas County and Oregon Department of Transportation (ODOT) rights-of-way (ROW), in accordance with applicable standards, specifications, and permit requirements. Scope includes trenching and boring, conduit placement, fiber cable installation, splicing, and surface restoration to previous condition.

ARTICLE 2 – RESERVED**ARTICLE 3 – ENGINEER/PM**

CITY OF SANDY – JUNE 2025

ISSUED FOR FIBER OPTIC CABLING FOR ALDER CREEK, SANDERCOCK, AND TERRA FERN
520-152-732200 – ALDER CREEK WTP IMPROVEMENTS

3.01 City's Project Manager for the Project is Greg Brewster.

ARTICLE 4 – CONTRACT TIMES

- 4.01 Time is of the essence and time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.
- 4.02 Notwithstanding anything contained in the General Conditions, Contractor will begin the Work upon execution of this Contract. Unless Owner otherwise agrees in writing and in conformance with the General Conditions, Contractor will achieve Substantial Completion on or before **September 28, 2025**, and achieve Final Completion on or before **October 8, 2025**. For clarity's sake, a Notice to Proceed is required in order to begin Work under this Contract.
- 4.03 The parties recognize and agree that City shall suffer financial and other incalculable losses if the Work is not completed within the times specified in Section 4.01, plus any authorized extensions thereof. The parties also recognize the delays, expense and difficulties involved in proving the precise, actual loss suffered by City if the Work is not completed on time. Accordingly, instead of requiring any such proof, the parties have negotiated and ultimately agree that as liquidated damages for delay, but not as a penalty, Contractor will pay City, or City may withhold from any sums due Contractor, \$500.00 for each day that expires after the time specified in 4.01 for Substantial Completion until the Work is deemed substantially complete. After Substantial Completion, if Contractor neglects, refuses or fails to complete the remaining Work within the Contract Time or any extensions thereof permitted by City, Contractor will pay City, or City may withhold from any sums due Contractor, \$500.00 for each day that expires after the time specified in 4.01 for Final Completion until the Work is completed and ready for final payment.

ARTICLE 5 – CONTRACT PRICE

- 5.01 Owner will pay Contractor for completion and acceptance of the Work in accordance with the Contract Documents an amount not-to-exceed **\$206,000.00** (the "Contract Price"). All specific cash allowances are included in this price and have been computed in accordance with the General Conditions.

ARTICLE 6 – PAYMENT PROCEDURES

- 6.01 The parties shall proceed with payment in accordance with the General Conditions. Owner will pay Contractor the Contract Price within thirty (30) days of receiving the invoice from Contractor.

ARTICLE 7 – INTEREST

- 7.01 All moneys not paid when due will bear interest at the rate specified in ORS 279C.570.

ARTICLE 8 – CONTRACTOR'S REPRESENTATIONS

- 8.01 In order to induce Owner to enter into this Contract, Contractor makes the following representations:

CITY OF SANDY – JUNE 2025

ISSUED FOR FIBER OPTIC CABLING FOR ALDER CREEK, SANDERCOCK, AND TERRA FERN
520-152-732200 – ALDER CREEK WTP IMPROVEMENTS

- A. Contractor has examined and carefully studied the Contract Documents and the other related data identified in the Solicitation Documents or other Owner-furnished documents, if any.
- B. Contractor has visited the Site and become familiar with and is satisfied as to its general condition.
- C. Contractor is familiar with and is satisfied as to all federal, state, and local laws and regulations that may affect cost, progress, and performance of the Work.
- D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at or contiguous to the Site (except Underground Facilities), if any, that have been identified in the Contract Documents; and (2) reports and drawings of Hazardous Environmental Conditions, if any, at the Site that have been identified in the Supplementary Conditions.
- E. Contractor has obtained and carefully studied (or assumes responsibility for doing so) all additional or supplementary examinations, investigations, explorations, tests, studies and data concerning conditions (surface, subsurface and underground facilities) at or contiguous to the Site that may affect cost, progress or performance of the Work or which relate to any aspect of the means, methods, techniques, sequences and procedures or construction to be employed by Contractor, including any specific means, methods, techniques, sequences and procedures of construction expressly required by the Contract Documents, and safety precautions and programs incident thereto.
- F. Contractor does not consider that further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.
- G. Contractor is aware of the general nature of other work, if any, to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
- H. Contractor has correlated the information known to Contractor, information and observations obtained from visits to the Site, reports and drawings identified in the Contract Documents, and all additional examinations, investigations, explorations, tests, studies and data with the Contract Documents.
- I. Contractor has given Owner written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and their written resolution, if any, is acceptable to Contractor.
- J. The Contract Documents are sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

ARTICLE 9 – CONTRACT DOCUMENTS

CITY OF SANDY – JUNE 2025

ISSUED FOR FIBER OPTIC CABLING FOR ALDER CREEK, SANDERCOCK, AND TERRA FERN
520-152-732200 – ALDER CREEK WTP IMPROVEMENTS

- 9.01 The Contract Documents are specifically defined in the General Conditions. The “General Conditions for Non-Transportation Related Public Improvement Contract” are attached and incorporated into this Contract by reference.
- 9.02 The documents listed in the definition of Contract Documents are deemed attached to this Contract and are incorporated by reference.

ARTICLE 10 - MISCELLANEOUS

- 10.01 Capitalized terms used in this Contract have the meanings stated in the General Conditions and the Supplementary Conditions, if any.
- 10.02 No assignment, delegation, novation or any other transfer by either party of any rights or obligations under or interests in the Contract will be binding on the other without the written consent of the party sought to be bound. Specifically, but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law) and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract.
- 10.03 Each party binds itself, its directors, partners, successors, and assigns to the other party, its directors, partners, successors and assigns in respect to all covenants, agreements and obligations contained in the Contract.
- 10.04 Any provision or part of the Contract held to be void or unenforceable under any law or regulation will be deemed stricken. All remaining provisions will continue to be valid and binding upon Owner and Contractor, who agree that the Contract will be reformed to replace the stricken provision or part with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.
- 10.05 This Contract is the final written expression of all the terms of the Contract and is the complete and exclusive statement of those terms. Any and all representations, promises, warranties, or statements by Contractor or Contractor’s agents that differ in any way from the terms of this written agreement shall be given no force and effect. This Contract will not be construed against its drafter.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Owner has caused this Contract to be executed by its duly authorized undersigned agents and Contractor has executed this Contract effective as of the date last signed below.

SIGNED:

OWNER

By: _____
Name: _____
Title: _____
Date: _____

CONTRACTOR

By: _____
Name: _____
Title: _____
Date: _____

GENERAL CONDITIONS
FOR
NON-TRANSPORTATION RELATED PUBLIC IMPROVEMENT CONTRACT

Section 00 70 0

DRAFT

DRAFT



STAFF REPORT

Item # 13.

Meeting Type: City Council
Meeting Date: July 21, 2025
From: Jeff Aprati, Deputy City Manager
Subject: Policy Adoption: Special Service Contract Program Guidelines

DECISION TO BE MADE:

Whether to adopt new guidelines for the Special Service Contract Program.

APPLICABLE COUNCIL GOAL:

n/a

BACKGROUND / CONTEXT:

Approximately 10 years ago the City established the Special Service Contract Program (SSCP) to provide a mechanism through which the City can fund community services administered by local non-profit organizations. The Council most recently received midterm reports from 2023-2025 grant recipients during the [August 19, 2024 meeting](#).

The previous program guidelines/criteria are quite minimal (the 2023-2025 program document is attached to this staff report as Exhibit B, for reference). Recently the City Council has expressed its desire to establish more formal program guidelines and processes in the interest of increasing consistency, easing program administration, and ensuring that projects directly benefit city residents. Council review of new draft program guidelines is needed before the City advertises the new 2025-2027 application period.

KEY CONSIDERATIONS / ANALYSIS:

Attached to this staff report are new draft guidelines for the Special Service Contract Program. Several notable features include:

- Requirement for projects to meet at least one specific program objective established for the biennium, such as tourism-related economic development, health and wellbeing, community livability, or history and heritage
- Several new eligibility criteria, including exclusion of projects that would engage in discrimination, involve 'self-dealing,' or promote or inhibit political or religious activity
- Requirement for applicants to describe how their projects will specifically benefit residents who live within Sandy city limits

- Standardized project budget tables to clearly and consistently display funding sources and uses
- Stipulation that grants funds are paid on a reimbursement basis rather than up-front, and that reimbursement requests must be submitted along with required written reports

BUDGET IMPACT:

The new guidelines do not affect the amount budgeted for the program, which remains at \$60,000 for this new biennium.

RECOMMENDATION:

- If desired, edit the proposed Program Objectives
- If desired, edit the proposed Eligibility Requirements
- Adopt the guidelines for the Special Service Contract Program.

SUGGESTED MOTION LANGUAGE:

"I move to adopt the 2025-2027 guidelines for the Special Service Contract Program:

- as included in the meeting packet, OR
- as amended."

LIST OF ATTACHMENTS / EXHIBITS:

- New draft SSCP guidelines
 - Budget worksheet
- Previous 2023-2025 program criteria

Special Service Contract Program Guidelines: 2025-2027

The Special Service Contract Program (SSCP) is a City of Sandy grant program that supports projects in Sandy that enhance the community and improve the quality of life of Sandy residents, in alignment with the Sandy City Council's goals.

Section 1: 2025-2027 SSCP Program Objectives

Projects seeking funding for the 2025-2027 SSCP grant period must meet at least one of the 4 program objectives listed below:

1. *Drive tourism-related economic development within Sandy city limits*
2. *Support the health and physical well-being of residents within Sandy city limits*
3. *Enhance community livability within Sandy city limits (especially safety & attractiveness)*
4. *Preserve and / or celebrate Sandy's history and heritage*

Section 2: Eligibility

To be considered eligible, projects must meet the following eligibility requirements:

- A. *The project must directly benefit residents living within Sandy city limits. See Section 3 for more information*
- B. *The project applicant must be a tax-exempt organization with 501(c)(3) status under the Internal Revenue Code, in good standing with the IRS.*
- C. *The project must not promote, inhibit, or involve religious activities*
- D. *The project must not promote, inhibit, or involve political activities*
- E. *The project must not discriminate based on race, ethnicity, age, gender, or sexual orientation*
- F. *The project must not involve "self-dealing" or similar conflicts of interest. An example of self-dealing would be a project that can reasonably be expected to benefit the applicant's private business or personal financial interests*
- G. *If the project is located on private land, the project application must establish a clear public benefit and must document the property owner's permission*
- H. *Past SSCP grant recipients who are reapplying must have a positive record of successful grant completion and compliance with City policies and regulations*
- I. *Funding requested for organization staffing must be dedicated to the execution of the specific project being applied for*

- J. Applicants may apply for funding if they have previously received an SSCP grant. However, recurring project applications are not guaranteed continued funding in future grant cycles. The City may choose to fund alternative projects in the future at its discretion.*
- K. Applicants should provide documentation of alternative fundraising efforts, matching funds, and in-kind services provided as a match. If an outside grant is listed as part of the other funding sources, applications must include an award letter or other confirmation documentation from the grant provider. Past successes in grant project implementation, including with external grants, will be positively considered by the City.*

Section 3: Impact on Sandy Residents

Projects funded through the SSCP must benefit residents within Sandy city limits. While projects funded through the SSCP may also impact the wider community and visitors from out of town (as is the case with tourism-related activities), applications must include a clear description of how projects will directly benefit residents within Sandy city limits.

Section 4: Funding Documentation

Applications must include documentation of all project funding sources, including a detailed project budget using the budget template provided within the application form **(Exhibit A)**. The budget will list expense categories (including staff / personnel; project administrative costs; materials / supplies / equipment; event fees / publicity / marketing; transportation costs; and other expenses) and income categories (including SSCP grant funds being requested; other funding sources; and in-kind support).

In-kind support is defined as a resource that is required to complete a project but does not need to be purchased or obtained through financial expenditure; examples include volunteer time, and donated materials and supplies. To estimate the value of donated volunteer labor time, use the suggested hourly rate of \$33.49. This rate was established in April 2024 by the Independent Sector, a national organization that provides research and policy development regarding the nonprofit sector (independentsector.org).

Section 5: Application Process

The SSCP application will be available online and at City Hall beginning August 4, 2025. Applications for the 2025-2027 grant cycle must be received before 9:00 a.m. on September 1, 2025. The City of Sandy is not responsible for any costs incurred in preparing a project application.

Application Review and Selection

Staff will perform initial review of all applications. Incomplete applications and proposed projects that do not meet the guidelines and/or goals of the SSCP program will not be considered. The SSCP Review Subcommittee will meet to consider applications and make funding recommendations to the City Council. The City Council is responsible for final decision-making regarding SSCP funding. Scoring of eligible SSCP applications will be based upon the objectives of the program (listed in Section 1). Grant applications may be funded in part or in full, at the discretion of the City.

Section 6: Grant Agreements

Successful applicants will be required to enter into an SSCP Grant Agreement with the City of Sandy. Applicants should note that liability insurance may be required. A person authorized to represent the applicant organization will be required to sign the contract.

Section 7: Payments

Payments made to grant recipients will be made on a reimbursement basis. Recipients may request reimbursement twice during each grant period; once in June 2026 (halfway through the biennium), and again in June 2027 (at the end of the biennium). Reimbursement requests must be accompanied by written grant reports, per Section 8.

Section 8: Grant Reporting

In order to receive payment for an awarded grant, and to be considered for future SSCP grants, grant recipients must complete a two part grant reporting process:

Part 1 – Written Reports (2):

Grant recipients must submit written reports with both reimbursement requests. Each report must include:

- A brief description of the project/program
- A description of the accomplishments
- A budget that documents the use of matching sources of support
- Measures of performance (e.g. number of people served; number of tourists attracted; etc.)
- Positive impact to residents within city limits (e.g. number of people served living within city limits; positive effect of the project on the city; etc.)

- Narrative stating how the funds were spent
- Before and after photos of the project, to the extent applicable
- Any promotional material samples (advertisements, flyers, posters, etc.). The City of Sandy Special Service Contract Program must be cited as a project/program sponsor on all promotional materials

Part 2 – City Council Presentation:

Grant recipients must provide a brief (approximately five minute) in-person presentation to the Sandy City Council at the end of the biennium, summarizing the outcomes of the project/program. Presentations will take place at a regularly scheduled meeting of the Council, on a date to be determined by the City. Recipients must present to the Council before requesting their second and final reimbursement of the biennium.

Exhibit A

Item # 13.

CITY OF SANDY SPECIAL SERVICE CONTRACT PROGRAM GRANT APPLICATION BUDGET SHEET



Project Name:								
Applicant Name:								
BUDGET ITEM	Units Needed	Units of Measure	Cost Per Unit	Total Cost	SSCP Grant	Matching Funds		TOTALS
					(A) SSCP Funding Requested	(B) Other Funding Sources *	(C) In-Kind Support	
Personnel Costs: List Personnel Working on Project, their pay rate, days or hours worked, and whether they will be paid by grant, other funding, or in-kind match (volunteer). If they are volunteering, assume a pay value of \$33.49 per hour.								
Example: Project Mgr	120	hours	\$35.00	\$4,200.00	\$2,100.00	\$2,100.00		\$4,200.00
				\$0.00				\$0.00
				\$0.00				\$0.00
				\$0.00				\$0.00
				\$0.00				\$0.00
				\$0.00				\$0.00
Subtotal Personnel Costs				\$0.00	\$2,100.00	\$2,100.00	\$0.00	\$4,200.00
Materials / Supplies / Equipment								
Example: Interpretive signs	3	each	\$2,000.00	\$6,000.00	\$3,000.00	\$3,000.00		\$6,000.00
				\$0.00				\$0.00
				\$0.00				\$0.00
				\$0.00				\$0.00
				\$0.00				\$0.00
				\$0.00				\$0.00
Subtotal Materials/Supplies/Equipment:				\$0.00	\$3,000.00	\$3,000.00	\$0.00	\$6,000.00
Event Fees / Publicity / Marketing								
				\$0.00				\$0.00
				\$0.00				\$0.00
Subtotal Fees/Publicity/Marketing				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Transportation Costs								
				\$0.00				\$0.00
				\$0.00				\$0.00
Subtotal Transportation and Other Costs				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Project Administration (clerical, printing, postage, permits, etc.)								
				\$0.00				\$0.00
				\$0.00				\$0.00
Subtotal Admin Costs				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Misc Other Costs								
				\$0.00				\$0.00
				\$0.00				\$0.00
Subtotal Misc. Other Costs				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL PROJECT COSTS				\$0.00	\$5,100.00	\$5,100.00	\$0.00	\$10,200.00

* Other Funding Sources - List Sources Here	Amt. Funded
Existing organization funds	\$5,100.00



Special Service Contract Program Program Description - 2023-2025 Biennium

Purpose:

Every two years, the Sandy City Council identifies their organizational goals for the coming budget period. Sometimes certain goals can be accomplished more efficiently or effectively by persons or organizations outside city government, typically by these parties using their proprietary expertise or resources in concert with public funding to produce results.

The City of Sandy is making public funding available to **non-profit organizations** that present a proposal to help the City achieve specific City Council goals, identified community needs, or provide a public benefit for the next budget period. The City Council has set aside funding for the furtherance of City Council goals and community needs.

Funding:

Unspent fund balances at the end of a biennium will not be carried forward into future biennia. It is the intent of the City Council to appropriate funds for specific ongoing community services and not fund one-time projects or programs.

Process:

The City of Sandy makes applications available for the Special Service Contract Program in July. If your organization would like to apply for financial assistance, please fill out and submit an application for the Special Service Contract Program, which can be found on the Economic Development Department's page on the City of Sandy website. In order for an application to be eligible for a special service contract, it must meet the following criteria:

Criteria:

1. Provide a clear description of how you propose to accomplish one of the City Council goals, meet a community need, or provide a public benefit. Proposed services or programs must work with existing city programs and services.
2. Provide a description of how much financial assistance you will require to meet that goal along with a financial plan that demonstrates managerial and fiscal competence.
3. Provide a copy of a proposed budget for this project.
4. Provide a narrative describing the demonstrated need for the program or activity in the City of Sandy. (Funds may not be used for one-time events, scholarship-type activities, or purchase of equipment.)
5. Attach proof that you are a 501(c)3 or otherwise tax-exempt organization.

Review Committee:

A committee made up of members of the Sandy City Council will be designated by the Mayor to review applications and make project recommendations to the City Council. The City Council will approve the final list of applications.

Completed applications may be turned in at the front counter at Sandy City Hall. The City's Special Service Contract Program Committee will review all applications and select applicants based on the criteria listed above. The City of Sandy reserves the right to ask for clarification of application answers, place additional conditions on these requests for funding and to audit these agreements for compliance as it deems necessary.

The City may request a return of part or all of the funding if agreed-to conditions are not satisfactorily met. Future requests for funding will take past organizational performance and adherence to previous contracts into consideration. The City of Sandy reserves the right to accept, reject, or rebid any service contracts that are not deemed to meet the needs of the community or the contractual goals of the service contract.

Contract:

Each special service provider will have a special service contract with a term of two years. Half of the total contract amount will be available each year.

Eighty percent of each annual appropriation will be available at the beginning of the fiscal year, with the remaining twenty percent to be distributed upon demonstration through measures (quality and quantity) that the program has provided public services meeting its goals as delineated in the public service contract.

The disbursement of all appropriations will be contingent upon City Council approval. Special service providers will be required to submit current budgets and evidence of contract compliance (as determined by the contract) by March 31st of each contract year.