

March 10, 2016

Board of County Commissioners  
Clackamas County

Members of the Board:

Approval of an Intergovernmental Agreement with Clackamas County (CC) Service District No.1,  
Clackamas County (CC) Development Agency and Housing and Community Development Division  
for the Sewer Hook-Up Grant Program

<b>Purpose/ Outcome</b>	The Agreement will allow for the three agencies to combine services to disconnect existing septic systems from an estimated 9 homes in the North Clackamas Revitalization Area, while providing new sewer lines to the public right of way. This is the fourth phase of the Sewer Hook-Up Grant Program. The program will continue to assist low to moderate income homeowners to improve their infrastructure needs of their property.
<b>Dollar Amount and Fiscal Impact</b>	Community Development Block Grant Funds in the amount of \$50,000. The CC Service District No.1 will provide an estimated \$10,000 dollars for the project. All funds are allocated for two fiscal years. No County General Funds will be used for this project.
<b>Funding Source</b>	U.S. Department of Housing and Urban Development Community Development Block Grant (CDBG) funds.
<b>Duration</b>	April 2016 to July 2017
<b>Previous Board Action/ Review</b>	CDBG Action Plan approved April 30, 2015
<b>Strategic Plan Alignment</b>	Provide sustainable and affordable housing. Ensure safe, healthy and sure communities.
<b>Contact Person</b>	Steve Kelly – Housing and Community Development: 503-650-5665
<b>Contract No.</b>	H3S 7578

**BACKGROUND:**

The Housing and Community Development Division of the Health, Housing and Human Services Department requests the approval of this Intergovernmental Agreement with CC Development Agency and CC District No. 1 for the Sewer Hook-Up Grant Program. Since 2012 there have been three phases of this program assisting 77 homeowners. The Agreement determines the roles of the three agencies such as contract administration, hiring qualified general contractors, project management as well as working directly with homeowners. The Agreement was reviewed and approved by County Counsel on November 17, 2015.

**RECOMMENDATION:**

We recommend the approval of this Agreement and that Richard Swift H3S Director be authorized to sign on behalf of the Board of County Commissioners.

Respectfully submitted,

Richard Swift, Director  
Health, Housing Human Services

*Healthy Families. Strong Communities.*

# **INTERGOVERNMENTAL AGREEMENT**

**Between**

**CLACKAMAS COUNTY HEALTH, HOUSING & HUMAN SERVICES DEPARTMENT  
HOUSING & COMMUNITY DEVELOPMENT DIVISION,  
CLACKAMAS COUNTY SERVICE DISTRICT NO. 1**

**And**

**CLACKAMAS COUNTY DEVELOPMENT AGENCY**

## **I. PURPOSE**

**A.** This Agreement provides the basis for a cooperative working relationship between the Clackamas County, by and through its Housing & Community Development Division (“HCD”), Clackamas County Service District No. 1, herein referred to as CCSD#1, and Clackamas County by and through its Development Agency (“CCDA”), to utilize available Community Development Block Grant (“CDBG”) and Development Agency funds for a Sewer Hook-Up Grant Program in the North Clackamas Revitalization Area (“NCRA”), herein referred to as the Program. This Program would continue a residential sanitary sewer improvements program in the CCSD#1 service areas of the NCRA. The residential homeowner’s would directly enter into a contract for work with a general contractor, through the HCD Rehab Specialist. The Rehab Specialist would be responsible for ensuring all contractors are qualified via onstruction Contractor’s Board (CCB) Licensing, qualifications, insurances and bonding levels for the work. The Program decommissions cesspools and septic systems and facilitates connections to the new sewer improvements in the Public Right-of-Way. The service area for the Program is limited to the area Map attached as Exhibit C and incorporated by reference.

**B.** The Program is an eligible housing activity under the CDBG national objective to benefit homeowners that qualify as low-and moderate-income levels. The Program is designed to income qualify each household as provided in a descriptive narrative attached as Exhibit B and incorporated by reference.

## **II. SCOPE OF WORK AND COOPERATION**

### **A. CCDA Responsibilities:**

- 1.** CCDA shall provide all necessary supervisory and administrative support to assist HCD with the completion of the Program.
- 2.** CCDA shall assist the HCD in performing any appropriate community information activities.
- 3.** CCDA shall provide all other necessary information and services under its control.

4. CCDA shall complete and submit the Project Match Funds Report, see Exhibit A. This report will be required for two fiscal years (July 1, 2015 to June 30, 2016 and July 1, 2016 to June 30, 2017).

**B. CCSD#1 Responsibilities:**

1. CCSD#1 shall provide all necessary supervisory, technical and administrative support to assist HCD with the completion of the Program.
2. CCSD#1 shall assist the HCD in responding to potential applicants' questions, verifying property address and ownership, and performing appropriate community information and outreach.
3. CCSD#1 shall provide all other necessary information and services under its control.

**C. HCD Responsibilities:**

1. HCD shall apply CDBG funds for design and construction of the Program.
2. HCD will assist CCSD#1 and CCDA in preparing bid documents to comply with CDBG regulations.
3. HCD shall conduct an environmental assessment of the Program as required by applicable federal regulations 24 CFR 570.604.
4. HCD shall only use qualified contractors that meet the following requirements:
  1. Valid CCB License;
  2. Experience with sewer connects from private property to the public right-of-way; and
  3. Valid insurance and bonding for all required site work in accordance with the minimum limits established by the County.
5. HCD will appropriately bid and contract for construction of the Program and, with the advice of CCSD#1 and CCDA, will approve changes, modifications, or amendments as necessary to serve the public interest.
6. HCD shall assign personnel the following duties:
  1. Complete an Initial Property Inspection;
  2. Prepare Loan Documents;
  3. Approve Loans for qualified applicants.
7. HCD will assign a Rehab Specialist the following duties:
  1. Bid the Projects;
  2. Be the liaison between Homeowner and General Contractor to sign, start and complete the Construction Contract;
  3. Work with Homeowner regarding Customer Services issues;
  4. Award the Projects after Homeowner selects General Contractor of which shall be the lowest responsive/ responsible bidder;
  5. Hire a qualified bidding General Contractor;

6. Conduct a Pre-Construction Meeting for the Projects;
  7. Issue the Notice to Proceed to General Contractor;
  8. Conduct Inspections as needed, as well as a Final Inspection with Property Owner(s);
  9. Process Pay Request using CDBG funds and CCDA funds; and
  10. Relinquish payment of funds to the General Contractor upon completion of the work and sign-off of the permit assigned to the subject property with a successful inspection of the work and approval by CCDA.
8. HCD will assign a Project Coordinator the following duties:
1. Oversee and track CDBG Program Budget;
  2. Update CCDA regarding level of CDBG Program Budget;
  3. Inform CCDA when HCD funds are exhausted for the Program.
9. HCD agrees to provide and administer available CDBG funds granted by the U.S. Department of Housing and Urban Development (“HUD”) to finance the Program.
- D. Joint Responsibilities:**
1. HCD, CCSD#1 and CCDA shall jointly review all necessary documents (i.e. letter mailings, customer-client and general contractor contracts) submittals, materials for the Program.
  2. Upon execution of this Agreement, HCD, CCSD#1 and CCDA will, at the earliest mutually convenient time, jointly determine the scope of the improvements to be made and a schedule for implementation of the Program.
  3. In the event not all planned improvements can be made with available funds HCD, CCSD#1 and CCDA will jointly determine the priority of the improvements.

### **III. PROJECT BUDGET**

- A. CCDA agrees to be responsible for payment to HCD matching funds totaling the greater of:
- (a) Twenty percent (20%) of the total cost of the Program including associated fees with the sanitary sewer work, construction cost, and construction oversight, or
  - (b) All costs for construction and fees which exceed available CDBG funds budgeted for the Program.

- B. HCD will apply CDBG funds in the amount not to exceed **\$25,000** in FY 2015-16 and **\$25,000** in FY 2016-17. The CDBG funding total for this Agreement is **\$50,000** dollars. FY 2015-16 is July 1, 2015 to June 30, 2016 and FY 2016-17 is July 1, 2016 to June 30, 2017. The obligations of HCD are expressly subject to HCD receiving funds from HUD for this Program, and in no event shall HCD's financial contribution exceed the amount finally granted, released and approved by HUD for this Program.
- C. Upon receipt of written notification from HCD, CCDA shall provide payment within thirty (30) consecutive calendar days. Once the Project Number has been created by HCD, HCD will provide CCDA with the correct billing Project Number of which CCDA can make payment(s) through the following COUNTY office:

Attn: Toni Hessevick  
Public Services Building-Department of Finance  
2051 Kaen Road, Fourth Fl.  
Oregon City, OR 97045

#### IV. PROGRAM SCHEDULE

Per 24 CFR 570.902, all parties hereby agree to make all reasonable efforts to utilize available CDBG funds to complete the improvements to be implemented under the terms of this Agreement during the designated construction seasons, 2015-16 & 2016-17.

#### V. LIAISON RESPONSIBILITY

Steve Kelly, Jayson Tidland and Mike Woolman will act as liaisons from HCD for this Program. Kenneth Iteel will act as liaison from CCDA. Rob Hungerford will act as liaison from CCSD#1.

#### VI. SPECIAL REQUIREMENTS

##### A. Assignment and Subcontracting.

No party to this Agreement shall assign any portion of work which is a part of this Agreement without the approval of the other parties.

##### B. Conflict of Interest.

1. Interest of Officers, Employees, or Agents - No officer, employee, or agent of HCD, CCSD#1 or CCDA who exercises any functions or responsibilities in connection with the planning and execution of activities under the CDBG Program, or any other person who exercises any functions or responsibilities in connection with the Program during their tenure or for one year thereafter, shall obtain a personal or financial interest in or benefit from this Agreement, or any contract, subcontract or agreement arising therefrom, either for themselves or for persons with whom they have family or business ties without appropriate prior HUD waiver; and CCDA, as well as CCSD#1, shall take appropriate steps to assure compliance.

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2. Interest of Certain Federal Officials - No member of or delegate to the Congress of the United States and no Resident Commissioner shall be admitted to any share or part of this Agreement or to any benefit that may arise hereunder.

**C. Program Benefit.**

The parties agree to implement the Program to give maximum feasible benefit to low and moderate income families and individuals.

**D. Non Discrimination.**

CCSD#1 and CCDA shall comply with Federal, State, and local laws prohibiting discrimination on the basis of age, sex, marital status, race, creed, color, national origin, or the presence of any mental or physical handicap. These requirements are specified in ORS Chapter 659; Section 109 of the Housing and Community Development Act of 1974; Civil Rights Act of 1964, Title VII; Fair Housing Amendments Act of 1988; Executive Order 11063; Executive Order 11246; Section 3 of the Housing and Urban Development Act of 1968; all as amended; and the regulations promulgated thereunder.

**E. Availability of Funds.**

This Agreement is expressly subject to the debt limitation of the Oregon Constitution, and is contingent upon funds being appropriated therefor. Any provisions herein which would conflict with law are deemed inoperative to that extent. Obligations of HCD are also expressly subject to the County receiving funds from HUD for this Program and in no event shall HCD's financial contribution exceed the amount finally granted, released and approved by HUD for this Program.

**F. Other Federal Requirements.**

Other federal requirements, which the parties agree to comply with include, but are not limited to:

1. Procurement requirements, which apply to professional services and construction contracts and are contained in 24 CFR Part 85 (the "Common Rule");
2. Citizen participation and CDBG application submission requirements contained in 24 CFR 570.301-305;
3. HUD labor standards provisions.

**G. Non-Substitution for Local Funding.**

The CDBG funding made available under this Agreement shall not be utilized by CCDA to reduce substantially the amount of local financial support for drainage improvement activities below the level of such support prior to the availability of funds under this Agreement.

**H. Public Information.**

HCD, CCSD#1 and CCDA shall cooperate in public information efforts, such as contacts with neighborhood or consumer advocacy organizations, press releases, etc. In all news releases and other public notices relating to activities under this Agreement, CCDA shall

include information identifying the source of funds as the Clackamas County CDBG Program.

**I. Evaluation.**

CCDA and CCSD#1 agree to participate with HCD in any evaluation Program or performance report, as designed by HCD or the appropriate Federal department, and to make available all information required by any such evaluation process.

**J. Audits and Inspections.**

CCDA will insure that HCD, the Secretary of HUD, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to all books, accounts, records, reports, files, and other papers or property pertaining to the funds provided under this Agreement for the purpose of making surveys, audits, examinations, excerpts and transcripts.

**K. Retention of Records.**

Records relating to this Program shall be retained for a period of four (4) years after termination of this Agreement.

**L. Citizen Participation.**

CCDA and CCSD#1 shall maintain records including narratives or other documentation describing the process used to inform citizens concerning the Program.

**M. Acquisition/Relocation.**

If completion of the Program requires acquisition of any real property the parties agree to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended.

**VII. AMENDMENTS**

This Agreement may be amended at any time with the concurrence of all parties. Amendments become part of this Agreement only after the written amendment has been signed by all parties.

**VIII. TERM OF AGREEMENT**

- A. This Agreement becomes effective when it is signed by all parties.
- B. The term of this Agreement is a 5 year period beginning when it becomes effective and ending upon expenditure of all CDBG funds.
- C. This Agreement may be suspended or terminated prior to the expiration of its term by:
  - 1. Written notice provided by HCD in accordance with 24 CFR 85.43 resulting from material failure by CCDA to comply with any term of this Agreement, or;
  - 2. Mutual agreement by CCDA and HCD in accordance with 24 CFR 85.44.

- D.** Upon completion of improvements or upon termination of this Agreement, any unexpended balances of CCDA funds shall remain with CCDA and any unexpended balances of CDBG funds shall remain with HCD.

**VIII. Integration**

This Agreement contains the entire agreement between HCD, CCDA, and CCSD#1 and supersedes all prior written or oral discussions.

**IX. Severability**

If any provision of this Agreement is found to be unconstitutional, illegal or unenforceable, this Agreement nevertheless shall remain in full force and effect and the offending provision shall be stricken. The Court or other authorized body finding such provision unconstitutional, illegal or unenforceable shall construe this Agreement without such provision to give effect to the maximum extent possible the intentions of the parties.

**X. Oregon Law and Forum**

This Agreement shall be construed according to the laws of the State of Oregon, without giving effect to the conflict of laws provisions thereof.

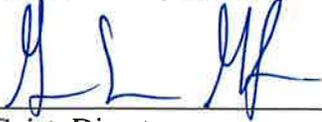
**XI. Waiver**

Neither HCD, CCDA, nor CCSD#1 shall not be deemed to have waived any breach of this Agreement by another party except by an express waiver in writing. An express written waiver as to one breach shall not be deemed a waiver of any other breach not expressly identified, even though the other breach be of the same nature as that waived.

*[Signature Page Follows]*

HCD/ CCDA/ CCSD#1 Interagency Agreement  
North Clackamas Revitalization Area Street Improvements Program – Phase IV

Clackamas County Board of County Commissioners  
Acting as the Governing Body of  
**Clackamas County Service District No. 1**

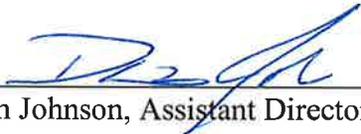


\_\_\_\_\_  
Greg Geist, Director

12/7/15

\_\_\_\_\_  
Date

**Clackamas County Development Agency**



\_\_\_\_\_  
Dan Johnson, Assistant Director

12/7/2015

\_\_\_\_\_  
Date

**Clackamas County Housing & Community  
Development Division**



\_\_\_\_\_  
Chuck Robbins, Director

12/8/15

\_\_\_\_\_  
Date

HCD/ CCDA/ CCSD#1 Interagency Agreement  
North Clackamas Revitalization Area Street Improvements Program – Phase IV

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**CLACKAMAS COUNTY**

Chair John Ludlow  
Commissioner Jim Bernard  
Commissioner Paul Savas  
Commissioner Martha Schrader  
Commissioner Tootie Smith

Signing on Behalf of the Board.

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Richard Swift, Director  
Health, Housing & Human Services Department

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Date

**EXHIBIT A - CDBG Program Match Funds Report**

**For reporting to HUD at the end of the year, indicate the specific sources and amounts of matching funds for the Sewer Hook-Up Grant Program:**

2015-16 Match Funds	\$25,000
2016-17 Match Funds	\$25,000

**SOURCES OF LOCAL MATCH:**

Other Federal (including pass-through funds, e.g. County CDBG, State FEMA, etc.)

	\$	
	\$	
	\$	
	\$	

State/Local Governmental Funding (e.g. State Housing Trust Funds, Local Assessment, etc.)

	\$	
	\$	
	\$	
	\$	

**Private (including recipient) Funding**

Fund Raising/Cash	\$	
Loans	\$	
Building Value or Lease	\$	
Donated Goods	\$	
New Staff Salaries	\$	
Volunteers (\$5/hr)	\$	
Volunteer Medical/Legal	\$	
Other _____	\$	

(Print name)  
 Prepared By:

Signature

Date

EXHIBIT B

**NORTH CLACKAMAS REVITALIZATION AREA SEWER HOOK-UP GRANT PROGRAM**

**Clackamas County Community Development  
 Clackamas County Service District No. 1  
 Clackamas County Development Agency**

Program Objectives:

The purpose of the Sewer Hook-Up Grant Program (Program) is to provide grants to low income homeowners who live in unsewered areas of the North Clackamas Revitalization Area (NCRA) served by Clackamas County Service District No. 1 (CCSD#1) to pay for private sanitary sewer improvements.

The Program does not pay for sewer assessments, system development charges or other connection charges, or monthly sewer fees. Homeowners should contact Water Environment Services, 503-742-4567, for information on available assistance programs for these costs and fees.

Eligible Properties:

Grant funds are limited and will be made on a first-come, first-served basis to eligible homeowners who live in unsewered areas of the NCRA served by CCSD#1.

Basic Grant Requirements:

Applicant must own or be buying property  
 Owner must reside in home

Program Income Limits:

Current annual gross income limits are as follows:

<b>Total Household Size</b>	<b>Maximum Annual Gross Income (effective May 1, 2015) (80% of median)</b>
1	41,200
2	47,050
3	52,950
4	58,800
5	63,550
6	68,250
7	72,950
8	77,650

What type of work is eligible?

Improvements include hiring a contractor(s) to re-plumb and connect the home to the public sanitary sewer and decommission their current on-site wastewater disposal system.

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Application procedure:

Interested homeowners will contact Water Environment Services (WES), on behalf of CCSD#1, to initiate the process. WES staff will confirm initial property eligibility (property address is within the service area and property ownership) and, if the property appears to be eligible, will refer the property owner's name to Community Development (CD). CD will send the applicant an application, and the applicant will complete and return the application form by a specified date. If the applicant is eligible under the Program, the County (CD and WES) will inspect the property, and prepare construction specifications and cost estimates. CD will make a list of pre-qualified contractors available to homeowners. Homeowners will obtain at least two bids from licensed and bonded contractors from the select list.

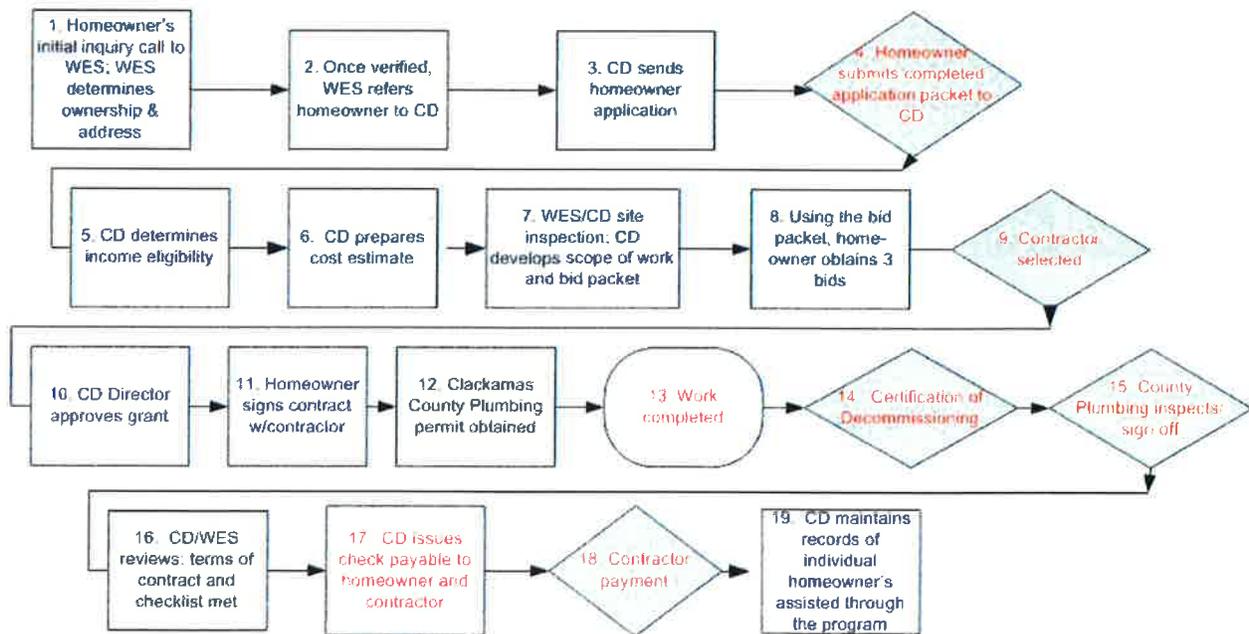
Using County-supplied forms, homeowners will 1) enter into a contract with the contractor of their choice and 2) enter into an agreement with the County. The homeowner does not have to select the lowest bid. The accepted bid, however, must be within 10% of the County's estimate. County staff will inspect the work. Funds cannot be used to pay the homeowner's labor.

Grant Approval:

The Community Development Director will approve the grant applications.

Process:

The chart below lists the steps of the process from application to contractor payment:



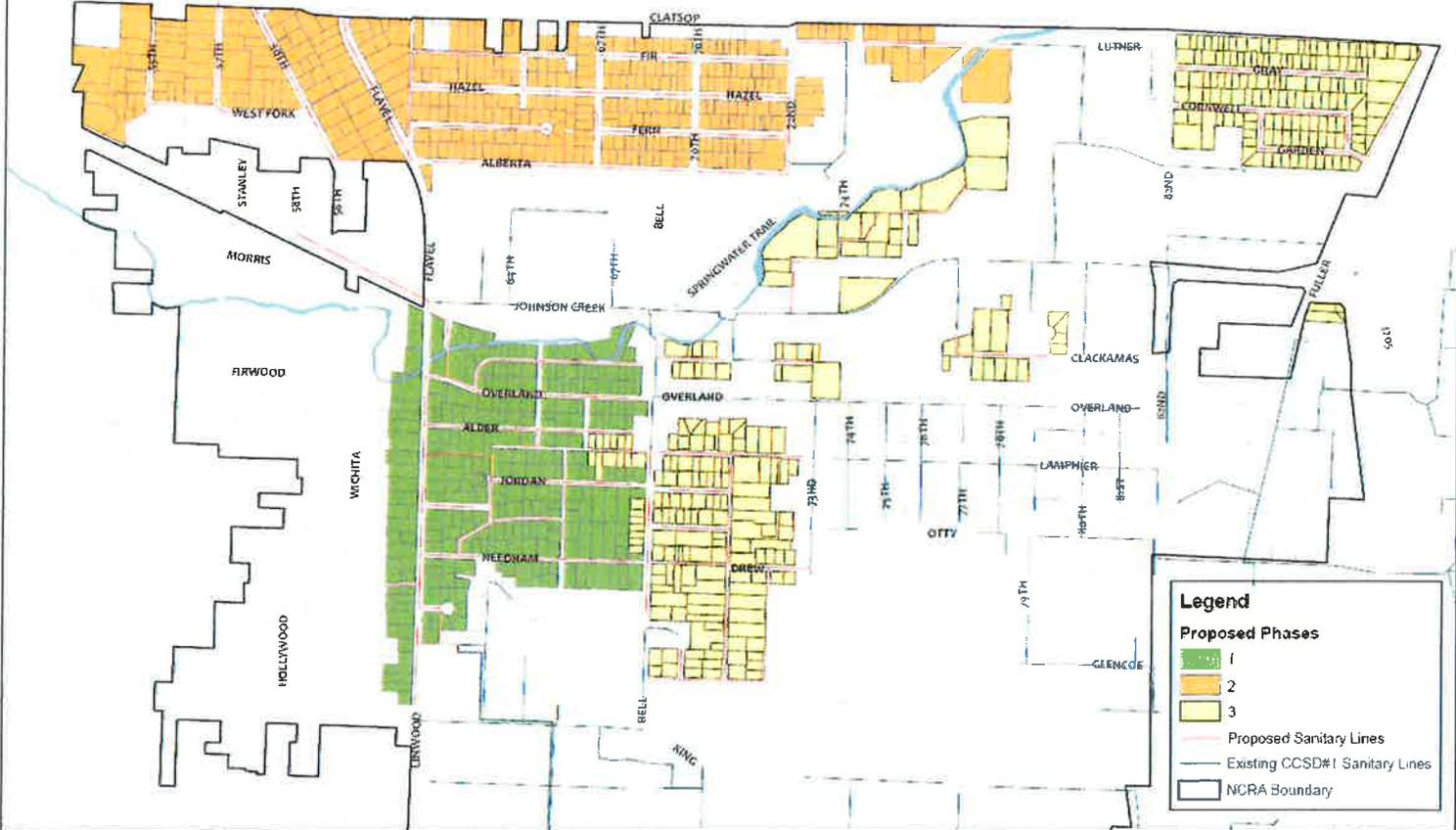
**Contact:**

**Rob Hungerford**  
**Water Environment Services (WES)**  
**503-742-4567**

HCD/ CCDA/ CCSD#1 Interagency Agreement  
 North Clackamas Revitalization Area Street Improvements Program – Phase IV

EXHIBIT C

NORTH CLACKAMAS REVITALIZATION AREA  
*Project Phases*



**Legend**

**Proposed Phases**

- 1
- 2
- 3

Proposed Sanitary Lines

Existing CCSD#1 Sanitary Lines

NCRA Boundary

August 2008