



City Hall  
206 N. Main St  
Toledo, Oregon 97391  
5:45 PM

Toledo City Council  
**Special Meeting – also via Zoom Meeting Platform**  
June 24, 2026

**Virtual Meeting:** The Toledo City Council will host the meeting in person in the City Hall Council Chambers for the City Council and staff as well as through video conferencing. The public is encouraged to attend the meeting electronically. Visit the [meetings](#) page on the city website for meeting information.

**Public Comments:** The Toledo City Council will take comments on topics not listed on the meeting agenda from members of the community during the "Public Comments" portion of the council meeting. There is a time limit of 3 minutes for each comment. If you wish to address the City Council during this portion of the meeting, please email [paul.johnson@cityoftoledo.org](mailto:paul.johnson@cityoftoledo.org) by **3:00 p.m. on the day of the scheduled meeting. Please include your: Name, address, and phone number (optional) and the topic.** Public comment cards will also be available at the door and must be completed and given to the City Recorder prior to the start of the meeting.

- 1. Call to Order & Pledge of Allegiance**
- 2. Roll Call & Quorum Determination**
- 3. Discussion and Information Items**
- 4. Requests for Council Action**
  - a. Toledo Street Striping contract
  - b. Springbrook Contract and Amendment No. 1 for Human Resources Information System
  - c. City Hall Deed Restriction
- 5. Adjournment**

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This notice satisfies the requirements of ORS 192.630 and ORS 192.640 regarding Public Meetings. This meeting is accessible to persons with disabilities. A request for an interpreter, for the hearing impaired, or for other accommodations for persons with disabilities, should be made at least 48 hours in advance of the meeting by calling the City Offices at (541)336-2247.



**City of Toledo  
Request for City Council Action**

<b>Council Goal:</b>	<b>Meeting Date:</b>	<b>Agenda Topic:</b>
To enhance and sustain public infrastructure and facilities.	<b>June 24, 2026</b>	Toledo Street Striping contract
<b>Prepared By:</b>		<b>Approved by:</b>
Rich Huebner, City Manager		Rich Huebner, City Manager

**Reviewed by:**

Paul Johnson  
Rich Huebner

**Recommendation:**

Motion to approve and authorize the City Manager to execute a Small Construction Projects contract with Specialized Pavement Marking, LLC, in the amount of \$57,600, for street striping within the Toledo city limits.

**Background:**

On June 17, 2026, the Toledo City Council adopted the City Operating Budget for fiscal year 2026-2027. Included in the adopted budget are funds to complete street striping within the Toledo city limits. This project shall include correction of the striping previously completed on Business Highway 20 in the northwestern area of the City.

Specialized Pavement Marking, LLC (SPM), a Tualatin-based company, provided a quote in the amount of \$57,600 to complete this project. The quote has been reviewed by the City Manager and Public Works Director, and is acceptable. It is also within the parameters of the adopted budget. The proposed contract utilizes a template developed by the City Attorney.

SPM plans to complete the work during the week of July 6, 2026. Staff is requesting Council approval at this special meeting in order to confirm the work dates with SPM.

<b>Fiscal Impact:</b>	<b>Fiscal Year:</b>	<b>GL Number:</b>
<b>\$57,600</b>	<b>2026-2027</b>	<b>011-110-600420</b>

**Attachments:**

1. Specialized Pavement Marking contract
2. Specialized Pavement Marking proposal

**CITY OF TOLEDO  
SMALL CONSTRUCTION PROJECTS CONTRACT**

This Small Construction Projects Contract (this "Contract") is between the City of Toledo, an Oregon municipal corporation (the "City"), and **SPECIALIZED PAVEMENT MARKING LLC (SPM)**

**Project:** "Striping-City of Toledo 2026"

The parties agree as follows:

**CONTRACTOR DATA**

Contractor attests that it is an independent contractor solely responsible for the Work (as defined in Section 2) performed under this Contract. Contractor, its Subcontractors, employees, and agents shall not be deemed employees of City. Contractor shall be responsible for all federal, state, and local taxes and any and all fees applicable to payments for Work under this Contract.

**Full Business Name:** *Specialized Pavement Marking LLC*  
**Address:** *11095 SW Industrial Way, Suite A*  
**City, State, Zip:** *Tualatin, OR 97062*  
**Business Telephone:** *503-885-0420*  
**Facsimile:** *503-582-8629*  
**Email:** *tom.glennen@spmnw.com*  
**Federal Tax Identification Number ("TIN") or Social Security Number ("SSN"):** *91-1854057*  
**Oregon Construction Contractors Board License Number:** *238621*  
**Workers' Compensation Carrier:** *Ace American Insurance Company*  
**Workers' Compensation Policy:** *WLR C72631419*  
**Expiration Date:** *9/5/26*

Payment information will be reported to the Internal Revenue Service under the name and TIN or SSN, whichever is applicable, provided above by Contractor.

**Contractor certifies under penalty of perjury that Contractor is a:**

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> Sole Proprietor         | <input type="checkbox"/> Corporation           | <input checked="" type="checkbox"/> Limited Liability Company |
| <input checked="" type="checkbox"/> Partnership  | <input type="checkbox"/> Nonprofit Corporation | <input type="checkbox"/> Government Agency                    |
| <input type="checkbox"/> Other (describe: _____) |  |   |

4926-8628-5653.2

STANDARD TERMS AND CONDITIONS

1. **Time is of the Essence.** Time is of the essence in the performance of this Contract.
2. **Work.** Contractor shall fully execute the Work described by the Contract Documents, unless specifically indicated in the Contract Documents to be the responsibility of others. The term "Work" means the construction and services required by the Contract Documents, whether completed or partially completed, and includes, except as otherwise specifically stated in this Contract, all other labor, materials, equipment, tools, permits, fees, licenses, facilities, taxes, tariffs, transportation, supervision, temporary constructions of every nature, and all other services, management, and facilities of every nature whatsoever necessary to fulfill Contractor's obligations by executing and completing this Contract within the Contract Time. The Work may constitute the whole or a part of the Project.
3. **Enumeration of Contract Documents.** The "Contract Documents" are enumerated as follows:
  - (a) This Contract.
  - (b) Insurance Requirements, attached as Exhibit A.
  - (c) Supplementary Conditions of the Contract, if Any.
  - (d) The Specifications. **See Attached Quote # 2601-410**
  - (e) The Drawings.
  - (f) The Addenda, if Any.
  - (g) Additional Documents.
  - (h) Any Modifications to the Contract executed after the effective date of the Contract, including change orders and contract amendments.
4. **The Contract.** This Contract, together with the other Contract Documents, forms the entire and integrated agreement between the Parties. Unless the context requires otherwise, any reference to the "Contract" includes the Contract Documents.

**5. The Contract Time.**

Contractor shall achieve Substantial Completion of the Work under this Contract within (14) consecutive calendar days ("Contract Time") from the date specified in City's Notice to Proceed, subject to adjustments of this Contract Time as provided in the Contract Documents.

Substantial Completion is the stage in the progress of the Work when (1) the Work or designated portion thereof is sufficiently complete in accordance with the Contract Documents so that the City can occupy or utilize the Work for its intended use, and (2) the Contractor, its Subcontractors of any tier, and its suppliers of any tier have completed or satisfied all conditions required of the Contractor for the issuance of a temporary or permanent certificate of occupancy, if applicable.

**6. The Contract Sum.**

(a) The Contract Sum is \$ 57,600. The Contract Sum is the total amount payable by City to Contractor for performance of Work under the Contract Documents.

(b) The following alternates are included in the Contract Sum:

(c) Unit prices if any:

(d) Allowances included in the Contract Sum, if any:

(e) Notwithstanding any other provision of this Contract or the Contract Documents, the Contract Sum includes all construction contingencies for existing site conditions other than for pre-existing Hazardous Materials. Contractor is thoroughly acquainted with and has inspected the Project site without restriction, understands the potential risks in this construction Work, and accepts the full risk of construction contingencies to complete the Work within the Contract Time and Contract Sum set out in this Contract.

**7. Progress Payments.**

(a) The Contractor will submit an application for payment to the City Representative.

(b) Each application for payment shall be for one calendar month ending on the last day of the month.

(c) Payments are due and payable thirty (30) days following receipt of the Contractor's complete Application for Payment or fifteen (15) days from the date after payment is approved by the City Representative, whichever is earlier. Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate set forth in ORS 279C.570(2).

(d) The amount of each progress payment shall be less retainage of five percent (5%) pursuant to ORS 279C.550 to 279C.565, ORS 701.420 and 701.430. Retainage will be paid within 30 days of final completion and acceptance of the Project by the City. Under Oregon Laws 2024, ch. 2, § 1(5), the Contractor may elect that the retained funds be deposited in an interest-bearing account in a bank or other financial institution for the benefit of the City. The Contractor will bear any additional costs to the City of electing this option. Such cost will not be a reimbursable project cost.

(e) Under Oregon Laws 2024, ch. 2, § 1, the Contractor may submit a surety bond in lieu of the City withholding moneys. Such a surety bond shall be executed by a surety bonding company that is authorized to transact surety business in the State of Oregon and shall be substantially in form set forth in Oregon Laws 2024, ch. 2, § 4(4). The Contractor shall comply with the requirements to accept surety bonds from Subcontractors as set forth in Oregon Laws 2024, ch. 2, § 4(1).

**8. Designation of Representatives.**

1.1.1. The City's Representative is: *Brian Lorimor- 541-270-5895*

1.1.2. The Contractor's Representative is: *Tom Glennen- 971-707-2955*

1.1.3. A party may change its designated representative upon thirty (30) days written notice to the other party.

**9. Notice and Communications.**

(a) Notices and communications between the parties to this Contract may be sent to the following addresses:

City: PO BOX 220  
Toledo, OR 97391

Specialized Pavement Marking LLC  
11095 SW Industrial Way, Suite A  
Tualatin, OR 97062

(b) The party giving notice will provide notice in writing, dated and signed by the party giving notice or by a duly authorized representative of that party. Notice is not effective for any purpose whatsoever unless served in one of the following manners:

(i) If notice is given by personal delivery, it is deemed delivered on the day of delivery.

(ii) If notice is given by overnight delivery service, it is deemed delivered one (1) day after date deposited, as indicated by the delivery service.

(iii) If notice is given by depositing same in United States mail, enclosed in a sealed envelope, it is deemed delivered three (3) days after date deposited, as indicated by the postmarked date.

(c) If notice is given by registered or certified mail with postage prepaid, return receipt requested, it is deemed delivered on the day the notice is signed for.

**10. Subcontracts.** City reserves the right to reject in writing any proposed Subcontractor, without cause, in which case Contractor shall promptly propose a substitute Subcontractor. Any difference in price arising out of such substitution shall be reflected in a Change Order. In addition to any other provisions that City may require, Contractor shall require of any permitted Subcontractor under this Contract that Subcontractor be bound by all the same terms and conditions of this Contract. Such subcontracts are solely between Contractor and Subcontractor and shall not have any binding effect on City.

**11. Assignment.** This Contract is not assignable by Contractor, either in whole or in part, unless Contractor has obtained the prior written consent of City.

**12. Other Contractors.** City may undertake or award other contracts for additional or related work, and Contractor shall fully cooperate with such other contractors and with any City employees concerned with such additional or related work, and shall coordinate its

performance under this Contract with such additional or related work. Contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or by City employees.

13. **No Third-Party Beneficiaries.** City and Contractor are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives or provides any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name in this Contract and expressly described as intended beneficiaries of this Contract.

14. **Successors in Interest.** The provisions of this Contract shall be binding upon and inure to the benefit of the parties and their successors and approved assigns, if any.

15. **Nonperformance.** In the event of nonperformance under this Contract, City, after seven days' written notice, shall have the right to obtain from other sources such services as may be required to accomplish the Work not performed, and it is agreed that the difference in cost, if any, for said Work or goods shall be borne by Contractor. For purposes of this section, nonperformance shall be defined as failure to appear and perform Work as specified and scheduled.

16. **Early Termination.** This Contract may be terminated as follows:

(a) **Termination by Mutual Agreement.** City and Contractor, by mutual written agreement, may terminate this Contract at any time.

(b) **Termination for Convenience.** City in its sole discretion may terminate this Contract for any reason on 30 days' written notice to Contractor.

(c) **Termination for Breach.** Either City or Contractor may terminate this Contract in the event of a breach by the other. Prior to such termination, the party seeking termination shall give to the other party written notice of the breach and intent to terminate. If the party committing the breach has not entirely cured the breach within 15 days of the date of the notice, then the party giving the notice may terminate this Contract at any time thereafter by giving a written notice of termination. If City's termination for breach is determined later to have been wrongful or without justification, then the termination will be considered to have been a termination for convenience.

(d) Termination for Failure to Maintain Qualifications. Notwithstanding Section 16(c), City may terminate this Contract immediately by written notice to Contractor upon denial, suspension, revocation, or nonrenewal of any license, permit, or certificate that Contractor must hold to provide services under this Contract.

(e) Payment on Early Termination. Upon termination under Section 16 payment shall be made as follows:

(i) If terminated under Section 16(a) or 16(b) for the convenience of City, City shall pay Contractor for Work performed prior to the termination date if such Work was performed in accordance with this Contract. City shall not be liable for direct, indirect, or consequential damages. Termination shall not result in a waiver of any other claim that City may have against Contractor.

(ii) If terminated under Section 16(c) by Contractor due to a breach by City, then City shall pay Contractor for Work performed prior to the termination date if such Work was performed in accordance with this Contract.

(iii) If terminated under Section 16(c) or 16(d) by City due to a breach by Contractor, then City shall pay Contractor for Work performed prior to the termination date, provided such Work was performed in accordance with this Contract, less any setoff to which City is entitled.

17. Changes in the Work. The Contract Sum includes all elements necessary to complete the Work in accordance with the Contract Documents and, consequently, Change Orders adjusting the Contract Sum will not be necessary except in the limited circumstances set forth in this Section.

(a) Events for Which Contract Sum May be Adjusted.

(i) City Initiated Changes. City reserves the right to adjust the scope of the Work by written Change Order.

(ii) Regulatory Cost Change. Costs incurred as a result of changes in regulatory requirements but only where such requirements change after execution of this Agreement.

(iii) Material Errors or Omissions. Material errors or omissions in the Plans or Specifications that could not have been reasonably anticipated or discovered by the Contractor before execution of this Agreement, including but not limited to Work required or directed by the City that differs from any assumptions or clarifications included the Contract Documents. Design errors and omissions do not include: (a) failure to coordinate between trades; or (b) design changes made at the request of the Contractor in order to facilitate the constructability of the Project.

(iv) Escalation in materials and equipment caused by tariffs, taxes, assessments, fees, and other regulatory costs enacted after the effective date of this Agreement.

(v) As otherwise expressly permitted in this Agreement.

(b) Events for which the Contract Sum shall not be adjusted and no Change Order will be issued include the following:

(i) Gaps in scope coverage between Subcontractors, including self-performed Work, that occur after this Agreement is executed.

(ii) An item indicated in the Plans or Specifications that was not picked up in the Contract Sum and not specifically excluded from the Contract Sum.

(iii) Ambiguities in the Construction Documents that the Contractor knew of or that a reasonable contractor would have identified and raised with the Owner prior to agreeing on the Contract Sum.

(iv) A Subcontractor goes bankrupt or otherwise fails to perform.

(v) Except as otherwise provided in this Section 4.13, escalation of materials, equipment, or labor prices.

(vi) The Contractor's estimating errors.

(vii) Expediting costs for critical materials.

(viii) Costs related to Subcontractor claims or charges that result from mistakes or omissions in Subcontractor buyout, or coordination issues between Subcontractors, or interference between Subcontractor and the Contractor or among Subcontractors.

(c) **Change Order Requirements.** The following terms apply to any Change Order:

(i) **Signed Agreement.** No Change Order will be effective unless approved in writing by City and signed by Contractor. Agreement on any Change Order shall constitute a final settlement of all matters relating to the change in the Work that is the subject of the Change Order, including but not limited to all direct and indirect costs associated with such change and any and all adjustments to the Contract Sum and the construction schedule.

(ii) **Prices.** Every price stated in a Change Order must be inclusive of all costs to complete the Work associated with that price.

(iii) **Costs.** The prices in a Change Order may consist only of the following costs as they relate to the Work required by the Change Order:

(1) **Direct Labor Costs.** The labor-related costs may include only (1) the hourly wage (without markup or labor burden) and fringe benefits paid by Contractor to employees, based on actual payroll receipts, and (2) direct contributions for employee-related insurance, including industrial and medical insurance and supplemental pension, FICA, FUTA, and state-unemployment-compensation-act payments. Overtime wages may be included only if preapproved in writing by City.

(2) **Direct Materials Costs.** The cost for materials may include only the net cost of materials, including freight costs, after applying all applicable discounts or rebates. No lump-sum costs are allowed unless preapproved in writing by City.

(3) **Construction Equipment Costs.** The cost of equipment rentals must be based on the lower of the local prevailing rate published in the Rental Rate Blue Book by Dataquest (the "Blue Book") or the actual rate paid to unrelated third parties for such equipment, as evidenced by rental receipts. If equipment is required for which there is no rental rate published in the Blue Book, the rate must be approved by City before renting the equipment. If more than one rate may apply, the lower rate must be used. Any equipment-rental rate or quantity exceeding the local fair-market rental value must

be approved in writing by City. The rate for equipment that is necessarily standing by for use may not exceed 50 percent of the rate established by the foregoing terms, and the rental charge for any equipment may not exceed 75 percent of the fair-market purchase price of that equipment. The rental cost may include reasonable mobilization costs only if the equipment is delivered to the worksite solely because of changes in the Work required by a Change Order.

(4) Insurance or Bond Premium Costs. The cost of a change in an insurance or bond premium may be only the actual cost of any change in Contractor's liability insurance arising directly from changes in the Work required by a Change Order.

(5) Subcontractor Costs. The costs of or incurred by any Subcontractor in connection with a Change Order will be calculated in accordance with the foregoing terms of this Section 17(c)(iii). For avoidance of doubt, no costs under this Section 17(c)(iii) may include fees for consultants, attorneys, or claim preparation.

(6) Fees. The maximum amount that may be charged for the overhead, profit, or any other cost of Contractor or any Subcontractor is as follows, reflected as percentages of the amounts that may be charged in accordance with the foregoing under this Section 17(c)(iii)(iii):

- a. Contractor may charge up to 15 percent of the cost of any materials that it supplies or work that it properly performs using its own forces.
- b. Contractor may charge up to 8 percent of the cost that it directly owes to a Subcontractor or supplier for materials supplied or work properly performed by that Subcontractor or supplier.
- c. Each Subcontractor may charge up to 12 percent of the cost of any materials that it supplies or work that it properly performs using its own forces.
- d. Each Subcontractor may charge up to 8 percent of the cost that it owes for materials supplied or work properly performed by its lower-tiered Subcontractors or suppliers.
- e. The total fee owed to Contractor and all Subcontractors, as calculated in accordance with the foregoing, for work performed by all lower-tiered Subcontractors that are not in privity of contract

with Contractor or a Subcontractor may not exceed 25 percent of the total amount owed to all lower-tiered Subcontractors. Additionally, City will not owe any fee related to the direct settlement of any claim between Contractor and any Subcontractor.

If a change in the Work involves both additive and deductive items, the fees charged in accordance with this section will be calculated based on, and then added to, the net difference of the items. If the net difference is negative, no fee will be added to the negative figure. The parties acknowledge that the fees listed in this section are substantially greater than the fees and overhead normally included in determining the Contract Sum bid; that these higher percentages are a sufficient amount to compensate Contractor for all effects of changes in the Work; and that the resulting overcompensation of Contractor for these changes compensates Contractor for all changes in the Work for which Contractor believes that the percentage is otherwise insufficient.

**18. Inspection and Acceptance of Work.** City shall inspect Contractor's Work and advise Contractor of any deficiencies, or if there are none, that the Work has been accepted. Contractor shall perform all additional Work necessary to correct any deficiencies without undue delay and without additional cost to City.

**19. Right to Withhold Payments.** City shall have the right to withhold from payments due Contractor such sums as necessary, in City's sole opinion, to protect City against any loss, damage, or claim that may result from Contractor's performance or failure to perform under this Contract or the failure of Contractor to make proper payment to any suppliers or Subcontractors.

**20. Knowledge of Site Conditions.** Contractor shall, as a condition precedent to commencement of the Work (a) become familiar with the Project Site and review all analyses, studies, and test data available to Contractor concerning the conditions of the Project Site, (b) inspect the location of the Work and satisfy itself as to the condition thereof, including all structural, surface, and observed subsurface conditions, and (c) determine (i) that the Contract Sum is just and reasonable compensation for all the Work, including all foreseen and foreseeable construction risks, hazards, and difficulties in connection therewith, (ii) that the Contract Time is adequate for the performance of the Work, and (iii) that the Work shall not result in any lateral or vertical movement of any adjacent structure. Contractor will notify City

in writing in advance of commencement of the Work if it determines that it cannot satisfy these conditions.

**21. Special Care.** Contractor shall exercise special care in executing subsurface work in proximity of known subsurface utilities, improvements, and easements.

**22. City's Right to Stop the Work.**

(a) If Contractor fails to carry out Work in accordance with the Contract Documents or fails to correct Work that is not in accordance with the requirements of the Contract Documents, City may issue a written order to Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated.

(b) If suspension of the Work is warranted by reason of unforeseen conditions that may adversely affect the quality of the Work if such Work were continued, City may suspend the Work by giving written notice to Contractor. In such event, the Contract Time shall be adjusted accordingly, and the Contract Sum shall be adjusted to the extent, if any, that additional costs are incurred by reason of such suspension consistent with Section 17.

(c) Notwithstanding any other provision, City's authorized representative may, in their complete discretion, stop all of the Work, or any portion of the Work, if the Work creates a safety hazard or if a life/safety threat exists to the facility or its occupants. Any cost to correct deficiencies in Contractor's Work will be borne solely by Contractor.

**23. Performance of the Work.** Contractor shall supervise, coordinate, and perform the Work in accordance with the Contract Documents in a professional, safe, and workmanlike manner and in accordance with all laws, codes, and professional standards applicable to the industries and trades involved, including without limitation compliance with all applicable federal, state, and local building codes, City's construction and safety policies and procedures, certification requirements applicable to the Work, and other policies or standards incorporated or referenced in the Contract Documents. Unless otherwise noted or directed, Contractor will perform all Work in accordance with product manufacturers' recommendations or directions for best results. No preparatory step or installation procedure may be omitted unless specifically authorized by the Contract Documents or at the direction of City's Design Professional or City's Representative. Conflicts between manufacturers' directions shall be resolved by City's Design Professional or City's Representative.

**24. Remedies.** In the event of breach of this Contract, the parties shall have the following remedies:

(a) If terminated under Section 16(c) by City due to a breach by Contractor, City may complete the Work either itself, by agreement with another contractor, or by a combination thereof. If the cost of completing the Work exceeds the remaining unpaid balance of the total compensation provided under this Contract, then Contractor shall pay to City the amount of the reasonable excess.

(b) In addition to any other remedies provided in this Contract (including but not limited to the remedies set forth in Sections 15, 16, and 19) for a breach by Contractor, City shall also be entitled to any other equitable and legal remedies that are available.

(c) If City breaches this Contract, Contractor's remedy shall be limited to termination of this Contract and receipt of Contract payments for which Contractor has completed the Work.

**25. Claims.**

(a) Time Limits on Claims. Claims by either party must be made within twenty-one (21) days after occurrence of the event giving rise to such Claim, or within twenty-one (21) days after the claimant first recognizes the condition giving rise to the Claim, whichever is later. Claims must be made in writing to the other party, and must identify the known bases for each Claim and the nature and amount of the relief sought. Failure to timely file a written Claim constitutes a waiver of the Claim.

(b) Continuing Contract Performance. Pending final resolution of a Claim except as otherwise agreed in writing, Contractor shall proceed diligently with performance of this Contract, and City shall continue to make payments in accordance with the Contract Documents.

(c) Claims for Additional Costs. If Contractor wishes to make a Claim for an increase in the Contract Sum, written notice as provided herein shall be given before proceeding to execute the Work. Prior notice is not required for Claims relating to an emergency endangering life or property. In an emergency affecting the safety of persons or property, Contractor shall

act to prevent threatened damage, injury, or loss and shall immediately notify City. The prices in any Claim must conform to the terms of Section 17.

(d) Claims for Additional Time. If Contractor wishes to make a Claim for an increase in the Contract Time, written notice as provided herein shall be given. Contractor's Claim shall include an estimate of cost and of probable effect of delay on progress of the Work. In the case of a continuing delay, only one Claim is necessary.

**26. Compliance With Applicable Law**. Contractor shall comply with all federal, state, and local laws applicable to the Work under this Contract, and all regulations and administrative rules established under those laws, including without limitation the following:

(a) ORS 279A.110. Contractor certifies that Contractor has not discriminated and will not discriminate against a Subcontractor in awarding a subcontract because the Subcontractor is a disadvantaged business enterprise, a minority-owned business, a women-owned business, a business that is owned by a veteran, or an emerging small business that is certified under ORS 200.055.

(b) ORS 279C.380. If the Contract Price is \$100,000 or more, unless exempted by City in writing under City's Public Contracting Rules, prior to starting Work under this Contract, Contractor shall execute and deliver to City a good and sufficient performance bond, in a form acceptable to City, in a sum equal to 100 percent of the Contract Price for the faithful performance of this Contract, and shall execute and deliver to City a good and sufficient payment bond, in a form acceptable to City, in a sum equal to 100 percent of the Contract Price solely for the protection of claimants under ORS 279C.600.

(c) ORS 279C.505. Contractor shall make payment promptly, as due, to all persons supplying to such Contractor labor or material for the prosecution of the Work provided for in such Contract; pay all contributions or amounts due the Industrial Accident Fund from such Contractor or Subcontractor incurred in the performance of this Contract; not permit any lien or Claim to be filed or prosecuted against the state, county, school, municipality, municipal corporation, or subdivision thereof on account of any labor or material furnished; and pay to the Department of Revenue all sums withheld from employees in accordance with ORS 316.167. Contractor shall further demonstrate that an employee drug-testing program is in place.

(d) ORS 279C.510. If this Contract includes demolition work, Contractor shall salvage or recycle construction and demolition debris, if feasible and cost-effective. If this Contract includes lawn or landscape maintenance, Contractor shall compost or mulch yard waste material at an approved site, if feasible and cost-effective.

(e) ORS 279C.515. If Contractor fails, neglects, or refuses to make prompt payment of any Claim for labor or services furnished to Contractor or a Subcontractor by any person in connection with this Contract as such Claim becomes due, City may pay such Claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due Contractor by reason of this Contract. The payment of a Claim in the manner authorized in this section shall not relieve Contractor or Contractor's surety from any obligation with respect to any unpaid Claims.

Unless the payment is subject to a good-faith dispute as defined in ORS 279C.580, if Contractor or any first-tier Subcontractor fails to pay any Claim for materials or labor furnished under this Contract within 30 days after being paid by City, interest shall be due on such Claim as specified in ORS 279C.515(2) at the end of the ten-day period that payment is due under ORS 279C.580(4). A person with any such unpaid Claim may file a complaint with the Construction Contractor's Board unless the complaint is subject to a good-faith dispute as defined in ORS 279C.580.

(f) ORS 279C.520.

(i) Contractor shall not employ any person for more than 10 hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency, or where the public policy absolutely requires it, and in such cases, except in cases of contracts for personal services as defined in ORS 279A.100, the laborer shall be paid at least time-and-a-half pay:

(1) For all overtime in excess of 8 hours a day or 40 hours in any one week when the workweek is five consecutive days, Monday through Friday; and

(2) For all overtime in excess of 10 hours a day or 40 hours in any one week when the workweek is four consecutive days, Monday through Friday; and

(3) For work performed on Saturday and on any legal holiday specified in any applicable collective bargaining agreement or ORS 279C.540.

(4) The requirement to pay at least time and a half for all overtime worked in excess of 40 hours in any one week shall not apply to individuals who are excluded under ORS 653.010 to 653.261 or under 29 USC Section 201 to 209 from receiving overtime.

(ii) Contractor shall comply with ORS 652.220 (addressing the prohibition of discriminatory wage rates based on sex and of employer discrimination against an employee who is a complainant). Compliance is a material element of this Contract. Failure to comply is a breach that entitles City to terminate this Contract for cause.

(iii) Contractor shall not prohibit any of Contractor's employees from discussing the employee's wage, salary, benefits, or other compensation with another employee or another person, and Contractor shall not retaliate against an employee who does so.

(iv) Contractor shall and shall require its Subcontractors to give notice to their employees who work under this Contract in writing, either at the time of hire or before commencement of Work on this Contract, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the employees may be required to work.

(g) ORS 279C.525. State law requires that solicitation documents for a public improvement contract make specific reference to federal, state, and local agencies that have enacted ordinances, rules, or regulations dealing with the prevention of environmental pollution or the preservation of natural resources that may affect the performance of this Contract. These agencies include, but are not limited to:

(i) Federal Agencies. Department of Agriculture; Forest Service; Soil and Water Conservation Service; Coast Guard; Department of Defense; Army Corps of Engineers; Office of Emergency Management, Federal Energy Regulatory Commission; Environmental Protection Agency; Department of Health and Human Services; Department of Housing and Urban Development; Solar Energy and Energy Conservation Bank; Department of Interior; Bureau of Land Management; Bureau of Indian Affairs; Bureau of Mines; Bureau of Reclamation; Geological Survey; Minerals Management Service; Fish and Wildlife Service; Department of Labor; Mine Safety and Health Administration; Occupational Safety and Health

Administration; Department of Transportation; Federal Highway Administration; and Water Resources Council.

(ii) State Agencies. Department of Administrative Services; Department of Agriculture; Soil and Water Conservation Commission; Columbia River Gorge Commission; Department of Energy; Department of Environmental Quality; Department of Fish and Wildlife; Department of Forestry; Department of Geology and Mineral Industries; Department of Human Resources; Department of Consumer and Business Services; Land Conservation and Development Commission; Department of Parks and Recreation; Division of State Lands; and Department of Water Resources.

(iii) Local Agencies. City councils, county courts, county boards of commissioners, metropolitan service City councils, design commissions, historic preservation commissions, planning commissions, development review commissions, special City boards of directors, and other special Citys and special governmental agencies such as TriMet, urban renewal agencies.

(iv) Tribal Governments.

(h) ORS 279C.530. Contractor shall promptly, as due, make payments to any person, copartnership, association, or corporation furnishing medical, surgical, and hospital care or other needed care and attention, incident to sickness or injury, to the employees of such Contractor, of all sums that Contractor agrees to pay for such services and all moneys and sums that Contractor collected or deducted from the wages of employees in accordance with any law, contract, or agreement for the purpose of providing or paying for such service.

To the extent that any of Contractor's employees are covered by the Oregon employment laws, Contractor, its Subcontractors, if any, and all employers working under this Contract are subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide workers' compensation coverage for all their subject workers.

(i) ORS 279C.545. Workers employed by Contractor shall be foreclosed from the right to collect for any overtime under this Contract unless a claim for payment is filed with Contractor within 90 days from the completion of this Contract, providing Contractor has:

(i) Caused a circular clearly printed in black pica font and containing a copy of this section to be posted in a prominent place alongside the door of the timekeeper's office or in a similar place that is readily available and freely visible to any or all workers employed on the Work, and

(ii) Maintained such circular continuously posted from the inception to the completion of this Contract on which workers are or have been employed.

(j) ORS 279C.580(3). Contractor shall include in each subcontract for property or services with a first-tier Subcontractor a clause that obligates Contractor to pay the first-tier Subcontractor for satisfactory performance under its subcontract within ten days out of such amounts as are paid to Contractor by City. Contractor shall also include in each subcontract a clause that states that if Contractor fails to pay any Claim for materials or labor furnished under this Contract within 30 days after being paid by City, interest shall be due on such Claim as specified in ORS 279C.515(2) at the end of the ten-day period that payment is due under ORS 279C.580(3). Contractor shall require each first-tier Subcontractor to include a payment clause and interest clause conforming to the requirements of ORS 279C.580 in each of its subcontracts, and to require each of its Subcontractors to include a similar clause in each contract with a lower-tiered Subcontractor or supplier.

(k) ORS 279C.800 to 279C.870.

(i) [If the total amount of the contract exceeds \$50,000, check "is subject"]

This Contract is subject /is not subject  to payment of prevailing wages under ORS 279C.800 to 279C.870. If this Contract is subject to payment of prevailing wages, Contractor and any Subcontractors shall pay not less than prevailing wages to each worker in each trade or occupation employed in the performance of this Contract, as determined by the Director of the State of Oregon Bureau of Labor and Industries (BOLI). The latest prevailing wage rates for public works contracts in Oregon are contained in the following publications: The January 2026 Prevailing Wage Rates for Public Works Projects in Oregon, the [date of most current publication] PWR Apprenticeship Rates, and [date of any amendments to the PWR rates or apprenticeship rates since the most current publication of those rates]. Such publications can be reviewed electronically at <https://www.oregon.gov/boli/employers/Pages/prevailing-wage-rates.aspx> and are hereby incorporated as part of this Contract.

(ii) (If federal funds are used in whole or in part to pay the Contract Price and the total amount of the Price Agreement exceeds \$2,000, check "is subject") This Contract is subject /is not subject  to payment of prevailing wages under the federal Davis-Bacon Act (40 USC § 3141 et seq.). Notwithstanding subsection k(i) of this section, if this Contract is subject to payment of prevailing wages under the Davis-Bacon Act, Contractor and any Subcontractors must pay the higher of the federal prevailing wage rate or the state prevailing wage, as determined by the Director of BOLI. The latest federal prevailing wage rates can be reviewed electronically at <https://sam.gov/content/wage-determinations> (search for Oregon, Washington County, Building Construction Type). Contractors shall follow all prevailing wage rules, including posting the Davis-Bacon Act poster at the worksite and submitting certified payroll records. The poster is available at <http://www.dol.gov/whd/regs/compliance/posters/fedprojc.pdf>. The payroll form is available at <http://www.dol.gov/whd/forms/wh347instr.htm>

(iii) City shall pay a fee to the Commissioner of the BOLI as provided in ORS 279C.825. The fee shall be paid to the Commissioner under the administrative rule of the Commissioner.

(iv) Contractor and any Subcontractors shall post the prevailing wage rates in a conspicuous and accessible place in or about the Project.

(l) ORS 279C.836. If this Contract is subject to payment of prevailing wages under ORS 279C.800 to 279C.870, Contractor shall:

(i) File a public works bond with the Construction Contractors Board under ORS 279C.836 before starting Work on the Project, unless exempt under ORS 279C.836(4), (7), (8) or (9).

(ii) Include in every subcontract a provision requiring the Subcontractor to file a public works bond with the Construction Contractors Board under ORS 279C.836 before starting work on the Project, unless exempt under ORS 279C.836(4), (7), (8), or (9).

(m) ORS 279C.845. If this Contract is subject to payment of prevailing wages under ORS 279C.800 to 279C.870:

(i) Contractor or Contractor's surety and every Subcontractor or Subcontractor's surety shall file with City a certified statement on a form provided by BOLI certifying the hourly rate of wage paid each worker employed by Contractor or Subcontractor on the Work and that no such worker has been paid less than the prevailing rate of wage or wage specified under this Contract.

(ii) Notwithstanding ORS 279C.555 or 279C.570(7), City shall retain 25 percent of all amounts earned by Contractor until Contractor has filed the certified statements as required by ORS 279C.845. In addition, Contractor shall retain 25 percent of any amount earned by a first-tier Subcontractor until such Subcontractor has filed the certified statements with City. City and/or Contractor shall pay any such retained amounts within 14 days after such certified statements are filed.

(n) ORS 468A.710. If this Contract requires asbestos abatement, Contractor or Subcontractor must possess an asbestos abatement license as required by ORS 468A.700 et seq.

(o) ORS 671.560, 701.055. If Contractor is performing work as a landscape contractor as defined in ORS 671.520(2), Contractor must have a current, valid landscape contractor's license issued under ORS 671.560. If Contractor is performing work as a construction contractor as defined in ORS 701.005(2), Contractor must have a current, valid construction contractor's license issued under ORS 701.021. Contractor shall maintain in effect all licenses, permits, and certifications required for the performance of the Work. Contractor shall notify City immediately if any license, permit, or certification required for performance of this Contract shall cease to be in effect for any reason.

**27. Compliance With City Laws and Rules.**

(a) Work Performed on City Property. Contractor shall comply with the following when work is performed on City property:

(i) Contractors performing work on City property or for City shall be in appropriate attire all times. In addition, all such persons shall carry photo identification and will present such to any City officer or employee upon request.

(ii) Smoking, vaping, or other use of tobacco or marijuana is prohibited on City property.

(iii) City property sites and sites served by City are drug-free zones.

(iv) Except as provided by Oregon statutes and City policy, weapons and firearms are prohibited on City property.

(v) Prior to instituting work on City property, Contractor, its Subcontractors, and suppliers shall review the safety and security policies issued by City and shall comply with those policies while on City property.

**28. Quality of Goods and Services.** Unless otherwise specified, all materials shall be new, and both workmanship and materials shall be of the highest quality. All workers and Subcontractors shall be skilled in their trade.

**29. Delay.** Contractor shall furnish sufficient staffing, materials, and equipment and work such hours, including night shifts, overtime, and weekend and holiday work as may be necessary to ensure the production of the Work in accordance with the date of Substantial Completion and the approved construction schedule. If Contractor fails to perform in a timely manner in accordance with the Contract Documents and, through the fault of Contractor or any Subcontractor, or by reason of any delay that is within Contractor's reasonable control, fails to meet the approved construction schedule, then Contractor shall take such steps as may be necessary to immediately improve its progress by increasing the number of workers, shifts, overtime operations, or days of work, all without additional cost to City. City will not be liable for any damages or extra costs resulting from any delay in Contractor's work not caused by City, nor will City be obligated to grant any extension of the Contract Time for any delay in Contractor's work not caused by City. All such damages or costs shall be paid by Contractor.

**30. Errors.** Contractor shall perform such additional work as may be necessary to correct errors in the Work required under this Contract without undue delay and without additional cost.

**31. Access to Records.** Contractor agrees that City and its authorized representatives shall have access to the books, documents, papers, and records of Contractor that are directly

pertinent to the specific Contract for the purpose of making audit, examination, excerpts, and transcripts.

**32. Maintenance of Records.** Contractor shall maintain all fiscal records directly relating to this Contract in accordance with generally accepted accounting principles. In addition, Contractor shall maintain any other records pertinent to this Contract in such a manner as to clearly document Contractor's performance. Contractor acknowledges and agrees that City's duly authorized representatives shall have access to such fiscal records and other books, documents, papers, plans, and writings of Contractor that are pertinent to this Contract to perform examinations and audits and make excerpts and transcripts. Contractor shall retain and keep accessible all such fiscal records, books, documents, papers, plans, and writings for a minimum of ten years, or such longer period as may be required by applicable law, following final payment and termination of this Contract or until the conclusion of any audit, controversy, or litigation arising out of or related to this Contract, whichever date is later.

**33. Ownership of Work.** All work product created by Contractor as part of Contractor's performance of this Contract, including background data, documentation, and staff work that are preliminary to final reports, shall be the exclusive property of City. If any such work product contain intellectual property of Contractor that is or could be protected by federal copyright, patent, or trademark laws, Contractor hereby grants City a perpetual, royalty-free, fully paid-up, nonexclusive, and irrevocable license to copy, reproduce, deliver, publish, perform, dispose of, use, reuse, in whole or in part, and to authorize others to do so, all such work product. City shall have no rights in any preexisting work product of Contractor provided to City by Contractor in the performance of this Contract except to copy, use, and reuse any such work product for City use only. If this Contract is terminated by either party or by default, City, in addition to any other rights provided by this Contract, may require Contractor to transfer and deliver such partially completed work product, reports, or other documentation that Contractor has specifically developed or specifically acquired for the performance of this Contract.

**34. Warranty.**

(a) Contractor warrants to City and City's Design Professional, if any, that materials and equipment furnished under this Contract will be of good quality and new unless otherwise required or permitted by the Contract Documents, that the Work will be free from defects not inherent in the quality required or permitted, and that the Work will conform to the

requirements of the Contract Documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. Contractor's warranty excludes remedy for damage or defect caused by abuse, modifications not executed by Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. If required by City's Design Professional or City, Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

(b) In addition to Contractor's other obligations under this contract, including but not limited to the Section 34(a) above, Contractor shall, for a period of one year after Substantial Completion (the "Correction Period"), correct Work that is defective or that does not otherwise conform to the requirements of the Contract Documents.

(c) If, during the Correction Period and after ten days' notice, Contractor fails to proceed to cure any defective or nonconforming Work, City may have the defects corrected and Contractor and its surety shall be liable for all expenses incurred. In case of an emergency where, in the opinion of City or City's Design Professional, delay would cause serious loss or damage, corrective work may be undertaken without advance notice to Contractor, but Contractor and its surety shall remain liable for all expenses incurred. The remedies stated in this subsection are not exclusive but are cumulative of any other remedies that City may have.

(d) Contractor shall assign all manufacturers' warranties to City, and all guarantees and warranties of goods supplied under this Contract shall be deemed to run to the benefit of City. Contractor shall provide City with all manufacturers' warranty documentation and operations and maintenance manuals not later than the date of final acceptance of the Work by City.

**35. Indemnification.** Contractor shall defend, indemnify, and hold City, its officers, directors, agents, and employees (the "Indemnified Parties") harmless against all liability, claims, loss, costs, or expenses, including but not limited to expert and attorney fees, based upon or arising out of damage or injury (including death) to persons or property caused by any act or omission of an act arising from Contractor's performance of the Work. In claims against any person or entity indemnified under this section by an employee of Contractor, a Subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under this section shall not be limited by a

limitation on amount or type of damages, compensation, or benefits payable by or for Contractor or a Subcontractor under workers' compensation acts, disability benefit acts, or other employee-benefit acts. Notwithstanding anything to the contrary in this Section 35, Contractor is not required to indemnify the Indemnified Parties for, from, and against liability for damage arising out of death or bodily injury to persons or damage to property caused in whole or in part by the negligence or willful misconduct of the Indemnified Parties, but Contractor is required to indemnify the Indemnified Parties for, from, and against liability for damage arising out of death or bodily injury to persons or damage to property to the extent that the death or bodily injury to persons or damage to property arises out of the fault of Contractor, or the fault of Contractor's agents, representatives, or Subcontractors.

36. **Notice of Injury or Damage to Person or Property.** If any person suffers physical injury or property damage arising from the Work, regardless of the cause, Contractor shall immediately give notice of such injury or damage, whether or not insured, to City's authorized representative and Contractor's authorized representative. The notice shall provide sufficient detail to enable City and any other party affected to investigate the matter.

37. **Waiver.** Waiver of any default under this Contract by City shall not be deemed to be a waiver of any subsequent default or a modification of the provisions of this Contract.

38. **Litigation.** Any Claim arising out of or related to this Contract, except those waived as provided for in Section 25, shall be resolved by litigation in the Circuit Court of Lincoln County. The parties may agree to pursue mediation prior to litigation.

39. **Governing Law.** The provisions of this Contract shall be construed in accordance with the laws of the State of Oregon as they exist at the time of execution of this Contract or any subsequent amendment.

40. **Severability.** If any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Contract did not contain the particular term or provision held invalid.

41. **Merger Clause.** This Contract and the attached exhibits constitute the entire agreement between the parties. All understandings and agreements between the parties and

representations by either party concerning this Contract are contained in this Contract. No waiver, consent, modification, or change in the terms of this Contract shall bind either party unless in writing and signed by both parties. Any written waiver, consent, modification, or change shall be effective only in the specific instance and for the specific purpose given.

**42. Antidiscrimination Clause.** Contractor must comply with all applicable requirements of federal and state civil rights law and rehabilitation statutes and shall not discriminate based on race, religion, color, sex, sexual orientation, marital status, familial status, national origin, age, mental or physical disability, or political affiliation in programs, activities, services, benefits, or employment.

**43. Attorney Fees.** If a suit or action is filed to enforce any of the terms of this Contract, the prevailing party shall be entitled to recover from the other party, in addition to costs and disbursements provided by statute, any sum that a court, including any appellate court, may adjudge reasonable as attorney fees. In the event the prevailing party is represented by "in-house" counsel, the prevailing party shall nevertheless be entitled to recover reasonable attorney fees based on the reasonable time incurred.

**44. Rule of Construction.** The rule of construction that a contract is construed against the drafter shall not apply to any dispute over the interpretation of application of this Contract.

**45. Removal of Debris.** Contractor shall remove all trash and debris from the Project Site for disposal. Contractor shall clean the work area and remove all trash, debris, and tools, at least daily, prior to leaving the Project Site and as needed to maintain a safe work area. Final disposal of any construction generated material must be deposited at a licensed landfill. Contractor shall provide any final location to the City.

*[Signature page follows]*

**CONTRACTOR SIGNATURE**

I have read this Contract, including the attached exhibits. I certify that I have the authority to sign and enter into this Contract. I understand this Contract and agree to be bound by its terms.

Ira Simeral

Signature

District Manager

Title

Ira Simeral

Name (please print)

6/18/26

Date

**CITY of TOLEDO  
SIGNATURE**

(This Contract is not binding on City until signed by the appropriate signing authority)

\_\_\_\_\_  
Signature Title

\_\_\_\_\_  
Name (please print) Date

**EXHIBIT A  
INSURANCE REQUIREMENTS**

**A. MINIMUM INSURANCE LIMITS.** Contractor shall procure, prior to commencement of the Work, and shall maintain for the duration of the Contract, insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the Work hereunder by Contractor, its agents, representatives, employees, and Subcontractors(s). Contractor's liabilities, including but not limited to Contractor's indemnity obligations under the Contract, will not be deemed limited in any way to the insurance coverage required herein. Maintenance of specified insurance coverage is a material element of the Contract, and Contractor's failure to maintain or renew coverage or to provide evidence of renewal during the term of the Contract, as required or when requested, may be treated as a material breach of contract by the City. Coverage shall be at least as broad as the following scopes and limits:

1. **Commercial General Liability.** \$\_\_\_\_\_ per occurrence and \$\_\_\_\_\_ aggregate for bodily injury, personal injury, and property damage.
2. **Commercial Automobile Liability.** \$\_\_\_\_\_ per accident for bodily injury and property damage covering owned, hired, and non-owned vehicles.
3. **Workers' Compensation Liability.** Coverage sufficient to meet statutory liability limits. Contractor shall require and ensure that each of its Subcontractors comply with this requirement.
4. **Employers' Liability.** \$\_\_\_\_\_ per occurrence.
5. **Professional Liability.** To the extent that the Work includes professional services or design or design/build responsibilities, \$\_\_\_\_\_ per claim and \$\_\_\_\_\_ aggregate limits subject to no more than \$10,000 per claim deductible. Contractor shall maintain professional liability coverage through completion of construction and two years thereafter.
6. **Umbrella Liability.** \$\_\_\_\_\_ per occurrence.

City reserves the right to modify the limits and coverages described herein, with appropriate credits or changes to be negotiated for such changes. Unless otherwise approved in writing by the City, coverages under this Exhibit must be issued on an occurrence basis.

**B. DEDUCTIBLES AND SELF-INSURANCE RETENTION.** Contractor shall inform City in writing if any deductibles or self-insured retention exceeds \$10,000. At its sole discretion, City may (1) accept the higher deductible, (2) require Contractor to insure such deductibles or self-insured retention as respects City, its officers, officials, employees, and volunteers, or (3) require Contractor to provide a surety bond guaranteeing Contractor's payment of deductible or self-insured losses and related investigations, claim administration, and defense expenses.

**C. OTHER INSURANCE PROVISIONS.** The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. To the fullest extent permitted by law, the Contractor shall cause the commercial general liability and automobile liability coverage to include the City and its representatives, consultants, trustees, officers, officials, employees, agents, and volunteers ("Additional Insureds") as additional insureds for claims caused in whole or in part by the Contractor's negligent acts or omissions during the Contractor's operations. Additionally, Contractor shall cause the commercial general liability coverage to include the Additional Insureds as additional insureds for claims caused in whole or in part by the Contractor's negligent acts or omissions for which loss occurs during completed operations. The coverage will contain no special limitations on the scope of protection afforded to the Additional Insureds.
2. For any claims related to the Project, Contractor's insurance coverage shall be primary insurance with respect to the Additional Insureds. Any insurance or self-insurance maintained by the Additional Insureds shall be in excess of Contractor's insurance and not contributory.
3. Any failure to comply with reporting or other provisions of the policies, including breaches of warranties, will not affect coverage provided to the Additional Insureds.
4. Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this clause shall be endorsed to state that coverage will not be suspended, voided, or canceled by either party, or reduced in coverage or in limits, except after 30 days' prior written notice by certified mail, return receipt requested, has been given to City.
6. Except as otherwise required under this Exhibit, Contractor must maintain the insurance required under this Exhibit A for at least six years after Substantial Completion.
7. No insurance provided by the Contractor under this Exhibit must indemnify the Owner or its employees, representatives, or agents to the extent of liability for death or bodily injury to persons or damage to property caused in whole or in part by their own negligence, but the insurance must require indemnity to the extent of the fault of the Contractor or its Subcontractors, agents, and representatives.

**D. ACCEPTABILITY OF INSURERS.** Insurance shall be placed with insurers admitted in Oregon with a current A.M. Best's rating and FSC no lower than A-VII. Contractor shall inform City in writing if any of its insurers have a rating and FSC lower than A-VII. At its sole discretion, City may (1) accept the lower rating or (2) require Contractor to procure insurance from another insurer.

**E. VERIFICATION OF COVERAGE.** Contractor shall furnish City with:

1. Certificates of insurance showing maintenance of the required insurance coverage; and Original endorsements affecting general liability and automobile liability coverage. The endorsements are to be signed by a person authorized by that insurer to bind coverage on

its behalf. All endorsements shall be received and approved by City before Work commences.



# PROPOSAL

11095 SW Industrial Way  
 Tualatin, OR 97062  
 Ph (503) 885-0420  
 CCB #238621

ATTENTION: ALL GENERAL CONTRACTORS

PROJECT: 2026 Toledo Street Striping

BID DATE: 5/5/2026

QUOTE NUMBER 2601-410 MH

ITEM #	DESCRIPTION	PLAN QTY	UNIT	UNIT BID	TOTAL BID
1	Hi-Build Paint, 4" Equivalent.	180,000.00	LF	\$ 0.32	\$ 57,600.00

**TOTAL \$ 57,600.00**

PLEASE NOTIFY ME AS SOON AS POSSIBLE IF YOU INTEND TO USE SPM ON THIS PROJECT. THIS WILL EXPEDITE THE SUBMITTAL PROCESS, AND SCHEDULING.

Specialized Pavement Marking, LLC proposes to furnish all labor, equipment and materials necessary to complete referenced project  
 Quote good for 30 days from above date, after which time a price adjustment may be necessary.

PLEASE SEND CONTRACT TO [Michelle.Virtudazo@spmnw.com](mailto:Michelle.Virtudazo@spmnw.com) and CC [Mark.Henning@spmnw.com](mailto:Mark.Henning@spmnw.com)

Mark Henning  
 Estimator

[mark.henning@spmnw.com](mailto:mark.henning@spmnw.com)



City of Toledo  
Request for City Council Action

Council Goal:	Meeting Date:	Agenda Topic:
The City will focus on advancing technology while simultaneously implementing measures to ensure security and redundancy.	<b>June 24, 2026</b>	Springbrook Contract and Amendment No. 1 for Human Resources Information System
<b>Prepared By:</b>		<b>Approved by:</b>
Rich Huebner, City Manager		Rich Huebner, City Manager

**Reviewed by:**

Paul Johnson  
Rich Huebner

**Recommendation:**

Motion to approve and authorize the City Manager to execute contract number Q-48385-1 and Amendment No. 1 with Springbrook Holding Company, LLC, to effectuate the purchase and onboarding of a Human Resources Information System.

**Background:**

On June 17, 2026, the Toledo City Council adopted the City Operating Budget for fiscal year 2026-2027. Included in the adopted budget was a Capital Improvement Project (CIP) request for a Human Resources Information System (HRIS). In preparing the CIP, Human Resources Director Shawna Gribskov sought proposals from two systems: Springbrook and NeoGov.

Each proposal had unique strengths. NeoGov's platform is well established in the HR space. Springbrook is newer to the HR space, but is the current provider of the City of Toledo's budgeting, payroll and utility billing (ERP) system, which would provide full integration between the platforms. Being new to the space, adoption of the Springbrook system enables to the City to be an early adopter with the opportunity to help guide future refinements to best fit City needs. Director Gribskov and City Manager Huebner received presentations from each platform, and Director Gribskov identified Springbrook as the preferred vendor.

Springbrook's initial proposal included an implementation cost of \$35,500 and a core product cost of \$29,700, which would also be the annual recurring cost, subject to uplift. Following negotiations, the implementation cost has been reduced to \$25,870 and the core product/recurring cost has been reduced to \$24,750. Springbrook's initial proposal also included annual uplifts of up to 7%. Through negotiation, Springbrook has agreed

to no (0%) uplift in year 2, a 3% uplift in year 3, and a maximum uplift of 5% after year 3.

In recognition of the concessions outlined in the preceding paragraph, Springbrook requested a three-year commitment for both the HRIS and ERP systems. The City had previously extended the ERP by one-year, so the ERP commitment is for two additional years in total. The attached contract is for the HRIS exclusively, while the attached Amendment No. 1 incorporates both HRIS and ERP (previously executed) into one agreement and acknowledges the negotiated uplift rates.

Finally, the ERP system includes a digital timecard that the City has not previously implemented. In recognition that we've been paying full price since implementing the ERP but have not fully utilized its abilities, upon execution of this contract and amendment, Springbrook has agreed to setup the digital timecard for City use at no charge, waiving a standard \$5,000 setup fee.

<b>Fiscal Impact:</b>	<b>Fiscal Year:</b>	<b>GL Number:</b>
<b>\$50,625 in FY 2026-2027; \$24,750 thereafter</b>	<b>2026-2027</b>	<b>001-100-600700</b>

**Attachments:**

- 1. Springbrook HR Core OB Contract
- 2. Springbrook HR Core and ERP Amendment

Order Form: Q-48385-1  
 Creation Date: 1/15/2026, 3:12 PM  
 Expires On: 7/30/2026



Phone: (866) 777-0069  
 Email: info@sprbrk.com

**Ship To:**  
 Shawna Gribskov  
 City of Toledo, OR  
 206 N. Main St.  
 Toledo, Oregon 97391  
 shawna.gribskov@cityoftoledo.org

**Bill To:**  
 Finance Department Toledo, OR  
 City of Toledo, OR  
 206 N. Main St.  
 Toledo, Oregon 97391  
 finance@cityoftoledo.org

Account Manager	E-mail	Phone Number	Payment Terms
Alex Webb	alex.webb@sprbrk.com		Net 30

Annual Product Pricing				
PRODUCT	RATE	QTY	DISC (%)	NET PRICE
HR Core (with ESS) Subscription	USD 13,200.00	1	25.000	USD 9,900.00
Onboarding Subscription	USD 9,900.00	1	25.000	USD 7,425.00
Applicant Tracking Subscription	USD 9,900.00	1	25.000	USD 7,425.00
<b>Annual Product Pricing Total:</b>				<b>USD 24,750.00</b>

Estimated Professional Services						
PRODUCT	DESCRIPTION	LIST PRICE	NET PRICE	QTY	DISC %	NET PRICE
Standard Professional Services	Standard Professional Services	USD 250.00	USD 187.50	90	25.000	USD 16,875.00
Standard Professional Services	Standard Professional Services	USD 250.00	USD 187.50	24	25.000	USD 4,500.00
Standard Professional Services	Standard Professional Services	USD 250.00	USD 187.50	24	25.000	USD 4,500.00
<b>Estimated Professional Services Total:</b>						<b>USD 25,875.00</b>

**Grand Total: USD 50,625.00**  
 \* excludes applicable sales tax

## Order Details

Customer Name: City of Toledo, OR

Customer Contact: Shawna Gribskov

Governing Agreement(s): This Order Form is governed by the applicable terms found at:  
MSA: <https://sprbrk.app.box.com/v/sprbrk-saas-terms>  
MLA: <https://sprbrk.app.box.com/v/sprbrk-onpremise-terms>  
Professional Services: <https://sprbrk.app.box.com/v/sprbrk-svcs-terms>

Term(s): 3 Years

## Order Terms

In the event of an inconsistency between this Order Form, any governing agreement, purchase order, or invoice, the Order Form shall govern as it pertains to this transaction.

- This Order Form shall become effective as of the last date of signature (the "Effective Date").
- Order Start Date: Software Licenses, Subscriptions, Maintenance, and Hosting commence upon the earlier of a) date of delivery\* or log-in to hosted software to Customer; or b) 60 days after Order Form Effective Date.
- Subscriptions, Maintenance, Hosting, and Support ("Recurring Services") continue from the Order Start Date through the term listed in this Order Form (or if not listed, one (1) year).
- Orders for Recurring Services auto-renew for three (3) years or for the term specified in this Order Form, unless the Customer or Springbrook provides a written notice of non-renewal at least sixty (60) days prior to the expiration of the current Order Term.
- Subscription Service fees and any Recurring Services will be subject to an automatic annual increase by not more than seven percent (7%) of the prior year's Subscription Service fees ("Standard Annual Price Increase").
- Any Software Licenses or Hardware are one-time non-refundable purchases.
- CivicPay Online Subscription fee and CivicPay IVR Subscription fee are subject to increase at per account rate, based on actual accounts.
- CivicPay IVR Message Block Subscriptions expire upon the earlier exhaustion of the Message Block or twelve (12) months from the Order Start Date. Upon expiration, Message Blocks automatically renew.

*\* The date of delivery of software to the Customer is the date the software is made available to the Customer, either by delivery of software or delivery of first log-in to a hosted environment, which may be either a test or production environment. This date of delivery is frequently earlier than the dates professional services are completed, the Customer completes user acceptance testing, the Customer distributes additional logins to end-users, and the Customer go-live in a production environment.*

## Invoice Timing and Delivery

Invoices are delivered electronically via e-mail to the billing contact on file for the Customer. Customer invoices are issued for the full amount of software and services purchased as follows:

### Products Ordered

### Invoice Timing

Software Licenses, Subscriptions, Maintenance, and Hosting (New):

Annually in advance upon Order Start Date.

Software Subscriptions, Maintenance, and Hosting (Add-Ons):

Upon the order start date, order will be pro-rated to sync with the existing anniversary billing date and will renew annually thereafter.

Software Subscriptions (Migrations):

Upon the order start date, order will be synced with the existing anniversary billing date and will renew annually thereafter unless specified in the Special Order Terms. This order replaces and supersedes any previously executed order as it relates to the products listed within this order. Upon delivery of new product, customer will receive a prorated credit for any prepaid, unused maintenance fees that will be applied to the customer's first invoice.

Software Licenses, Subscriptions, Maintenance, and Hosting (Renewal):

Sixty (60) days in advance of the Order Start Date.

Print Services and Transaction Fees:

Monthly, in arrears for transactions in the prior month.

Hardware and One-Time Licenses:

Upon the Effective Date of this Order Form.

Estimated Time and Material Professional Services, On-Site Professional Services, and Travel Expenses\*:

Monthly, in arrears for services in the prior month unless specified in Special Term.

Implementation Fixed Fee Professional Services:

The Effective Date of this Order Form unless specified in Special Terms.

## Professional Service Key Terms and Conditions:

- **Time and Material Pricing:** Professional Services time and material pricing is based on expected hours using Springbrook's standard implementation approach. While our goal is to provide accurate hour estimates, there may be variations in actual hours and charges. If project costs surpass the estimated hours within this order form by the greater of \$15,000 or 20%, a signed change order is necessary to proceed. Adjustments below this threshold will be implemented and invoiced as incurred.
- **\*On-Site Professional Services:** On-Site professional services are billed at a daily minimum rate, regardless of time spent on-site. Travel expenses related to on-site travel will be invoiced as a separate line item as they are incurred.
- **Cancellation or Postponement:** Customer agrees to participate in all scheduled meetings and minimize repeated cancellations. Customer shall provide no less than two (2) business days' written notice should any scheduled meeting, training session or other activity need to be cancelled or postponed. If Customer fails to provide such notice, Springbrook shall invoice the Customer for the lost or delayed scheduled time, with a minimum charge of two (2) hours. Additional charges may apply based on the resources and preparation required for the meeting.

- **Customer Responsibilities:** The customer will provide adequate internal resources and ensure the accuracy of all information provided to Springbrook. Customers are responsible for extracting data from any legacy systems and transferring the data into Springbrook's import templates.

## Special Order Terms

Special Order Terms (if any):

Any discounts applied under this Quote are one-time, non-recurring discounts and apply solely to the specific order referenced herein. Such discounts shall not be construed as establishing a course of dealing, precedent, or entitlement for any future orders. All subsequent orders for products or professional services will be billed at the then-current list price. This Quote does not obligate Springbrook to extend the same or similar discounts in connection with any future orders. Customer may elect to terminate the HR Core Module by providing Springbrook with written notice within six (6) months of the Effective Date of this Order Form. Upon receipt of such notice, the HR Core Module shall terminate at the end of the then-current billing period, and all future fees associated with the HR Core Module shall cease. All fees incurred prior to termination remain non-refundable and due and payable. The remainder of the Agreement and Order Form shall remain in full force and effect.

**By signing, both parties agree to the terms and conditions set forth in this agreement.**

\* If the Customer requires a PO number on invoices, the Customer must provide Springbrook with the PO number and a copy of the PO prior to invoice issuance. If a PO number is not provided prior to the invoice issuance date, invoices issued on this Order Form will be valid without a PO reference.

**Springbrook Holding Company, LLC**

**City of Toledo, OR**

Signature:

Signature:

Name (Print):

Name (Print):

Title:

Title:

Date:

Date:

Approved as to form:

Order Form: Q-48385-1  
 Creation Date: 1/15/2026, 3:12 PM  
 Expires On: 7/30/2026



Phone: (866) 777-0069  
 Email: info@sprbrk.com

**Ship To:**  
 Shawna Gribskov  
 City of Toledo, OR  
 206 N. Main St.  
 Toledo, Oregon 97391  
 shawna.gribskov@cityoftoledo.org

**Bill To:**  
 Finance Department Toledo, OR  
 City of Toledo, OR  
 206 N. Main St.  
 Toledo, Oregon 97391  
 finance@cityoftoledo.org

Account Manager	E-mail	Phone Number	Payment Terms
Alex Webb	alex.webb@sprbrk.com		Net 30

Annual Product Pricing				
PRODUCT	RATE	QTY	DISC (%)	NET PRICE
HR Core (with ESS) Subscription	USD 13,200.00	1	25.000	USD 9,900.00
Onboarding Subscription	USD 9,900.00	1	25.000	USD 7,425.00
Applicant Tracking Subscription	USD 9,900.00	1	25.000	USD 7,425.00
<b>Annual Product Pricing Total:</b>				USD 24,750.00

Estimated Professional Services						
PRODUCT	DESCRIPTION	LIST PRICE	NET PRICE	QTY	DISC %	NET PRICE
Standard Professional Services	Standard Professional Services	USD 250.00	USD 187.50	90	25.000	USD 16,875.00
Standard Professional Services	Standard Professional Services	USD 250.00	USD 187.50	24	25.000	USD 4,500.00
Standard Professional Services	Standard Professional Services	USD 250.00	USD 187.50	24	25.000	USD 4,500.00
<b>Estimated Professional Services Total:</b>						USD 25,875.00

**Grand Total: USD 50,625.00**  
 \* excludes applicable sales tax

## Order Details

Customer Name: City of Toledo, OR

Customer Contact: Shawna Gribskov

Governing Agreement(s): This Order Form is governed by the applicable terms found at:  
MSA: <https://sprbrk.app.box.com/v/sprbrk-saas-terms>  
MLA: <https://sprbrk.app.box.com/v/sprbrk-onpremise-terms>  
Professional Services: <https://sprbrk.app.box.com/v/sprbrk-svcs-terms>

Term(s): 3 Years

## Order Terms

In the event of an inconsistency between this Order Form, any governing agreement, purchase order, or invoice, the Order Form shall govern as it pertains to this transaction.

- This Order Form shall become effective as of the last date of signature (the "Effective Date").
- Order Start Date: Software Licenses, Subscriptions, Maintenance, and Hosting commence upon the earlier of a) date of delivery\* or log-in to hosted software to Customer; or b) 60 days after Order Form Effective Date.
- Subscriptions, Maintenance, Hosting, and Support ("Recurring Services") continue from the Order Start Date through the term listed in this Order Form (or if not listed, one (1) year).
- Orders for Recurring Services auto-renew for three (3) years or for the term specified in this Order Form, unless the Customer or Springbrook provides a written notice of non-renewal at least sixty (60) days prior to the expiration of the current Order Term.
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- Any Software Licenses or Hardware are one-time non-refundable purchases.
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### Products Ordered

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Monthly, in arrears for transactions in the prior month.

Hardware and One-Time Licenses:

Upon the Effective Date of this Order Form.

Estimated Time and Material Professional Services, On-Site Professional Services, and Travel Expenses\*:

Monthly, in arrears for services in the prior month unless specified in Special Term.

Implementation Fixed Fee Professional Services:

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- **Time and Material Pricing:** Professional Services time and material pricing is based on expected hours using Springbrook's standard implementation approach. While our goal is to provide accurate hour estimates, there may be variations in actual hours and charges. If project costs surpass the estimated hours within this order form by the greater of \$15,000 or 20%, a signed change order is necessary to proceed. Adjustments below this threshold will be implemented and invoiced as incurred.
- **\*On-Site Professional Services:** On-Site professional services are billed at a daily minimum rate, regardless of time spent on-site. Travel expenses related to on-site travel will be invoiced as a separate line item as they are incurred.
- **Cancellation or Postponement:** Customer agrees to participate in all scheduled meetings and minimize repeated cancellations. Customer shall provide no less than two (2) business days' written notice should any scheduled meeting, training session or other activity need to be cancelled or postponed. If Customer fails to provide such notice, Springbrook shall invoice the Customer for the lost or delayed scheduled time, with a minimum charge of two (2) hours. Additional charges may apply based on the resources and preparation required for the meeting.

- **Customer Responsibilities:** The customer will provide adequate internal resources and ensure the accuracy of all information provided to Springbrook. Customers are responsible for extracting data from any legacy systems and transferring the data into Springbrook's import templates.

## Special Order Terms

Special Order Terms (if any):

Any discounts applied under this Quote are one-time, non-recurring discounts and apply solely to the specific order referenced herein. Such discounts shall not be construed as establishing a course of dealing, precedent, or entitlement for any future orders. All subsequent orders for products or professional services will be billed at the then-current list price. This Quote does not obligate Springbrook to extend the same or similar discounts in connection with any future orders. Customer may elect to terminate the HR Core Module by providing Springbrook with written notice within six (6) months of the Effective Date of this Order Form. Upon receipt of such notice, the HR Core Module shall terminate at the end of the then-current billing period, and all future fees associated with the HR Core Module shall cease. All fees incurred prior to termination remain non-refundable and due and payable. The remainder of the Agreement and Order Form shall remain in full force and effect.

Payroll timecard set up will be included as part of HR module implementation at no additional charge

**By signing, both parties agree to the terms and conditions set forth in this agreement.**

\* If the Customer requires a PO number on invoices, the Customer must provide Springbrook with the PO number and a copy of the PO prior to invoice issuance. If a PO number is not provided prior to the invoice issuance date, invoices issued on this Order Form will be valid without a PO reference.

**Springbrook Holding Company, LLC**

**City of Toledo, OR**

Signature:

Signature:

Name (Print):

Name (Print):

Title:

Title:

Date:

Date:

Approved as to form:



**City of Toledo  
Request for City Council Action**

Council Goal:	Meeting Date:	Agenda Topic:
To enhance and sustain public infrastructure and facilities by implementing plans	<b>June 24, 2026</b>	City Hall Deed Restriction
Prepared By:		Approved by:
Rich Huebner, City Manager		Rich Huebner, City Manager

**Reviewed by:**

Paul Johnson  
Rich Huebner

**Recommendation:**

Motion to accept and authorize the City Manager to execute two deed restriction documents, each entitled Easement and Equitable Servitudes (EES), with the Oregon Department of Environmental Quality (DEQ) for the Toledo City Hall and adjacent public parking lot properties.

**Background:**

The public parking lot adjacent to Toledo City Hall previously housed a Texaco service station. In 1997, the City decommissioned and removed five underground storage tanks (UST). At the time of removal, the tanks were rusted with visible holes. Petroleum contamination of the soil was observed and reported to the Oregon Department of Environmental Quality (DEQ). Though approximately 780 cubic yards of contaminated soil was removed, the decommissioning and remediation did not fully delineate the contamination.

In 2023, DEQ received federal grant funding to support work on leaking UST backlog sites, including the Toledo City Hall parking lot property. The purpose of this work was to confirm if residual petroleum hydrocarbons were below risk concentration levels.

Findings from the 2023 evaluation indicated gasoline and diesel hydrocarbons are present in soil and groundwater, with the highest concentrations in the southern portion of the site. The concentrations do not pose a risk to human health, but pose an intrusion risk to future building construction on the site.

Due to the 2023 results, DEQ conducted onsite indoor air and subslab sampling in December 2024 and throughout 2025 and early 2026. Results indicated that the first and second floors of City Hall and the Council Chambers do not contain chemicals above occupational risk levels, but that Ethylbenzene is present in the City Hall

basement. Ethylbenzene was detected at each sampling event, with one measurement exceeding occupational screening levels.

To emphasize, all regularly occupied areas of City Hall have been deemed safe by DEQ. The basement area, which is used for storage, is the only area currently deemed a risk. Per DEQ's guidelines, mitigation of this risk can be achieved by limiting time spent in the basement to four (4) hours per employee per day. Given the current use of the basement area, staff time spent in that area is significantly less in both duration and days than that indicated as acceptable.

As property owner, it is the City's responsibility to mitigate or remediate the issue. Long-term mitigation will include these deed restrictions, as well as posting warning signs on doors, continuing to limit employee time in the basement, restricting changes to basement configuration and use, and annual inspections. Acceptance of this deed restriction and mitigation measures provides the City time to evaluate and, if desired, budget for remediation. As stated in the deed restrictions (EES), the City may request release from the EES's and all associated restrictions upon successful remediation.

<b>Fiscal Impact:</b>	<b>Fiscal Year:</b>	<b>GL Number:</b>
<b>None at this time</b>	<b>N/A</b>	<b>N/A</b>

**Attachments:**

- 1. Toledo City Hall DEQ Deed Restriction
- 2. Toledo Public Parking Lot DEQ Deed Restriction

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Space above this line for Recorder's use.

***After recording, return to:***

**Grantee**

Oregon DEQ  
165 E 7<sup>th</sup> Ave Suite 100  
Eugene, OR 97401  
Attention: Sarah Kingery

**Grantor**

The City of Toledo  
206 N Main Street  
Toledo, Oregon 97391

**EASEMENT AND EQUITABLE SERVITUDES**

This grant of Easement and acceptance of Equitable Servitudes (“EES”) is made on \_\_\_\_\_, 2026 between the City of Toledo (“**Grantor**”) and the State of Oregon, acting by and through the Oregon Department of Environmental Quality (“DEQ” or “Grantee”).

**RECITALS**

A. Grantor is the owner of certain real property located at 206 N Main Street, Toledo in Lincoln County, Oregon in Lincoln County Tax Map Tax Map 111017BB, Tax Lot 11400 (the “**Property**”) the location of which is more particularly described in Exhibit A to this EES. The Property is referenced in association with the file name City Texaco Station, LUST File No. 21-97-4123 in the files of DEQ’s Environmental Cleanup Program at Western Region office located at 165 E 7<sup>th</sup> Ave, Eugene, Oregon, and telephone 800-844-8467. Interested parties may contact the Western Region office to review a detailed description of the risks from contamination remaining at the Property and described in the DEQ Staff Memorandum dated June 5, 2026.

B. On \_\_\_\_\_, 2026, the Director of the Oregon Department of Environmental Quality or delegate selected the remedial action for the Property set forth in the Staff Memo for the Property [2026-06-05\_21-97-4123\_StaffMemo.docx]. The remedial action selected requires, among other things: restricted use of the basement, restricted changes to the basement without DEQ approval, and the permanent posting of caution signs.

C. On [DATE,] Grantor entered into an Agreement (email) with DEQ, under which Grantor agreed to implement the selected remedial action, including the required institutional controls.

D. This EES is intended to further the implementation of the selected remedial action and protect human health and the environment.

E. Nothing in this Easement and Equitable Servitude constitutes an admission by Grantor of any liability for the contamination described in the Easement and Equitable Servitude.

## 1. DEFINITIONS

- 1.1 "Acceptable risk level" has the meaning set forth in Oregon Revised Statute (ORS) 465.315 and Oregon Administrative Rule (OAR) 340-122-0115.
- 1.2 "Beneficial use" has the meaning set forth in OAR 340-122-0115.
- 1.3 "DEQ" means the Oregon Department of Environmental Quality, and its employees, agents, and authorized representatives. "DEQ" also means any successor or assign of DEQ under the laws of Oregon, including but not limited to any entity or instrumentality of the State of Oregon authorized to perform any of the functions or to exercise any of the powers currently performed or exercised by DEQ.
- 1.4 "Hazardous substance" has the meaning set forth in ORS 465.200
- 1.5 "Owner" means any person or entity, including Grantor, who at any time owns, occupies, or acquires any right, title, or interest in or to any portion of the Property or a vendee's interest of record to any portion of the Property, including any successor, heir, assign or holder of title or a vendee's interest of record to any portion of the Property, but excluding any entity or person who holds such interest solely for the security for the payment of an obligation and does not possess or control use of the Property.
- 1.6 "Remedial Action" has the meaning set forth in ORS 465.200 and OAR 340-122-0115.

## 2. GENERAL DECLARATION

2.1 Grantor, in consideration of Grantee's issuance of a No Further Action letter with conditions described above, grants to DEQ an Easement for access and accepts the Equitable Servitudes described in this instrument and, in so doing, declares that the Property is now subject to and must in future be conveyed, transferred, leased, encumbered, occupied, built upon, or otherwise used or improved, in whole or in part, subject to this EES.

2.2 Each condition and restriction set forth in this EES touches and concerns the Property and the equitable servitudes granted in Section 3 and easement granted in Section 4 below, runs with the land for all purposes, is binding upon all current and future owners of the Property as set forth in this EES, and inures to the benefit of the State of Oregon. Grantor further conveys to DEQ the perpetual right to enforce the conditions and restrictions set forth in this EES.

## 3. EQUITABLE SERVITUDES (REQUIRED ACTIONS AND RESTRICTIONS ON USE)

3.1. **Basement Use Restriction.** The use of the basement as storage and utility access shall not change. Occupational use of the basement shall not exceed 4 hours per day. Occupational workstations shall not be established in the basement.

3.2. **Warnings.** The owner will maintain clearly visible caution signs at all the entries to the basement. Caution signs, more particularly described in Exhibit B to this EES, shall inform employees that they should not spend more than 4 hours per day in the basement.

3.3. **Basement Alterations.** The basement shall not be altered from its current form. This includes changes to the wall, floors, window and venting without DEQ approval for any renovations or redevelopment.

3.5 **Use of the Property.** Owner may not occupy or allow other parties to occupy the Property unless the controls listed in this Section 3 are maintained.

#### **4. EASEMENT (RIGHT OF ENTRY)**

During reasonable hours and subject to reasonable security requirements, DEQ may enter upon and inspect any portion of the Property to determine whether the requirements of this EES have been or are being complied with. Except when necessary to address an imminent threat to human health or the environment, DEQ will use its best efforts to notify the Owner 72 hours before DEQ entry to the Property. DEQ may enter upon the Property at any time to abate, mitigate, or cure at the expense of the Owner the violation of any condition or restriction contained in this EES, provided DEQ first gives written notice of the violation to Owner describing what is necessary to correct the violation and Owner fails to cure the violation within the time specified in such notice. Any such entry by DEQ to evaluate compliance or to abate, mitigate, or cure a violation may not be deemed a trespass.

#### **5. RELEASE OF RESTRICTIONS**

5.1. Owner may request release of any or all of the conditions or restrictions contained in this EES by submitting such request to the DEQ in writing with evidence that the conditions or restrictions are no longer necessary to protect human health and the environment. The decision to release any or all of the conditions or restrictions in this EES will be within the sole discretion of DEQ.

5.2. Upon a determination pursuant to Subsection 5.1, DEQ will, as appropriate, execute and deliver to Owner a release of specific conditions or restrictions, or a release of this EES in its entirety.

#### **6. GENERAL PROVISIONS**

6.1. **Notice of Transfer/Change of Use.** Owner must notify DEQ within 10 days after the effective date of any conveyance, grant, gift, or other transfer, in whole or in part, of Owner's interest in or occupancy of the Property. Such notice must include the full name and address of the Party to whom Owner has transferred an interest or right of occupancy. In addition, Owner must notify DEQ a minimum of 10 days before the effective date of any change in use of the Property that might expose human or ecological receptors to hazardous substances. Such notice must include complete details of any planned development activities or change in use. Notwithstanding the foregoing, Owner may not commence any development inconsistent with the conditions or restrictions in Section 3 without prior written approval from DEQ as provided in Subsection 3 of this EES or removal of the condition or restriction as provided in Subsection 5.1. This subsection does not apply to the grant or conveyance of a security interest in the Property.

6.2. **Zoning Changes.** Owner must notify DEQ no less than 30 days before Owner's petitioning for or filing of any document initiating a rezoning of the Property that would change the base zone of the Property under the Lincoln County zoning code or any successor code. As of the date of this EES, the base zone of the Property is commercial.

6.3. **Cost Recovery.** Owner will pay DEQ's costs for review and oversight of implementation of and compliance with the provisions in this EES, including but not limited to periodic review and tracking of actions required by this EES. This EES constitutes the binding agreement by the Owner to reimburse DEQ for all such eligible review and oversight costs. DEQ will establish a cost recovery account for tracking and invoicing DEQ project costs. DEQ will provide the Owner with a monthly statement and direct labor summary. DEQ costs will include direct and indirect costs. Direct costs include site-specific expenses and legal costs. Indirect costs are those general management and support costs of the State of Oregon and DEQ allocable to DEQ oversight of this EES and not charged as direct site-specific costs. Indirect charges are based on actual costs and are applied as a percentage of direct personal services costs.

6.4. **Reference in Deed.** A reference to this EES, including its location in the public records, must be recited in any deed conveying the Property or any portion of the Property. Each condition and restriction contained in this EES runs with the land so burdened until such time as the condition or restriction is removed by written certification from DEQ, recorded in the deed records of the County in which the Property is located, certifying that the condition or restriction is no longer required to protect human health or the environment.

6.5. **Effect of Recording.** Upon the recording of this EES, all future Owners are conclusively deemed to have consented and agreed to every condition and restriction contained in this EES, whether or not any reference to this EES is contained in an instrument by which such person or entity occupies or acquires an interest in the Property.

6.6. **Enforcement and Remedies.** Upon any violation of any condition or restriction contained in this EES, the State of Oregon, in addition to the remedies described in Section 4, may enforce this EES as provided in the Agreement or seek available legal or equitable remedies to enforce this EES, including civil penalties as set forth in ORS 465.900.

6.7. **IN WITNESS WHEREOF** Grantor and Grantee have executed this Easement and Equitable Servitude as of the date and year first set forth above.

BY SIGNATURE BELOW, THE STATE OF OREGON APPROVES AND ACCEPTS THIS CONVEYANCE PURSUANT TO ORS 93.808.

**GRANTOR:** City of Toledo

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Rich Huebner, City Manager-City of Toledo

STATE OF OREGON            )  
  ) ss.  
County of \_\_\_\_\_)

The foregoing instrument is acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by Rich Huebner of the City of Toledo, on its behalf.

\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON  
My commission expires: \_\_\_\_\_

**GRANTEE:** State of Oregon, Department of Environmental Quality

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Brad Shultz, Cleanup and Emergency Response Manager, Western Region

STATE OF OREGON            )  
  ) ss.  
County of \_\_\_\_\_)

The foregoing instrument is acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_ Brad Shultz of the Oregon Department of Environmental Quality, on its behalf.

\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON  
My commission expires: \_\_\_\_\_

## EXHIBIT A

### Legal Description of the Property

Lots four, five and six in block fifteen in fourth Addition to the town of Toledo, in Lincoln, State of Oregon

Beginning at the Northeast corner of Lot 8, Block 15 of Graham's 4<sup>th</sup> Addition to the City of Toledo, Lincoln County, Oregon; thence N 89° 51' W, 83 feet; thence S 0° 06' E, 4 feet, thence S 89° 51' E, 83 feet; thence N 0° 06' W, 4 feet to the point of beginning.

DRAFT

**EXHIBIT B**

**Sign Example**

DRAFT

---

Space above this line for Recorder's use.

***After recording, return to:***

**Grantee**

Oregon DEQ  
165 E 7<sup>th</sup> Ave Suite 100  
Eugene, OR 97401  
Attention: Sarah Kingery

**Grantor**

The City of Toledo  
206 N Main Street  
Toledo, Oregon 97391

**EASEMENT AND EQUITABLE SERVITUDES**

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**RECITALS**

A. Grantor is the owner of certain real property located at 200 North Main Street, Toledo in Lincoln County, Oregon in Lincoln County Tax Map 111017BB, Tax Lot 11500 (the “**Property**”) the location of which is more particularly described in Exhibit A to this EES. The Property is referenced under the name City Texaco Station, LUST File No. 21-97-4123 in the files of DEQ’s Environmental Cleanup Program at Western Region office located at 165 E 7<sup>th</sup> Ave, Eugene, Oregon, and telephone 800-844-8467. Interested parties may contact the Western Region office to review a detailed description of the risks from contamination remaining at the Property and described in the DEQ Staff Memorandum dated June 5, 2026.

B. On June 5, 2026, the Director of the Oregon Department of Environmental Quality or delegate selected the remedial action for the Property set forth in the Staff Memorandum for the Property [2026-06-05\_21-97-4123\_StaffMemo.docx]. The remedial action selected requires, among other things, a restriction on construction for human occupancy.

C. On [DATE], the Grantor entered into an Agreement (email) with DEQ, under which Grantor agreed to implement the selected remedial action, including the required institutional controls.

D. This EES is intended to further the implementation of the selected remedial action and protect human health and the environment.

E. Nothing in this Easement and Equitable Servitude constitutes an admission by Grantor of any liability for the contamination described in the Easement and Equitable Servitude.

## 1. DEFINITIONS

- 1.1 "Acceptable risk level" has the meaning set forth in Oregon Revised Statute (ORS) 465.315 and Oregon Administrative Rule (OAR) 340-122-0115.
- 1.2 "Beneficial use" has the meaning set forth in OAR 340-122-0115.
- 1.3 "DEQ" means the Oregon Department of Environmental Quality, and its employees, agents, and authorized representatives. "DEQ" also means any successor or assign of DEQ under the laws of Oregon, including but not limited to any entity or instrumentality of the State of Oregon authorized to perform any of the functions or to exercise any of the powers currently performed or exercised by DEQ.
- 1.4 "Engineering control" has the meaning set forth in OAR 340-122-0115
- 1.5 "Hazardous substance" has the meaning set forth in ORS 465.200
- 1.6 "Owner" means any person or entity, including Grantor, who at any time owns, occupies, or acquires any right, title, or interest in or to any portion of the Property or a vendee's interest of record to any portion of the Property, including any successor, heir, assign or holder of title or a vendee's interest of record to any portion of the Property, but excluding any entity or person who holds such interest solely for the security for the payment of an obligation and does not possess or control use of the Property.
- 1.7 "Remedial Action" has the meaning set forth in ORS 465.200 and OAR 340-122-0115.

## 2. GENERAL DECLARATION

2.1 Grantor, in consideration of Grantee's issuance of a No Further Action letter with conditions, grants to DEQ an Easement for access and accepts the Equitable Servitudes described in this instrument and, in so doing, declares that the Property is now subject to and must in future be conveyed, transferred, leased, encumbered, occupied, built upon, or otherwise used or improved, in whole or in part, subject to this EES.

2.2 Each condition and restriction set forth in this EES touches and concerns the Property and the equitable servitudes granted in Section 3 and easement granted in Section 4 below, runs with the land for all purposes, is binding upon all current and future owners of the Property as set forth in this EES, and inures to the benefit of the State of Oregon. Grantor further conveys to DEQ the perpetual right to enforce the conditions and restrictions set forth in this EES.

## 3. EQUITABLE SERVITUDES (REQUIRED ACTIONS AND RESTRICTIONS ON USE)

3.1. **Groundwater Use Restrictions.** Owner may not extract through wells or by other means or use the groundwater at the Property for consumption or other beneficial use. This prohibition does not apply to extraction of groundwater associated with groundwater treatment or monitoring activities approved by DEQ or to temporary dewatering activities related to construction, development, or the installation of sewer or utilities at the Property. Owner must conduct a waste determination on any groundwater that is extracted during such monitoring,

treatment, or dewatering activities and handle, store and manage wastewater according to applicable laws.

3.2. **Land Use Restrictions.** No construction of residential or commercial use buildings on the site. New construction for residential and commercial use is not allowed without written approval by the DEQ Cleanup program. DEQ may approve such uses if additional investigations and/or cleanup are conducted that demonstrate that such uses would meet Oregon cleanup standards, or if DEQ approved vapor resistant construction is used.

3.3. **Use of the Property.** Owner may not occupy or allow other parties to occupy the Property unless the controls listed in this Section 3 are maintained.

#### **4. EASEMENT (RIGHT OF ENTRY)**

During reasonable hours and subject to reasonable security requirements, DEQ may enter upon and inspect any portion of the Property to determine whether the requirements of this EES have been or are being complied with. Except when necessary to address an imminent threat to human health or the environment, DEQ will use its best efforts to notify the Owner 72 hours before DEQ entry to the Property. DEQ may enter upon the Property at any time to abate, mitigate, or cure at the expense of the Owner the violation of any condition or restriction contained in this EES, provided DEQ first gives written notice of the violation to Owner describing what is necessary to correct the violation and Owner fails to cure the violation within the time specified in such notice. Any such entry by DEQ to evaluate compliance or to abate, mitigate, or cure a violation may not be deemed a trespass.

#### **5. RELEASE OF RESTRICTIONS**

5.1. Owner may request release of any or all of the conditions or restrictions contained in this EES by submitting such request to the DEQ in writing with evidence that the conditions or restrictions are no longer necessary to protect human health and the environment. The decision to release any or all of the conditions or restrictions in this EES will be within the sole discretion of DEQ.

5.2. Upon a determination pursuant to Subsection 5.1, DEQ will, as appropriate, execute and deliver to Owner a release of specific conditions or restrictions, or a release of this EES in its entirety.

#### **6. GENERAL PROVISIONS**

6.1. **Notice of Transfer/Change of Use.** Owner must notify DEQ within 10 days after the effective date of any conveyance, grant, gift, or other transfer, in whole or in part, of Owner's interest in or occupancy of the Property. Such notice must include the full name and address of the Party to whom Owner has transferred an interest or right of occupancy. In addition, Owner must notify DEQ a minimum of 10 days before the effective date of any change in use of the Property that might expose human or ecological receptors to hazardous substances. Such notice must include complete details of any planned development activities or change in use.

Notwithstanding the foregoing, Owner may not commence any development inconsistent with the conditions or restrictions in Section 3 without prior written approval from DEQ as provided in Subsection 3 of this EES or removal of the condition or restriction as provided in Subsection 5.1. This subsection does not apply to the grant or conveyance of a security interest in the Property.

6.2. **Zoning Changes.** Owner must notify DEQ no less than 30 days before Owner's petitioning for or filing of any document initiating a rezoning of the Property that would change the base zone of the Property under the Lincoln County zoning code or any successor code. As of the date of this EES, the base zone of the Property is commercial.

6.3. **Cost Recovery.** Owner will pay DEQ's costs for review and oversight of implementation of and compliance with the provisions in this EES, including but not limited to periodic review and tracking of actions required by this EES. This EES constitutes the binding agreement by the Owner to reimburse DEQ for all such eligible review and oversight costs. DEQ will establish a cost recovery account for tracking and invoicing DEQ project costs. DEQ will provide the Owner with a monthly statement and direct labor summary. DEQ costs will include direct and indirect costs. Direct costs include site-specific expenses and legal costs. Indirect costs are those general management and support costs of the State of Oregon and DEQ allocable to DEQ oversight of this EES and not charged as direct site-specific costs. Indirect charges are based on actual costs and are applied as a percentage of direct personal services costs.

6.4. **Reference in Deed.** A reference to this EES, including its location in the public records, must be recited in any deed conveying the Property or any portion of the Property. Each condition and restriction contained in this EES runs with the land so burdened until such time as the condition or restriction is removed by written certification from DEQ, recorded in the deed records of the County in which the Property is located, certifying that the condition or restriction is no longer required to protect human health or the environment.

6.5. **Effect of Recording.** Upon the recording of this EES, all future Owners are conclusively deemed to have consented and agreed to every condition and restriction contained in this EES, whether or not any reference to this EES is contained in an instrument by which such person or entity occupies or acquires an interest in the Property.

6.6. **Enforcement and Remedies.** Upon any violation of any condition or restriction contained in this EES, the State of Oregon, in addition to the remedies described in Section 4, may enforce this EES as provided in the Agreement or seek available legal or equitable remedies to enforce this EES, including civil penalties as set forth in ORS 465.900.

6.7. IN WITNESS WHEREOF Grantor and Grantee have executed this Easement and Equitable Servitude as of the date and year first set forth above.

BY SIGNATURE BELOW, THE STATE OF OREGON APPROVES AND ACCEPTS THIS CONVEYANCE PURSUANT TO ORS 93.808.

**GRANTOR:** City of Toledo

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Rich Huebner, City Manager-City of Toledo

STATE OF OREGON            )  
  ) ss.  
County of \_\_\_\_\_)

The foregoing instrument is acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by Rich Huebner of the City of Toledo, on its behalf.

\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON  
My commission expires: \_\_\_\_\_

**GRANTEE:** State of Oregon, Department of Environmental Quality

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Brad Shultz, Cleanup and Emergency Response Manager, Western Region

STATE OF OREGON            )  
  ) ss.  
County of \_\_\_\_\_)

The foregoing instrument is acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_ Brad Shultz of the Oregon Department of Environmental Quality, on its behalf.

\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON  
My commission expires: \_\_\_\_\_

## **EXHIBIT A**

### **Legal Description of the Property**

Lots 7 and 8, Block 15, GRAHAM'S 4<sup>TH</sup> ADDITION TO TOLEDO (now known as 5<sup>th</sup> Addition to the Town of Toledo), in the City of Toledo, County of Lincoln and State of Oregon.  
EXCEPTING THEREFROM that portion conveyed to the City of Toledo by instrument recorded August 27, 1985, in Book 164, page 294, Film Records for Lincoln County, Oregon.

DRAFT