

Lowell School District

45 S. Moss St. ♦ Lowell, Oregon 97452 ♦ (541) 937-2105

Board of Director's Special Meeting

July 14, 2016

Professional Development Center

7:30 am - Public Session

AGENDA

The Lowell School Board encourages public input. Persons wishing to address the Board on school related issues, are invited to do so, either when the item is presented on the agenda, or under the "Public Comments" section. In the interest of time and order, presentations from the public are limited to three (3) minutes per person, and the total time for individual agenda items shall not exceed twenty (20) minutes. An individual speaker's allotted time may not be increased by a donation of time from members of the public in attendance. If you wish to speak under Public Comments, please complete a Public Comment Form and turn it in to the Assistant to the Superintendent. The Board requests complaints or charges against an employee be held in Executive Session. Individuals who require disability-related accommodations or modifications to participate in the Board meeting should contact the Superintendent in writing prior to the meeting.

1.0 OPENING BUSINESS—Professional Development Center—7:30 am

1.1 Call to Order

1.2 Pledge of Allegiance

1.3 Attendance:

___ Dennis McCallum, Chair

___ Suzanne Kintzley, Vice-Chair

___ Mike Galvin

___ Joyce Donnell

___ Jim Chapman

___ Walt Hanline, Ed. D., Superintendent

___ Kay Graham, Principal

1.4 Approval of Agenda – July 14, 2016

Recommended Action: Approval of Agenda

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

2.0 COMMUNITY/SCHOOL PRESENTATIONS

***Those that have received commendations or made presentations will have an opportunity to be excused at this time.*

3.0 PUBLIC COMMENT

***Opportunity for Citizens to address items not on the Agenda. Persons wishing to address the Board on any school related issue not listed elsewhere on the agenda are invited to do so now. Board Members are limited, but not required, to give a brief response to public statements or questions regarding non-agenda items.*

4.0 ACTION DISCUSSION

4.1 Recommendation: Approve Board Resolution 2016-17-1 Authorizing the Seismic Grant renovation project, executed as per the delivery and performance stipulations of the contract,

The Seismic Grant Renovation Contract, and Dr. Hanline to sign for all documents related to the Seismic Grant Renovation Project —Presented by Dr. Hanline (Attachment)

Explanatory Statement: As stipulated by the Seismic Grant Renovation Project, these items must be approved by the Lowell School Board in order to accept the Grant from the program

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

4.2 Recommendation: Approve the purchase of a Kubota Tractor—Presented by Mr. Matthews (Attachment)

Explanatory Statement: All purchases obligating District funds require Lowell School Board approval

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

4.3 Recommendation: Approve Board Resolution 2016-17-2 Authorizing Gov't Capital Corporation to provide financing for the purchase of the Kubota Tractor and authorization for Dennis McCallum to sign documents related to the purchase and financing of the tractor —Presented by Mr. Matthews (Attachment)

Explanatory Statement: All purchases obligating District funds require Lowell School Board approval

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

5.0 **ADJOURNMENT**

Any documents that are public records and are provided attachments to public session items on this agenda are accessible to the public on the District's Website, with the exception of documents provided at the time of the meeting. Documents that are public records, and are provided at the time of the meeting to a majority of the Board regarding a public session item, will be made available for public inspection upon request to the Superintendent's Assistant.

**SEISMIC REHABILITATION GRANT PROGRAM
GRANT CONTRACT**

Project Name: Lowell High School Seismic Rehab

Project Number: SC1621

This grant contract (“Contract”), dated as of the date the Contract is fully executed, is made by the State of Oregon, acting by and through the Oregon Infrastructure Finance Authority (“IFA”), and Lane County School District 71 (commonly known as Lowell School District 71) (“Recipient”) for financing of the project referred to above and described in Exhibit B (“Project”). This Contract becomes effective only when fully signed and approved as required by applicable law. Capitalized terms not defined in section 1 and elsewhere in the body of the Contract have the meanings assigned to them by Exhibit A.

This Contract includes the following exhibits, listed in descending order of precedence for purposes of resolving any conflict between two or more of the parts:

- Exhibit A: General Definitions
- Exhibit B: Project Description
- Exhibit C: Project Budget

SECTION 1 - KEY TERMS

The following capitalized terms have the meanings assigned below.

“Estimated Project Cost” means \$1,136,017.

“Grant Amount” means \$1,136,017.

“Project Closeout Deadline” means 90 days after the earlier of the Project Completion Date or the Project Completion Deadline.

“Project Completion Deadline” means 24 months after the date of the issuance of the Bonds to fund this Contract, which issuance date is 25 May 2016.

SECTION 2 - FINANCIAL ASSISTANCE

The IFA shall provide Recipient, and Recipient shall accept from IFA, a grant (the “Grant”) in an aggregate amount not to exceed the Grant Amount. This Grant is made from the net proceeds from the sale of the Bonds.

SECTION 3 - DISBURSEMENTS

- A. Reimbursement Basis. The Grant will be disbursed to Recipient on an expense reimbursement or costs-incurred basis. The Recipient must submit each disbursement request for the Grant on an IFA-provided or IFA-approved disbursement request form (“Disbursement Request”).
- B. Financing Availability. The IFA’s obligation to make, and Recipient’s right to request, disbursements under this Contract terminates on the Project Closeout Deadline.

SECTION 4 - CONDITIONS PRECEDENT

- A. Conditions Precedent to IFA's Obligations. The IFA's obligations are subject to the receipt of the following items, in form and substance satisfactory to IFA and its Counsel:
- (1) This Contract duly signed by an authorized officer of Recipient within 60 days of Recipient's receipt of this Contract document.
 - (2) A copy of the ordinance, order or resolution of the governing body of Recipient authorizing the Project and the execution, delivery and performance of this Contract.
 - (3) Such other certificates, documents, opinions and information as IFA may reasonably require.
- B. Conditions to Disbursements. As to any disbursement, IFA has no obligation to disburse funds unless all following conditions are met:
- (1) There is no Default or Event of Default.
 - (2) The representations and warranties made in this Contract are true and correct on the date of disbursement as if made on such date.
 - (3) The IFA, in the reasonable exercise of its administrative discretion, has sufficient funding, appropriations, limitations, allotments, allocation and other expenditure authority to make the disbursement.
 - (4) The IFA (a) has received a completed Disbursement Request, (b) has received any written evidence of materials and labor furnished to or work performed upon the Project, itemized receipts or invoices for payment, and releases, satisfactions or other signed statements or forms as IFA may require, (c) is satisfied that all items listed in the Disbursement Request are reasonable and that the costs for labor and materials were incurred and are properly included in the Costs of the Project, and (d) has determined that the disbursement is only for costs defined as eligible costs under the Act and any implementing administrative rules and policies.
 - (5) The Recipient has delivered documentation satisfactory to IFA that, in addition to the Grant, Recipient has available or has obtained binding commitments for all funds necessary to complete the Project.
 - (6) Any conditions to disbursement elsewhere in this Contract are met.

SECTION 5 - USE OF FINANCIAL ASSISTANCE

- A. Use of Proceeds. The Recipient shall use the Grant (and any interest earned by Recipient on the Grant) only for the activities described in Exhibit B and according to the budget in Exhibit C. The Recipient may not transfer Grant proceeds among line items in the budget without the prior written consent of IFA.
- B. Costs of the Project. The Recipient shall apply the Grant to the Costs of the Project in accordance with the Act and Oregon law, as applicable. The Grant cannot be used for costs in excess of one hundred percent (100%) of the total Costs of the Project and cannot be used for pre-Award Costs of the Project, unless permitted by Exhibit B.
- C. Costs Paid for by Others. The Recipient may not use any of the Grant to cover costs to be paid for by other financing for the Project from another State of Oregon agency or any third party.
- D. Federal Tax Law Limits. Expenditures submitted for reimbursement under this Agreement are limited to expenditures for the Project that would qualify as capital expenditures for federal income tax purposes.

SECTION 6 - REPRESENTATIONS AND WARRANTIES OF RECIPIENT

The Recipient represents and warrants to IFA:

- A. Estimated Project Cost, Funds for Repayment. A reasonable estimate of the Costs of the Project is shown in section 1, and the Project is fully funded.
- B. Organization and Authority.
 - (1) The Recipient is an eligible applicant under the Act, and validly organized and existing under the laws of the State of Oregon.
 - (2) The Recipient has all necessary right, power and authority under its organizational documents and under Oregon law to (a) execute and deliver this Contract, (b) incur and perform its obligations under this Contract, and (c) receive financing for the Project.
 - (3) This Contract has been duly authorized and executed by Recipient, and when executed by IFA, is legal, valid and binding, and enforceable in accordance with its terms.
- C. Full Disclosure. The Recipient has disclosed in writing to IFA all facts that materially adversely affect the Project, or the ability of Recipient to perform all obligations required by this Contract. The Recipient has made no false statements of fact, nor has it omitted information necessary to prevent any statements from being misleading. The information contained in this Contract is true and accurate in all respects.
- D. Pending Litigation. The Recipient has disclosed in writing to IFA all proceedings pending (or to the knowledge of Recipient, threatened) against or affecting Recipient, in any court or before any governmental authority or arbitration board or tribunal, that, if adversely determined, would materially adversely affect the Project or the ability of Recipient to perform all obligations required by this Contract.
- E. No Defaults.
 - (1) No Defaults or Events of Default exist or occur upon authorization, execution or delivery of this Contract.
 - (2) The Recipient has not violated, and has not received notice of any claimed violation of, any agreement or instrument to which it is a party or by which the Project or its property may be bound, that would materially adversely affect the Project or the ability of Recipient to perform all obligations required by this Contract.
- F. Compliance with Existing Agreements and Applicable Law. The authorization and execution of, and the performance of all obligations required by, this Contract will not: (i) cause a breach of a material agreement, indenture, mortgage, deed of trust, or other instrument, to which Recipient is a party or by which the Project or any of its property or assets may be bound; (ii) violate any provision of the charter or other document pursuant to which Recipient was organized or established; or (iii) violate any laws, regulations, ordinances, resolutions, or court orders related to Recipient, the Project or its properties or operations.
- G. Governmental Consent. The Recipient has obtained or will obtain all permits and approvals, and has made or will make all notifications, declarations, filings or registrations, required for the making and performance of its obligations under this Contract and undertaking and completion of the Project.

SECTION 7 - COVENANTS OF RECIPIENT

The Recipient covenants as follows:

- A. Notice of Adverse Change. The Recipient shall promptly notify IFA of any adverse change in the activities, prospects or condition (financial or otherwise) of Recipient or the Project related to the ability of Recipient to perform all obligations required by this Contract.
- B. Compliance with Laws. The Recipient shall comply with all applicable laws, rules, regulations and orders of any court or governmental authority that relate to this Contract and the Project. These laws, rules, regulations and orders are incorporated by reference in this Contract to the extent required by law. In particular, but without limitation, Recipient shall comply with the following, as applicable:
- (1) State procurement regulations found in the Oregon Public Contracting Code, ORS chapters 279A, 279B and 279C.
 - (2) Seismic Rehabilitation Grant Program rules found in Oregon Administrative Rules chapter 123, division 51.
 - (3) State labor standards and wage rates as required by ORS chapter 279C.
- C. Project Obligations. The Recipient shall:
- (1) Provide financial status reports to IFA for each calendar quarter of the Project. Reports are due no later than the end of the month following each quarter. Reports must be in a format provided by IFA and completed in a manner determined acceptable by IFA.
 - (2) Provide performance/progress status reports to IFA for each calendar quarter of the Project. Reports are due no later than the end of the month following each quarter. Reports must be in a format provided by IFA and completed in a manner determined acceptable by IFA.
 - (3) Provide final financial status and performance/progress status reports to IFA about completion of the Project, due no later than the Project Closeout Deadline. The final reports must include totals of all Project expenditures; Recipient's certification that the Project is complete and all payments have been made; and a copy of a certificate of substantial completion or occupancy; provided however, for the purposes of this Contract, IFA will be the final judge of the Project's completion. Reports must be in a format provided by IFA and completed in a manner determined acceptable by IFA.
 - (4) Complete the Project according to the Project Description in Exhibit B and the Project Budget in Exhibit C, unless otherwise allowed in writing in advance by IFA.
 - (5) Complete the Project, including any cost overruns, using its own fiscal resources or money from other sources to pay for any Costs of the Project in excess of the total amount of financial assistance provided by IFA through this Contract.
 - (6) Complete the Project no later than the Project Completion Deadline, unless otherwise permitted by the IFA in writing.
 - (7) Permit IFA to conduct field engineering and inspection of the Project at any time.
 - (8) Obtain and maintain as-built drawings for all facilities constructed as part of the Project.
- D. Professional Responsibility. A professional engineer or architect, as applicable, registered and in good standing in Oregon, will be responsible for the design and construction of the Project. All service providers retained for their professional expertise must be certified, licensed, or registered, as appropriate, in the State of Oregon for their specialty. The Recipient shall follow standard construction practices, such as bonding requirements for construction contractors, requiring errors and omissions

insurance, and performing testing and inspections during construction. Recipient shall cause the work on the Project to be done so that at completion of the Project the Project's seismic safety performance level will be at life safety as defined in OAR 123-051-0200(14).

- E. Use of Project. Until ten years after the Project Completion Date, the Project must be used for its existing purposes. In the case of sale, lease, exchange, abandonment, transfer or other disposition of any substantial portion of or interest in the Project to another party, Recipient shall include, in any contract or instrument that transfers interest in the Project, language in form and substance satisfactory to IFA, that requires such continued use.
- F. Operation and Maintenance of the Project. Until ten years after the Project Completion Date, Recipient shall operate and maintain the Project in good repair and operating condition so as to preserve the long term public benefits of the Project, including making all necessary and proper repairs, replacements, additions, and improvements. On or before the Project Closeout Deadline, Recipient shall adopt a plan acceptable to IFA for the on-going operation and maintenance of the Project without reliance on IFA financing and furnish IFA, at its request, with evidence of such adoption. The plan must include measures for generating revenues sufficient to assure the operation and maintenance of the Project during the usable life of the Project.
- G. Insurance, Damage. Until ten years after the Project Completion Date, the Recipient shall maintain, or cause to be maintained, insurance policies with responsible insurers or self-insurance programs, insuring against liability and risk of direct physical loss, damage or destruction of the Project, at least to the extent that similar insurance is customarily carried by governmental units constructing, operating and maintaining similar facilities. Nothing in this provision precludes Recipient from exerting a defense against any party other than IFA, including a defense of immunity. If the Project or any portion is destroyed, any insurance proceeds will be paid to IFA, not to exceed the Grant Amount, unless IFA agrees in writing that the insurance proceeds may be used to rebuild the Project.
- H. Sales, Leases and Encumbrances. Until ten years after the Project Completion Date, unless specifically described in Exhibit B, Recipient shall not sell, lease, exchange, abandon, transfer or otherwise dispose of any substantial portion of or interest in the Project, unless worn out, obsolete, or, in the reasonable business judgment of Recipient, no longer useful in the operation of the Project. Nevertheless, IFA may consent to such disposition if it has received 90 days' prior written notice from Recipient. Such consent may require payment of IFA's costs related to such consent and be conditioned upon receipt by IFA of an opinion of Bond Counsel to the effect that such disposition complies with applicable law and will not adversely affect the exclusion of interest on any State Bonds from gross income for purposes of federal income taxation under Section 103(a) of the Code. The term "Bond Counsel" means a law firm determined by IFA to have knowledge and expertise in the field of municipal law and whose opinions are generally accepted by purchasers of municipal bonds. In the case of sale, lease, exchange, transfer or other disposition of any substantial portion of or interest in the Project, Recipient shall, within 30 days of receipt of any proceeds from such disposition, pay such proceeds to IFA, not to exceed the Grant Amount, unless IFA agrees otherwise in writing. If Recipient abandons the Project, Recipient shall repay the Grant Amount immediately upon demand by IFA, unless otherwise agreed by IFA.
- I. Condemnation Proceeds. Until ten years after the Project Completion Date, if the Project or any portion is condemned, within 30 days of receipt of any condemnation proceeds, Recipient shall pay such proceeds to IFA, not to exceed the Grant Amount, unless IFA agrees otherwise in writing.
- J. Financial Records. The Recipient shall keep accurate books and records for the use of the Grant, and maintain them according to generally accepted accounting principles established by the Government Accounting Standards Board in effect at the time.

- K. Inspections; Information. The Recipient shall permit IFA and any party designated by IFA: (i) to inspect, at any reasonable time, the property, if any, constituting the Project; and (ii) at any reasonable time, to inspect and make copies of any accounts, books and records, including, without limitation, its records regarding receipts, disbursements, contracts, investments and any other related matters. The Recipient shall supply any related reports and information as IFA may reasonably require.
- L. Records Maintenance. The Recipient shall retain and keep accessible all books, documents, papers, and records that are directly related to this Contract, the Project or the Grant until the date that is three years following the later of the final maturity of the Bonds or the final maturity or redemption date of any obligation, or series of obligations, that refinanced the Bonds, or such longer period as may be required by other provisions of this Contract or applicable law. Such documentation includes, but may not be limited to, all documentation necessary to establish the uses and investment of the Grant, all construction contracts and invoices detailing the costs paid from the Grant, and all contracts related to the uses of the Project, including leases, management contracts and service contracts.
- M. Economic Benefit Data. The IFA may require Recipient to submit specific data on the economic development benefits of the Project and other information to evaluate the success and economic impact of the Project, from the date of this Contract until six years after the Project Completion Date. The Recipient shall, at its own expense, prepare and submit the data within the time specified by IFA.
- N. Disadvantaged Business Enterprises. ORS 200.090 requires all public agencies to “aggressively pursue a policy of providing opportunities for disadvantaged business enterprises, minority-owned businesses, woman-owned businesses, businesses that service-disabled veterans owned and emerging small businesses...” The IFA encourages Recipient in any contracting activity to follow good faith efforts as described in ORS 200.045, available at https://www.oregonlegislature.gov/bills_laws/ors/ors200.html. Additional resources are provided by the Governor’s Policy Advisor for Economic and Business Equity. Also, the Certification Office for Business Inclusion and Diversity at the Oregon Business Development Department maintains a list of certified firms and can answer questions. Search for certified firms on the web at: <https://oregon4biz.diversitysoftware.com/FrontEnd/VendorSearchPublic.asp>.
- O. Notice of Default. The Recipient shall give IFA prompt written notice of any Default as soon as any senior administrative or financial officer of Recipient becomes aware of its existence or reasonably believes a Default is likely.
- P. Indemnity; Release. To the extent authorized by law, Recipient shall defend (subject to ORS chapter 180), indemnify, save and hold harmless the State, IFA, the Grant Selection Committee and their officers, employees, members and agents from and against any and all claims, suits, actions, proceedings, losses, damages, liability and court awards including costs, expenses, and attorneys’ fees incurred related to any actual or alleged act or omission by Recipient, or its employees, agents or contractors; however, the provisions of this section are not to be construed as a waiver of any defense or limitation on damages provided for under Chapter 30 of the Oregon Revised Statutes or under the laws of the United States or other laws of the State of Oregon.
- Further, Recipient hereby releases the State, IFA, the Grant Selection Committee and their officers, employees, members and agents from and against any and all claims of liability for providing funding for seismic rehabilitation that Recipient may have, including but not limited to any claims for costs, expenses, and attorneys’ fees incurred by Recipient.
- Q. Further Assurances. The Recipient shall, at the request of IFA, authorize, sign, acknowledge and deliver any further resolutions, conveyances, transfers, assurances, financing statements and other instruments and documents as may be necessary or desirable for better assuring, conveying, granting,

assigning and confirming the rights, security interests and agreements granted or intended to be granted by this Contract.

R. Exclusion of Interest from Federal Gross Income and Compliance with Code.

- (1) The Recipient shall not take any action or omit to take any action that would result in the loss of the exclusion of the interest on any Bonds from gross income for purposes of federal income taxation, as governed by Section 103(a) of the Code. IFA may decline to disburse the Grant if it finds that the federal tax exemption of the Bonds cannot be assured.
- (2) The Recipient shall not directly or indirectly use or permit the use of any of the Grant or any other funds, or take any action or omit to take any action, which would cause any Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.
- (3) The Recipient shall not cause any Bonds to be treated as “federally guaranteed” for purposes of Section 149(b) of the Code, as may be modified in any applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service with respect to “federally guaranteed” obligations described in Section 149(b) of the Code. For purposes of this paragraph, any Bonds will be treated as “federally guaranteed” if: (a) all or any portion of the principal or interest is or will be guaranteed directly or indirectly by the United States of America or any agency or instrumentality thereof, or (b) five percent (5%) or more of the proceeds of the Bonds will be (i) used in making loans if the payment of principal or interest is guaranteed in whole or in part by the United States of America or any agency or instrumentality thereof, or (ii) invested directly or indirectly in federally insured deposits or accounts, and (c) none of the exceptions described in Section 149(b)(3) of the Code apply.
- (4) Upon IFA’s request, Recipient shall furnish written information regarding its investments and use of the Grant, and of any facilities financed or refinanced therewith, including providing IFA with any information and documentation that IFA reasonably determines is necessary to comply with the arbitrage and private use restrictions that apply to the Bonds.
- (5) Notwithstanding anything to the contrary, so long as is necessary to maintain the exclusion from gross income for purposes of federal income taxation of interest on any Bonds, the covenants contained in this subsection will survive the payment of the Bonds, and the interest thereon, including the application of any unexpended Grant proceeds. The Recipient acknowledges that the Project may be funded with proceeds of the Bonds and that failure to comply with the requirements of this subsection could adversely affect any exclusion of the interest on the Bonds from gross income for federal income tax purposes.

SECTION 8 - DEFAULTS

Any of the following constitutes an “Event of Default”:

- A. Any false or misleading representation is made by or on behalf of Recipient, in this Contract or in any document provided by Recipient related to this Grant or the Project, or in regard to compliance with the requirements of Section 103 and Sections 141 through 150 of the Code.
- B. The Recipient fails to perform any obligation required under this Contract, other than those referred to in subsection A of this section 8, and that failure continues for a period of 30 calendar days after written notice specifying such failure is given to Recipient by IFA. The IFA may agree in writing to an extension of time if it determines Recipient instituted and has diligently pursued corrective action.

SECTION 9 - REMEDIES

- A. Remedies. Upon any Event of Default, IFA may pursue any or all remedies in this Contract, and any other remedies available at law or in equity to collect amounts due or to become due or to enforce the performance of any obligation of Recipient. Remedies may include, but are not limited to:
- (1) Terminating IFA's commitment and obligation to make any further disbursements of the Grant under the Contract.
 - (2) Barring Recipient from applying for future awards.
 - (3) Withholding amounts otherwise due to Recipient for application to the payment of amounts due under this Contract.
 - (4) Requiring repayment of the Grant and all interest earned by Recipient on those Grant funds.

If, as a result of Recipient's default, IFA demands return of all or a portion of the Grant moneys or payment of interest earned on the Grant moneys, such amount shall be due and payable upon demand. IFA may deduct the amount demanded from any payment due from IFA or any other agency of the State of Oregon to Recipient, including but not limited to, any payment to Recipient from IFA under this Agreement and any payment to Recipient from IFA under any other contract or agreement, present or future, between IFA or any other agency of the State of Oregon and Recipient.

- B. Application of Moneys. Any moneys collected by IFA pursuant to section 9.A will be applied first, to pay any attorneys' fees and other fees and expenses incurred by IFA; then, to repay any Grant proceeds owed; and last, to pay any other amounts due and payable under this Contract.
- C. No Remedy Exclusive; Waiver; Notice. No remedy available to IFA is intended to be exclusive, and every remedy will be in addition to every other remedy. No delay or omission to exercise any right or remedy will impair or is to be construed as a waiver of such right or remedy. No single or partial exercise of any right power or privilege under this Contract will preclude any other or further exercise thereof or the exercise of any other such right, power or privilege. The IFA is not required to provide any notice in order to exercise any right or remedy, other than notice required in section 8 of this Contract.
- D. Default by IFA. In the event IFA defaults on any obligation in this Contract, Recipient's remedy will be limited to injunction, special action, action for specific performance, or other available equitable remedy for performance of IFA's obligations.

SECTION 10 - MISCELLANEOUS

- A. Time is of the Essence. The Recipient agrees that time is of the essence under this Contract.
- B. Relationship of Parties; Successors and Assigns; No Third Party Beneficiaries.
- (1) The parties agree that their relationship is that of independent contracting parties and that Recipient is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265.
 - (2) Nothing in this Contract gives, or is to be construed to give, directly or indirectly, to any third persons any rights and benefits greater than those enjoyed by the general public.
 - (3) This Contract will be binding upon and inure to the benefit of IFA, Recipient, and their respective successors and permitted assigns.

- (4) The Recipient may not assign or transfer any of its rights or obligations or any interest in this Contract without the prior written consent of IFA. The IFA may grant, withhold or impose conditions on such consent in its sole discretion. In the event of an assignment, Recipient shall pay, or cause to be paid to IFA, any fees or costs incurred because of such assignment, including but not limited to attorneys’ fees of IFA’s Counsel and Bond Counsel. Any approved assignment is not to be construed as creating any obligation of IFA beyond those in this Contract, nor does assignment relieve Recipient of any of its duties or obligations under this Contract.
- (5) The Recipient hereby approves and consents to any assignment or transfer of this Contract that IFA deems to be necessary.

C. Disclaimer of Warranties; Limitation of Liability. The Recipient agrees that:

- (1) The IFA makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for any use of the Project or any portion of the Project, or any other warranty or representation.
- (2) In no event are IFA or its agents liable or responsible for any direct, indirect, incidental, special, consequential or punitive damages in connection with or arising out of this Contract or the existence, furnishing, functioning or use of the Project.

D. Notices. All notices to be given under this Contract must be in writing and addressed as shown below, or to other addresses that either party may hereafter indicate pursuant to this section. Notices may only be delivered by personal delivery or mailed, postage prepaid. Any such notice is effective five calendar days after mailing, or upon actual delivery if personally delivered.

If to IFA: Manager, Program Services Division
 Infrastructure Finance Authority
 Oregon Business Development Department
 775 Summer Street NE Suite 200
 Salem OR 97301-1280

If to Recipient: Superintendent
 Lane County School District 71 (commonly known as Lowell School
 District 71)
 65 S Pioneer Street
 Lowell OR 97452-9721

- E. No Construction against Drafter. This Contract is to be construed as if the parties drafted it jointly.
- F. Severability. If any term or condition of this Contract is declared by a court of competent jurisdiction as illegal, invalid or unenforceable, that holding will not invalidate or otherwise affect any other provision.
- G. Amendments, Waivers. This Contract may not be amended without the prior written consent of IFA (and when required, the Department of Justice) and Recipient. This Contract may not be amended in a manner that is not in compliance with the Act. No waiver or consent is effective unless in writing and executed by the party against whom such waiver or consent is sought to be enforced. Such waiver or consent will be effective only in the specific instance and for the specific purpose given.
- H. Attorneys’ Fees and Other Expenses. To the extent permitted by the Oregon Constitution and the Oregon Tort Claims Act, the prevailing party in any dispute arising from this Contract is entitled to recover its reasonable attorneys’ fees and costs at trial and on appeal. Reasonable attorneys’ fees cannot exceed the rate charged to IFA by its attorneys.

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

Any party bringing a legal action or proceeding against any other party arising out of or relating to this Contract shall bring the legal action or proceeding in the Circuit Court of the State of Oregon for Marion County (unless Oregon law requires that it be brought and conducted in another county). Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum.

Notwithstanding the prior paragraph, if a claim must be brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for the District of Oregon. This paragraph applies to a claim brought against the State of Oregon only to the extent Congress has appropriately abrogated the State of Oregon’s sovereign immunity and is not consent by the State of Oregon to be sued in federal court. This paragraph is also not a waiver by the State of Oregon of any form of defense or immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

J. Integration. This Contract (including all exhibits, schedules or attachments) constitutes the entire agreement between the parties on the subject matter. There are no unspecified understandings, agreements or representations, oral or written, regarding this Contract.

K. Execution in Counterparts. This Contract may be signed in several counterparts, each of which is an original and all of which constitute one and the same instrument.

The Recipient, by its signature below, acknowledges that it has read this Contract, understands it, and agrees to be bound by its terms and conditions.



STATE OF OREGON
acting by and through the
Oregon Infrastructure Finance Authority



**LANE COUNTY SCHOOL DISTRICT 71 (COMMONLY
KNOWN AS LOWELL SCHOOL DISTRICT 71)**

By: _____
Robert Ault, Manager
Program Services Division

By: _____
Walter Hanline, Superintendent

Date: _____

Date: _____

APPROVED AS TO LEGAL SUFFICIENCY IN ACCORDANCE WITH ORS 291.047:

/s/ Cynthia Byrnes as per email dated 12 June 2016
Cynthia Byrnes, Sr. Assistant Attorney General

EXHIBIT A - GENERAL DEFINITIONS

As used in this Contract, the following terms have the meanings below.

“Act” means ORS 401.910, as amended.

“Award” means the award of financial assistance to Recipient by IFA dated 7 April 2016.

“Bonds” means the bonds issued pursuant to Article XI-M and Article XI-N of the Oregon Constitution for seismic rehabilitation.

“C.F.R.” means the Code of Federal Regulations.

“Code” means the Internal Revenue Code of 1986, as amended, including any implementing regulations and any administrative or judicial interpretations.

“Costs of the Project” means Recipient’s actual costs (including any financing costs properly allocable to the Project) that are (a) reasonable, necessary and directly related to the Project, (b) permitted by generally accepted accounting principles to be Costs of the Project, and (c) are eligible or permitted uses of the Grant under applicable state or federal statute and rule.

“Counsel” means an attorney at law or firm of attorneys at law duly admitted to practice law before the highest court of any state, who may be of counsel to, or an employee of, IFA or Recipient.

“Default” means an event which, with notice or lapse of time or both, would become an Event of Default.

“ORS” means the Oregon Revised Statutes.

“Project Completion Date” means the date on which Recipient completes the Project.

EXHIBIT B - PROJECT DESCRIPTION

Recipient shall design and construct a seismic rehabilitation project for its Lowell High School to bring the building to life-safety standards, including but not limited to the following upgrades:

- Add additional shear walls.
- Attach wood sills to the foundation.
- Add steel hardware connections between beams and columns.
- Strengthen and add elements to the roof to create a continuous chord.
- Remove the unreinforced masonry chimney.
- Anchor or brace all of the emergency lighting.
- Brace file cabinets and bookshelves.

Exhibit C: Project Budget

	IFA Funds	Other / Matching Funds
Activity	Approved Budget	Approved Budget
Architectural / Engineering	\$91,000	
Construction Management	29,000	
Construction Labor / Materials	957,017	
Permitting / Inspection	15,000	
Insurance	20,000	
Testing	9,000	
Relocation Costs	15,000	
Total	\$1,136,017	

Seismic Rehabilitation Grant Responsibilities

Grant amount: \$1,136,017

Project Closeout deadline: 90 days after project completion date (or project completion deadline)

Project Completion deadline: 24 months after the date of issuance—May 25th, 2016

Grant award funds are disbursed by submitting expense reimbursements through Disbursement Requests.

Expenses must be tracked by both District and Architect to be sure they are only for costs defined as eligible costs under the grant application budget, and within each line item.

We cannot transfer any expenses among line items without prior written consent by the IFA.

Expenses cannot be claimed for pre-award costs of the project unless permitted by Exhibit B of the contract.

Expenditures submitted for reimbursement are limited to costs that qualify as capital expenditures for federal income tax purposes.

The District must comply with state procurement laws and state labor standards and wage rates, including seeking out opportunities for disadvantaged business enterprises (a link to these businesses is provided).

All service providers must be certified, licensed or registered, as appropriate, by the state for their specialty. Construction bonding is required, as is errors and omissions insurance.

The District must provide quarterly financial status reports, at the end of the month following each quarter, using IFA report formats.

The District must complete the project according to the Project Description in Exhibit B and the Project Budget in Exhibit C, unless otherwise permitted in writing by IFA.

IFA can conduct field engineering and inspections of project at any time.

At completion of project, the seismic safety performance level will be at life safety as defined in OAR 123-051-0200(14).

Until ten years after the project completion date, the project will be used for existing purposes, and the District cannot sell, lease, transfer or otherwise dispose of the project property unless District has received 90 days prior written permission from IFA.

IFA may require the District to submit specific data on the economic development benefits of the project to evaluate success and economic impact, or any information regarding the use of the grant, at the District's expense.



July 11, 2016

Lowell School District

Re: Kubota Tractor

We are pleased to provide the following financing options:

Project Description:	Kubota Tractor
Financing structure:	Tax-Exempt Financing
Project Pricing Estimate:	\$35,462.00
Closing Cost:	<u>\$300.00</u>
Total Financed Amount:	\$35,762.00
Term:	5 Years
Interest Rate:	4.687%
Annual Payments:	\$ 7,977.97
Payments Commence:	January 2017 and annually thereafter

The above terms are subject to qualifications under 265(b)3 of the Internal Revenue Code, underwriting approval and mutually acceptable documentation. Proposed funding considers the total cost of borrowing including escrow yields, discount, issuance, and legal costs, and may include call features.

All terms subject to change if funding occurs more than 30 days from proposal date.

Sincerely,

Nick Burkett
Government Capital Corporation
345 Miron Dr
Southlake, Texas 76092
(817) 722-0224 Direct

The transaction described herein is an arm's length, commercial transaction between you and Government Capital Corporation ("GCC"), in which GCC: (i) is acting solely for its own financial and other interests that may differ from yours; (ii) is not acting as your municipal advisor or financial advisor, and has no fiduciary duty to you with respect to this transaction; and (iii) is not recommending that you take an action with respect to this transaction.



GOVERNMENT CAPITAL CORPORATION

Version #20120113

SMALL TICKET PROGRAM

Return completed application with required financial information.

Legal Name of Obligor: Fed. Tax ID #: Address: City: County: State: Zip: Contact Person: Title: Phone: Fax: Email Address: Alt Contact Email Address: Alternative Contact Person: Title: Phone: Date municipal entity was established: Does the obligor self-insure for property & liability insurance? Total Cost of Equipment/Project: \$ Term (years): *Down Payment: \$ Source of Down Payment: Trade In: \$ Payment Amount: \$ Delivery Date: Other: \$ Payment Due: [] Advance [] Arrears Amount to Finance: \$ Payments: [] Monthly [] Quarterly [] Semi-Annual [] Annual *Obligor's down payment should be made before or at delivery. Proof of down payment is required prior to payment of any contract proceeds, unless otherwise negotiated. Has the obligor paid, or does obligor intend to pay, a vendor for any portion of the equipment being financed with the intent of being reimbursed with proceeds from this financing? [] Yes [] No How will the contract payments be made? [] P-Card [] Check [] ACH [] Other (specify) What fund will the remaining contract payments be made from? [] General [] Special (specify) Will any federal monies be applied to the contract payments? [] Yes [] No If yes, explain. Equipment Description: New Equipment: [] Yes [] No If no, list age of equipment or date manufactured: Refurbished: [] Yes [] No Year: Replacement: [] Yes [] No Age of current equipment: Year purchased: If not a replacement, why is the equipment needed? Buyout Included: [] Yes [] No Amount of buyout included: \$ Soft Costs Included: [] Yes [] No Amount of soft costs included (shipping, software, and sales tax): \$ Physical location of equipment after delivery: Describe the essential use of the equipment: Has the obligor ever defaulted or non-appropriated on a lease, bond, or legal obligation? [] Yes [] No Will the obligor issue more than \$10,000,000 in tax-exempt debt in this calendar year? [] Yes [] No Is the project a building? [] Yes [] No If yes, who owns the land? What is the physical address of the new building/project?

Financial information required (for all funds):

Table with 3 columns: Fiscal Year End, Current Year (Actual YTD), Prior Year (Actual Not Budget). Rows include Total Revenue, Total Expenditures, Net Income, Total Fund Balance. Includes a text field for explaining shortfalls.

- Additional financial information may be requested if deemed necessary during credit review.
By signing this application Obligor representative agrees to the following statement: "Everything stated in this application is correct to the best of my knowledge. I understand Obligee will retain this application whether or not it is approved. Obligee is authorized to verify any information on this application with an appropriate third party as necessary to complete the credit review process."
Please note that, depending on circumstances, we reserve the right to charge a reasonable fee to the Obligor/broker, if this transaction is not funded. This fee is for expenses incurred and services performed related to the processing of the transaction. This fee will NOT be charged if the transaction is funded by Obligee.

RESOLUTION #2016-17-2

A RESOLUTION REGARDING A LEASE PURCHASE AGREEMENT
FOR THE PURPOSE OF FINANCING "**CONSTRUCTION
EQUIPMENT**" IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO
EXCEED \$40,000

WHEREAS, Lowell School District No. 71, Lane County, Oregon desires to enter into that certain Lease Purchase Agreement, by and between Government Capital Corporation and Lowell School District No. 71, Lane County, Oregon, for the purpose of financing "**CONSTRUCTION EQUIPMENT**". The District desires to designate this Agreement as a "qualified tax exempt obligation" for the purposes of Section 265 (b) (3) of the Internal Revenue Code of 1986, as amended. The Lowell School District No. 71, Lane County, Oregon desires to designate Dennis McCallum, whose title is Board President, as an authorized signer of the Agreement.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF LOWELL SCHOOL DISTRICT NO. 71, LANE COUNTY, OREGON:

Section 1. That the District enters into a Lease Purchase Agreement with Government Capital Corporation for the purpose of financing a "**CONSTRUCTION EQUIPMENT**" The aggregate principal amount of the Agreement shall not exceed \$40,000.

Section 2. That the Lease purchase agreement, by and between the Lowell School District No. 71, Lane County, Oregon and Government Capital Corporation is designated by the District as a "qualified tax exempt obligation" for the purposes of Section 265 (b) (3) of the Internal Revenue Code of 1986, as amended.

Section 3. That the Lowell School District No. 71, Lane County, Oregon designates Dennis McCallum, whose title is Board President, as an authorized signer of the Lease Purchase Agreement, by and between the Lowell School District No. 71, Lane County, Oregon and Government Capital Corporation.

This Resolution has been PASSED upon Motion made by Board Member _____, seconded by

Board Member _____
and is effective this July 14, 2016.

District: Lowell School District No. 71, Lane County, Oregon	
Board President	Witness Signature
Dennis McCallum	Walt Hanline, Board Secretary