



# City of Sandy

## Agenda

### City Council Meeting

Meeting Date: Monday, December 6, 2021

Meeting Time: 7:00 PM

Page

#### **1. CITY COUNCIL EXECUTIVE SESSION - 6:00 PM**

The City Council will meet in executive session pursuant to ORS 192.660(2)(f) to consider information or records that are exempt by law from public inspection.

#### **2. CITY COUNCIL REGULAR MEETING - 7:00 PM**

This meeting will be conducted in a hybrid in-person / online format. The Council will be present in-person in the Council Chambers and members of the public are welcome to attend in-person as well. Members of the public also have the choice to view and participate in the meeting online via Zoom.

To attend the meeting in-person:

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

To attend the meeting online via Zoom:

Please use this link: <https://us02web.zoom.us/j/84032473770>  
Or by phone: (253) 215-8782; Meeting ID: 840 3247 3770

Please also note the public comment signup process below.

#### **3. PLEDGE OF ALLEGIANCE**

#### **4. ROLL CALL**

#### **5. CHANGES TO THE AGENDA**

#### **6. PUBLIC COMMENT**

Please note: there will be a separate opportunity to provide comments on the proposed system development charge revisions later in the agenda.

The Council welcomes your comments on other topics at this time.

If you are attending the meeting in-person

Please submit your comment signup form to the City Recorder before the regular meeting begins at 7:00 p.m. Forms are available on the table next to the Council Chambers door.

If you are attending the meeting via Zoom

Please complete the [online comment signup webform](#) by 3:00 p.m. on the day of the meeting.

The Mayor will call on each person when it is their turn to speak for up to three minutes.

## **7. RESPONSE TO PREVIOUS PUBLIC COMMENTS**

## **8. CONSENT AGENDA**

- |      |   |         |
|------|---|---------|
| 8.1. | <b><u>City Council Minutes</u></b>  | 4 - 9   |
|      | <a href="#">City Council - 15 Nov 2021 - Minutes - Pdf</a>  |         |
| 8.2. | <b><u>Memorandum of Understanding - Water Purchase Agreement</u></b>  | 10 - 15 |
|      | <a href="#">Memorandum of Understanding - Water Purchase Agreement - Pdf</a>  |         |
| 8.3. | <b><u>Resolution 2021-34</u></b>  | 16 - 21 |
|      | Requesting Transfer of Jurisdiction of SE Crescent Lane   |         |
|      | <a href="#">Resolution 2021-34 Requesting Transfer of Jurisdiction of SE Crescent Lane within the City of Sandy - Pdf</a> |         |

## **9. RESOLUTIONS**

- |      |  |         |
|------|--|---------|
| 9.1. | <b><u>PUBLIC HEARING: Resolution 2021-33</u></b>                                     | 22 - 25 |
|      | Adopting Changes to System Development Charges                                       |         |
|      | <a href="#">Resolution 2021-33 Adopting Changes to the Master Fee Schedule - Pdf</a> |         |

## **10. OLD BUSINESS**

- |       |   |         |
|-------|---|---------|
| 10.1. | <b><u>SandyNet Business IGA with Clackamas Broadband eXchange</u></b>         | 26 - 72 |
|       | <a href="#">SandyNet Business IGA with Clackamas Broadband eXchange - Pdf</a> |         |

## **11. NEW BUSINESS**

- |       |  |          |
|-------|--|----------|
| 11.1. | <b><u>Planning Commission Appointments</u></b>                           | 73 - 88  |
|       | <a href="#">Planning Commission Appointments - Pdf</a>                   |          |
| 11.2. | <b><u>Comprehensive Plan Consultant Contract Approval</u></b>            | 89 - 100 |
|       | <a href="#">Comprehensive Plan Consultant Approval - Pdf</a>             |          |
| 11.3. | <b><u>Police Body-Worn Cameras Update and Purchase Authorization</u></b> | 101      |
|       | <a href="#">Police Body Cameras Update and Purchase - Pdf</a>            |          |

**12. REPORT FROM THE CITY MANAGER**

**13. COMMITTEE /COUNCIL REPORTS**

**14. STAFF UPDATES**

14.1. [Monthly Reports](#)

**15. ADJOURN**



**MINUTES**  
**City Council Meeting**  
**Monday, November 15, 2021 6:00 PM**

**COUNCIL PRESENT:** Stan Pulliam, Mayor; Jeremy Pietzold, Council President; Laurie Smallwood, Councilor; Richard Sheldon, Councilor; Kathleen Walker, Councilor; Carl Exner, Councilor; and Don Hokanson, Councilor

**COUNCIL ABSENT:**

**STAFF PRESENT:** Jordan Wheeler, City Manager; Jeff Aprati, City Recorder; Tyler Deems, Deputy City Manager / Finance Director; Ernie Roberts, Police Chief; Rochelle Anderholm-Parsch, Parks and Recreation Director; Mike Walker, Public Works Director; Emily Meharg, Senior Planner; and Greg Brewster, IT/SandyNet Director

**MEDIA PRESENT:** Sandy Post

**1. CITY COUNCIL WORK SESSION - 6 PM**

**1.1. Homeless Taskforce Update**

Staff Report - 0505

The **City Manager** summarized the staff report, which was included in the agenda packet. The intention was to discuss policy options during this work session, and to consider proposed ordinance language at the next Council meeting.

The Council considered options for addressing homelessness in the community and discussed the following issues:

**General**

- Evolution of case law regarding homelessness in recent years.
- Application of the City's current code and its compliance with state law and case law.
- Restrictions on camping during certain hours of the day and/or night.
- Whether personal belonging can be retained by individuals who violate restrictions.
- Enforcement as a mechanism for connecting violators with social services; strategies employed until recently by the City of Gresham.

- Relative advantages and disadvantages of regulating time place and manner of camping, versus designating specific locations for camping. Other communities have facilitated the development of tiny homes to house individuals, but this approach involves financial, safety, and logistical challenges.
- The need to identify and catalogue social services available in the area.
- Concern about inadvertently attracting additional people from outside the community.
- Challenges regarding 'service resistant' individuals.
- Barriers to services for those without required personal documents.
- Importance of ensuring this issue is addressed without diverting financial resources from other City priorities.
- Opportunities for securing State and County funding to address homelessness
- The possibility of establishing a City position to connect homeless individuals with available resources and services.
- Differentiation between compassion and tolerance of inappropriate behavior.
- Recognition that some cities have allowed public camping beyond what is legally required.
- Possibility of prohibiting shopping carts.
- Desire for Council approval before regulation parameters are changed.

#### Recreational Vehicles

- Regulation of parking anywhere in rights-of-way, not solely paved streets.
- Possibility of a small permit fee to help fund the program.
- Applicability of requirements to multi-family housing units.
- Whether 72 hours is an appropriate permitting threshold.
- Concern regarding adverse/unintentional impacts on residents; recognition that visitors/guests driving RVs are common.
- Whether 6 permits per year is an appropriate limit.

#### Listening Session

- Desire to facilitate a listening session / forum including the Social Service Task Force, Homeless Task Force, Sandy Action Center, Sandy Connect, Sandy Police, Sandy Parks and Recreation, and Clackamas County to discuss opportunities to address homelessness in the community.
- Possibility of holding the event at an alternative location, not necessarily at City Hall.

2. CITY COUNCIL REGULAR MEETING - 7 PM

3. Pledge of Allegiance

4. Roll Call

5. Changes to the Agenda

6. Public Comment  
(none)

7. Response to Previous Public Comments

8. Consent Agenda

8.1. City Council Minutes  
November 1, 2021

**Moved by Carl Exner, seconded by Kathleen Walker**

***Adopt the Consent Agenda.***

**CARRIED. 7-0**

Ayes: Stan Pulliam, Jeremy Pietzold, Laurie Smallwood,  
Richard Sheldon, Kathleen Walker, Carl Exner, and Don  
Hokanson

9. Old Business

9.1. Select Date for Planning Commission Interviews

The interview panel includes **Mayor Pulliam; Councilors Sheldon and Walker;**  
and **Commissioner Mayton.**

The panel members discussed possible dates to conduct interviews of the  
seven applicants, and decided on Tuesday, November 23rd beginning at 6:00  
p.m.

9.2. 362nd and Bell Street Extension Project Update

Staff Report - 0503

The **City Manager** and **Public Works Director** summarized the staff report,  
which was included in the agenda packet.

The Council reviewed the updated cost estimates and discussed the following issues:

- The possibility of using ARPA revenue replacement funds to assist with making up the funding gap, though the impact to gas tax revenue during the height of the pandemic was relatively low
- The possibility of establishing advance financed public improvement reimbursement for the area
- Possible usage of urban renewal funds
- Financial commitments to this project relative to the Ten Eyck to Vista Loop pedestrian improvement project.
- Opportunities to secure additional funding through the City's government relations team.
- The need to be prudent with expenditures.
- The importance of the 362nd / Bell project as a Council priority.
- Possibilities for beginning the bidding process as soon as possible; concern regarding competing with other jurisdictions for available contractors.
- The tasks remaining to be accomplished (land use, wetlands permitting, right-of-way acquisition), and the importance of speeding up the process.
- Possibility of adjusting the Planning Commission meeting schedule to accommodate the project.
- Possible hazard mitigation on a particular parcel.
- The need for staff to provide the Council with a list and timeline of remaining tasks.
- Whether value engineering measures should be taken.
- The timing of utility installation.
- Council's consensus desire for the bidding process to begin in January, after right-of-way is acquired but potentially before the other remaining tasks are completed.

**10. New Business**

**10.1. Declaration of Public Necessity: Bell St. - 362nd Extension Project**

Staff Report - 0501

The **Public Works Director** summarized the staff report, which was included in the agenda packet.

**Moved by Carl Exner, seconded by Laurie Smallwood**

***Adopt Resolution 2021-32.***

**CARRIED. 7-0**

Ayes: Stan Pulliam, Jeremy Pietzold, Laurie Smallwood,  
Richard Sheldon, Kathleen Walker, Carl Exner, and Don  
Hokanson

**11. Report from the City Manager**

- An interview panel is needed for SandyNet Advisory Board interviews; **Councilors Hokanson, Pietzold, and Sheldon** volunteered.
- Rehabilitation of the wastewater collection system seems to be showing tangible results. The Council stressed the importance of communicating the improved performance, especially in the context of extreme precipitation events.
- Study of subterranean discharge alternatives is proceeding.
- Public Works Director interviews are proceeding well.

**12. Committee /Council Reports**

**Councilor Hokanson**

- A strategy is needed regarding lighting on city streets; lighting challenges were noted along Highway 26 near Vista Loop, and on Meinig.

**Councilor Exner**

- Public Works Director interviews are proceeding well.
- Restarting the Arts Advisory Board should be a priority; a work session on this topic will be added to the schedule.

**Councilor Walker**

- The Library Advisory Board will delay its work on the strategic plan; additional library space is desired at the Community Campus site.
- Robust turnout was seen for the Trick or Treat Trail and the Halloween Hunt events.
- Library checkouts are gradually increasing.
- The new **Parks and Recreation Director** was briefed on ongoing projects / initiatives.

**Councilor Sheldon**

- Thanks to all those participating in the City's efforts to address homelessness.
- Thanks to the Chamber of Commerce for organizing the Trick or Treat Trail.



**Councilor Smallwood**

- The Parks and Trails Advisory Board is studying two new proposed developments.
- Thanks to all those participating in the City's efforts to address homelessness.

**Council President Pietzold**

- Thanks to all those participating in the City's efforts to address homelessness.
- The City should make preparations for snow plowing.
- Les Schwab façade improvements are underway.
- Additional street sweeping service is needed.
- Opportunities to install lighting on utility poles should be seriously explored.
- New volunteers are interested in getting involved in arts in the community.

**Mayor Pulliam**

- The City should think big and make significant infrastructure investments.
- Conversations with ODOT have occurred regarding cost sharing for Vista Loop sidewalk improvements.
- C4 discussions have been centered on housing policy; some amount of funding will be available for Sandy for workforce housing.
- Stressed the importance of boards and commissions, and particularly the Planning Commission, transitioning to hybrid meetings.
- The in-person aspect of the tree lighting event should be highlighted.
- Kiwanis holiday activities are proceeding.

**13. Staff updates**

13.1. [Monthly Reports](#)

**14. Adjourn**

---

Mayor, Stan Pulliam

---

City Recorder, Jeff Aprati



## Staff Report

---

**Meeting Date:** December 6, 2021

**From** Mike Walker, Public Works Director

**SUBJECT:** Memorandum of Understanding - Water Purchase Agreement

---

**DECISION TO BE MADE:**

Whether to enter into a Memorandum of Understanding (MOU) with the Portland Water Bureau regarding a new Water Purchase Agreement for all wholesale customers.

**PURPOSE / OBJECTIVE:**

In order to enter into a new Water Purchase Agreement with the Portland Water Bureau, PWB has requested that all wholesale customers sign a non-binding MOU to memorialize the intent to revise the agreement and outline the timeframe and process for doing so.

**BACKGROUND / CONTEXT:**

The Portland Water Bureau, in cooperation with its wholesale customers, is developing a new framework for the Regional Water Supply Agreement. The current agreement expires in June of 2026 for all wholesale customers except Sandy, (our agreement expires in May of 2028). Wholesale customers must provide notice of their intent to renew or let lapse the agreement five years in advance of the expiration date.

Several of the larger wholesale customers (Tualatin Valley Water District and City of Gresham) notified Portland of their intent not to renew their agreements and will notify PWB in June of this year. Recognizing that the Water Supply Agreement in its current format may not work for the remaining wholesale customers, PWB and the wholesalers have started on a revision to the Agreement.

The attached MOU memorializes the intent to revise the agreement and outlines the time frame and process for doing so. The five-year notice provision applies to Portland as well and the MOU serves as PWB's notice that they do not intend to renew the agreement with the wholesale customers in its current format. The MOU does not bind PWB or any of the wholesale customers to do anything other than negotiate a new agreement.

**KEY CONSIDERATIONS / ANALYSIS:**

The Council considered entering into this MOU at their March 8, 2021 meeting. At that time the analysis of the options for connecting to Portland's new filtration plant or the City constructing a new treatment plant and treating raw water purchased from Portland at our present connection had not been reviewed by the Council. The Council reviewed

these options at their June 21, 2021 meeting and directed staff to notify the City of Portland and the Oregon Health Authority Drinking Water Services Program of Sandy's intent to treat unfiltered water from the Bull Run system prior to September 2027, and to seek a proposal from Murraysmith to amend the fee and scope for the Water Master Plan Update to include a desktop study of potential groundwater resources in the Sandy area.

**RECOMMENDATION:**

Authorize staff to sign the MOU and begin the process of re-negotiating the Water Supply Agreement with Portland Water Bureau.

**BUDGETARY IMPACT:**

None, wholesale rates are set through a different process.

**SUGGESTED MOTION LANGUAGE:**

"I move to authorize the City Manager to sign the MOU to begin the process of re-negotiating the Water Supply Agreement with Portland Water Bureau."

**LIST OF ATTACHMENTS/EXHIBITS:**

Memorandum of Understanding and list of current agreements and expiration dates

**MEMORANDUM OF UNDERSTANDING  
REGARDING THE REGIONAL WATER SALES AGREEMENT**

This Memorandum of Understanding (“MOU”) is between the City of Portland (“Portland”) and its nineteen current wholesale customers (“Wholesale Customers”) who purchase water at a wholesale water rate from Portland to sell to their own retail water customers through the 2006 Wholesale Water Purchase Agreement (“current agreement”) set to sunset for most Wholesale Customers in 2026. The Wholesale Customers and the expiration dates of their individual current agreements are listed in Exhibit A to this MOU.

This MOU is intended to memorialize the working relationship that exists between Portland and the Wholesale Customers (collectively, “Parties”) and to outline steps the Parties propose to develop and ultimately agree to a new Regional Water Sales Agreement (“New Agreement”) to be effective on or before July 1, 2026. The relationship between the Parties is built on mutual trust and open, honest, and transparent communication. This affiliation is critical to ensure that the New Agreement can be created that mutually works well for the Parties.

The Parties recognize the importance of developing and strengthening a regional water system that provides water to approximately one million people. This robust system can move water between basins through a planned regional transmission network to address seismic resiliency, wildfire suppression incidents, and other events. The Parties recognize that a reliable water supply system is critical to protect the health and safety of all customers and maintain the economic stability and growth of the greater metropolitan area.

The Parties agree on the importance of creating a fair and equitable New Agreement that shares the reasonable costs associated with building, operating, and maintaining a regional water supply system.

The Parties agree that following items are in their common interest:

1. The current agreement no longer meets many of the needs of the Parties. The current agreement was created to address a set of conditions, many of which do not exist today. Since 2006, Portland and the Wholesale Customers have worked hard to develop regional collaboration based on mutual trust and an understanding of shared goals.
2. With a few exceptions, the current agreement renews (or expires) in 2026 (see Exhibit A). On or before June 30, 2021, most of the Wholesale Customers are required to notify Portland, or vice versa, if they intend to exit the current agreement in 2026.

Memorandum of Understanding  
Regarding the Regional Water Sales Agreement  
Page 2

3. For the past year, the Parties have been developing a framework for a new wholesale water sales agreement that will replace the current agreement and provide terms that are mutually acceptable and agreed upon by the Parties.
4. To that end, the Wholesale Customers hired FCS Group ("FCS"), a financial consulting firm, to work with the Parties to identify elements that they would like to include in the New Agreement. The FCS report (attached as Exhibit B) identified common goals and principles the Parties want to include in the New Agreement.
5. To assure that New Agreement will be in place on or before July 1, 2026, Portland will provide notice to Wholesale Customers on or before June 30, 2021, that Portland will not renew the current agreement.
6. The Parties intend to work together collaboratively to develop the New Agreement with a final draft completed by June 30, 2022.
7. With this MOU, Portland is stating its desire to continue selling water to all current Wholesale Customers who intend to purchase water from Portland. The Parties intend to jointly develop the New Agreement that will govern the terms of sale of that water to the Wholesale Customers beyond the 2026 expiration date of the current agreement.
8. The New Agreement will be based on the principles and goals jointly developed by the Parties and documented in the FCS report.
9. Nothing in this MOU modifies the current agreement between Portland and the Wholesale Customers, which for most Wholesale Customers remains in full force and effect until July 1, 2026.

IN WITNESS WHEREOF, the Parties have executed this MOU to be effective as of the date last executed. The parties attest that the signatories to this MOU have the authority to enter into this agreement on behalf of their respective agencies.

City of Portland

Signature: Gabriel Solmer

Print Name: Gabriel Solmer

Title: Administrator, Portland Water Bureau

Date: 2/10/2021

Memorandum of Understanding  
Regarding the Regional Water Sales Agreement  
Page 3

Agency: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**

<b>Wholesale Customer</b>	<b>Earliest Contract Termination</b>
Burlington Water District	6/30/2026
Gresham, City of	6/30/2026
Lake Grove Water District	6/30/2026
Lusted Water District	6/30/2026
Palatine Hill Water District	6/30/2027
Pleasant Home Water District	6/30/2026
Raleigh Water District	6/30/2026
Rockwood Water PUD	6/30/2026
Sandy, City of	6/30/2028
Six Private Water Corporations	6/30/2026
Tualatin Valley Water District	6/30/2026
Tualatin, City of	6/30/2026
Valley View Water District	6/30/2026
West Slope Water District	6/30/2026



## Staff Report

---

**Meeting Date:** December 6, 2021

**From** Mike Walker, Public Works Director  
Resolution 2021-34 Requesting Transfer of Jurisdiction of SE

**SUBJECT:** Crescent Lane within the City of Sandy

---

**DECISION TO BE MADE:**

Whether to submit a request to the Clackamas County Board of Commissioners to transfer jurisdiction of a portion of SE Crescent Lane within the City Limits to the City of Sandy.

**PURPOSE / OBJECTIVE:**

The City has followed a policy of taking jurisdiction over County roads within the City limits when these roads are improved to City standards in order to prevent confusion and provide better service to the public.

**BACKGROUND / CONTEXT:**

The Space Age Fuel station and convenience store land use conditions of approval required that the developer improve SE Crescent Lane to local street standards. Clackamas County would not permit left turns into or out of the site from or to Orient Dr. due to the proximity of the site to the intersection of Orient Dr. and US 26. Crescent Lane an existing, undeveloped right-of-way adjacent to the site was improved to permit access to the site from Orient Dr. The street was developed with a half cul-de-sac to provide room for fuel delivery and emergency service vehicles to turn into the site driveway. Since it is unlikely there will ever be an intersection onto Hwy 26 at Crescent the remainder of the right-of-way south of the cul-de-sac includes a paved, lighted pedestrian connection to the sidewalk on US 26.

A public street in the City limits that is not maintained by the City is confusing for residents and motorists who understandably assume that Sandy is responsible for the street. The City's policy has been to accept County roads within the City when they are improved to City standards, (paving, curbs, sidewalks, drainage streetlighting, etc.).

**KEY CONSIDERATIONS / ANALYSIS:**

The recent improvements to Crescent Lane comply with City standards for local streets, the City and County also reviewed the design and construction of the improvements for compliance with each agencies' standards. If transferred the street would be added to the City's inventory and Pavement Management system and maintained on the same basis as all other improved City streets. Adjacent property owners would be responsible for sidewalk and street tree maintenance as they are elsewhere in the City. The City



would be responsible for maintaining the pedestrian connection drainage, street lights and street surface. Crescent Lane consists of approximately 2,700 sq. ft. of pavement adding to our local street inventory would increase to amount of pavement managed by the City by 0.0007%.

**RECOMMENDATION:**

Staff recommends that the City request that the Clackamas County Board of Commissioners transfer jurisdiction of this portion of Crescent Lane to the City.

**BUDGETARY IMPACT:**

Negligible. Adding this section of Crescent Lane to our street inventory would increase to amount of local street pavement managed by the City by 0.0007%.

**SUGGESTED MOTION LANGUAGE:**

I move to approve Resolution 2021-34 requesting the Clackamas County Board of Commissioners transfer jurisdiction of a portion of SE Crescent Lane within the City Limits to the City of Sandy.

**LIST OF ATTACHMENTS/EXHIBITS:**

Resolution 2021-34 and exhibits



NO. 2021-34

**A RESOLUTION REQUESTING TRANSFER OF JURISDICTION BY THE CLACKAMAS COUNTY BOARD OF COMMISSIONERS OF A PORTION OF SE CRESCENT LANE, COUNTY ROAD NUMBER 1698**

**Whereas**, Oregon Revised Statute 373.270 provides a means for Cities to request the transfer of jurisdiction of County roads within Cities; and

**Whereas**, the City has coordinated with Clackamas County to facilitate the transfer of the following named road:

That portion of SE Crescent Lane (County Road No. 1698) located between SE Orient Drive and Mount Hood Highway (US 26); and

**Whereas**, this section of SE Crescent Lane is located entirely within the City Limits; and

**Whereas**, SE Crescent Lane has been improved to meet City standards; and

**Whereas**, maintenance of and improvements to this portion of SE Crescent Lane will be more easily accomplished if the road is under the jurisdiction of the City; and

**Whereas**, it is in the public interest for this transfer to take place.

**NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sandy** to accept jurisdiction of a portion of SE Crescent Lane as described in Exhibit A and graphically depicted in Exhibit B attached hereto and request the Clackamas County Board of Commissioners to take action to execute the jurisdictional transfer of said road.

This resolution is adopted by the Common Council of the City of Sandy and approved by the Mayor this 06 day of December 2021

---

Stan Pulliam, Mayor

#2021-34

ATTEST:

---

Jeff Aprati, City Recorder

#2021-34

Exhibit "A"

S.E. Crescent Road Transfer of Jurisdiction

Clackamas County to City of Sandy

Description

All that portion of S.E. Crescent Road, County Road No. 1698, Situated in the SW 1/4 of Section 10, T. 2 S., R 4 E., W.M. as shown in Exhibit "B", attached hereto, lying west of the Westerly boundary line of Tax Lot 24E10 04500, as described in Document No. 2019-011171, Clackamas County deed records, also lying west of the westerly Right-of-Way of S.E. Orient Drive and lying east of the Easterly Lot Line of Tax Lot 24E10 04200, as described in Document No. 2017-005611 Clackamas County records, also lying east of the easterly Right-of-Way of US Highway No. 26, being approximately 333 feet long.

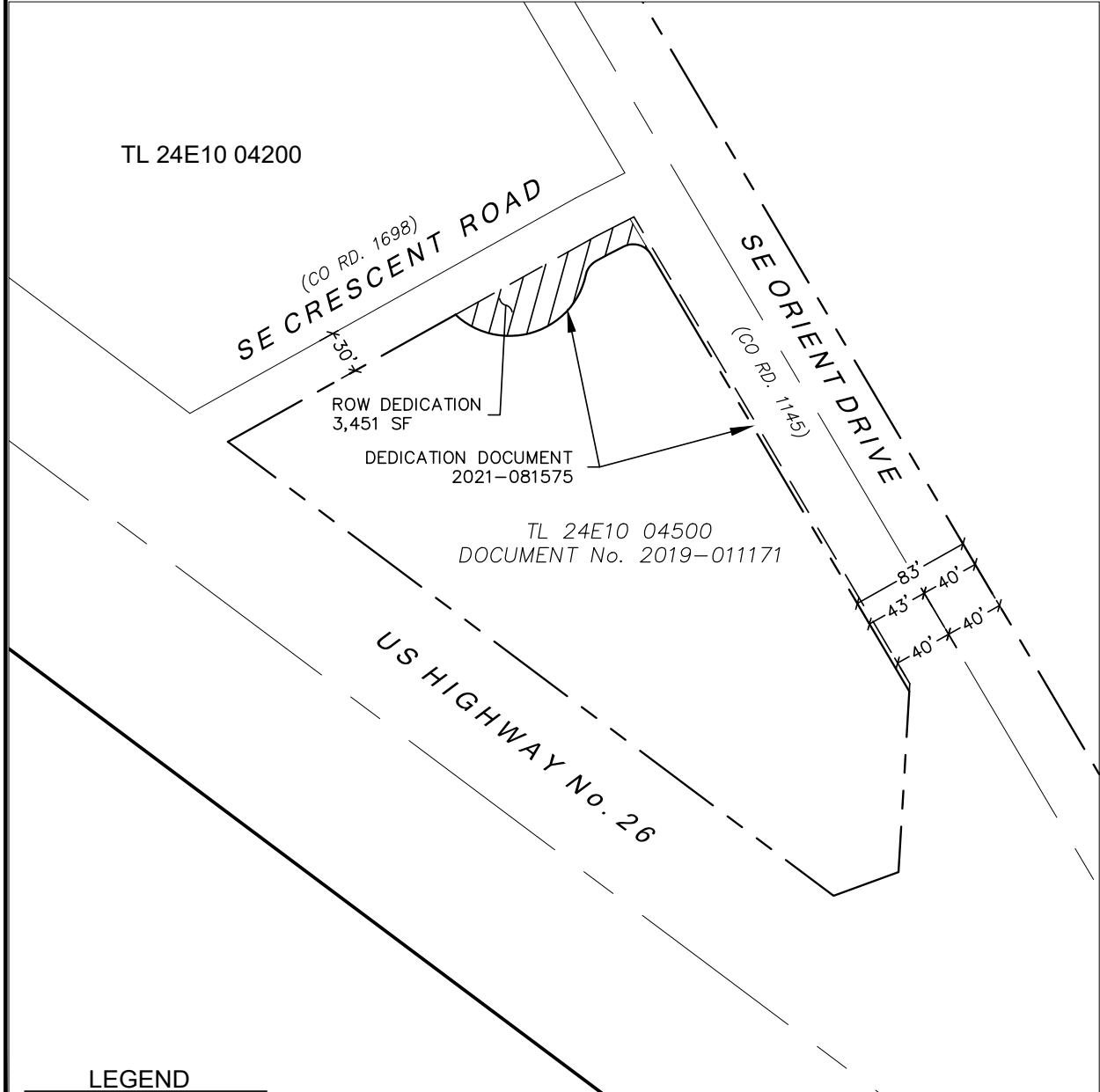
Contain 13,450 square feet, more or less.

EXHIBIT B

SITUATED IN THE SW 1/4 OF SECTION 10,  
T. 2 S., R. 4 E., W.M.  
CLACKAMAS COUNTY, OREGON



1"=100'



LEGEND

- DEDICATED RIGHT-OF-WAY  
TOTAL AREA = 3,451 SF ±
- RIGHT-OF-WAY
- OLD RIGHT-OF-WAY

DEPARTMENT OF TRANSPORTATION  
AND DEVELOPMENT  
150 BEAVERCREEK ROAD  
OREGON CITY, OR 97045



11/02/2021

A. REITER

SHEET

EXHIBIT "B"

1 OF 1



## Staff Report

---

**Meeting Date:** December 6, 2021

**From** Mike Walker, Public Works Director

**SUBJECT:** Resolution 2021-33 Adopting Changes to the Master Fee Schedule

---

**DECISION TO BE MADE:**

Consider changes to the Master Fee Schedule to adjust Water, Sewer and Transportation System Development Charges (SDCs) for inflation based on the Engineering News Record Construction Cost Index by adopting Resolution 2021-33

**PURPOSE / OBJECTIVE:**

To adjust Water, Sewer and Transportation System Development Charges to account for inflation. The last indexed adjustments were made in November, 2020.

**BACKGROUND / CONTEXT:**

The methodologies for Transportation, Sewer and Water Systems Development Charges (SDCs) include a provision allowing these charges to be adjusted periodically based on a recognized construction cost index. In this case we use the Engineering News Record Construction Cost Index, (ENR-CCI) for Seattle, WA. This index complies with the requirements in ORS 223.304(8)b and is used almost universally, it is also updated monthly and reflects regional cost trends for construction materials and labor.

As the Council has seen with recent bid openings and project cost estimates construction for City projects costs are escalating rapidly. With the influx of Federal dollars resulting from the passage of the recent Infrastructure bill construction costs are expected to rise even more due to a significant increase in funding for projects without a commensurate increase in engineering design and construction industry capacity.

**KEY CONSIDERATIONS / ANALYSIS:**

The index for the current month and year; and the index in the month and year the Transportation, Sewer, and Water SDCs were last changed; are shown in the tables below with the percentage and dollar amount change for each charge.

**Transportation**

Month and Year	ENR-CCI	SDC (per trip)
November, 2020	12796.59	\$256.03
November, 2021	13595.58	\$272.00
% Difference/\$ Difference	+6.24%	+\$14.97

**Water**

Month and Year	ENR-CCI	SDC (per EDU)
November, 2020	12796.59	\$3,615.41
November, 2021	13595.58	\$3,841.01
% Difference/\$ Difference	+6.24%	+\$225.60

**Sewer**

Month and Year	ENR-CCI	SDC (per EDU)
November, 2020	12796.59	\$5,157.90
November, 2021	13595.58	\$5,479.75
% Difference/\$ Difference	+6.24%	+\$321.85

If approved, System Development Charges for a single family dwelling would increase by \$1,122.74 for all three SDCs. Transportation, Sewer and Water capital plans are based on a 20-year horizon. Estimated project costs in 2021 will be considerably different in 2040.

**RECOMMENDATION:**

Approve Resolution 2021-33 and direct staff to make changes to the Master Fee Schedule to reflect the adjustments to the Transportation, Water and Sewer system development charges.

**BUDGETARY IMPACT:**

Based on budgeted SDC revenues a 6.1% increase would translate to an additional \$31,200 in *biennial* revenue to the Street Fund; an additional \$22,516 in biennial revenue for the Water Fund and an additional \$20,800 biennial revenue for the Sewer Fund.

**SUGGESTED MOTION LANGUAGE:**

I move to approve Resolution 2021-33 and instruct staff to make changes to the Master Fee Schedule to reflect the adjustments to the Transportation, Water and Sewer system development charges.

**LIST OF ATTACHMENTS/EXHIBITS:**

Resolution 2021-33



NO. 2021-33

**A RESOLUTION ADOPTING CHANGES TO THE MASTER FEE SCHEDULE TO ADJUST WATER, SEWER, AND TRANSPORTATION SYSTEM DEVELOPMENT CHARGES FOR INFLATION, BASED ON THE ENGINEERING NEWS RECORD CONSTRUCTION COST INDEX (ENR-CCI) FOR NOVEMBER, 2021**

**Whereas**, the City Council imposes municipal fees and charges via Resolution; and

**Whereas**, adjustments to Section 6 of the Master Fee Schedule (System Development Charges) are necessary to reflect increased costs for capital construction; and

**Whereas**, the City Council has reviewed the proposed changes;

**NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sandy**

1. The Master Fee Schedule is amended as shown in Exhibit A.
2. These changes shall become effective with all building permit applications submitted on or after January 3, 2022.

This resolution is adopted by the Common Council of the City of Sandy and approved by the Mayor this 06 day of December 2021

\_\_\_\_\_  
Stan Pulliam, Mayor

ATTEST:

\_\_\_\_\_  
Jeff Aprati, City Recorder

#2021-33



## EXHIBIT A

### 6. SYSTEM DEVELOPMENT CHARGES

#### A. Water

a. Equivalent Dwelling Unit (EDU)	<del>\$3,615.41</del>	\$3,841.01	
b. 5/8" x 3/4" Meter	<del>\$2,615.41</del>	\$3,841.01	
c. 3/4" Meter	<del>\$5,422.99</del>	\$5,761.38	
d. 1" Meter	<del>\$9,038.52</del>	\$9,602.52	
e. 1 1/2" Meter	<del>\$18,077.05</del>	\$19,205.06	
f. 2" Meter	<del>\$28,922.65</del>	\$30,727.42	
g. 3" Meter	<del>\$52,697.59</del>	\$57,048.32	
h. 4" Meter	<del>\$90,382.90</del>	\$96,022.79	
i. 6" Meter	<del>\$180,765.80</del>	\$192,045.59	
j. Meters greater than 6"			calculated based on EDU
k. Meter Cost: 3/4 inch or 1 inch meter and meter box			Larger meters are assessed based on time and material costs.
			Cost + 20%

#### I. Water Main Tapping Fees

#### B. Sewer

a. City wide	\$5,479.75	per equivalent residential unit
b. North Bluff Sewer Basin - Plus an additional per EDU	\$2,467.60	
c. South UGB Sewer Basin - Plus an additional per EDU	\$2,087.85	
d. Southeast UGB Sewer Basin - Plus an additional per EDU	\$2,793.64	
e. Sewer Main Tapping Fees		Cost + 20%

#### C. Park – NO CHANGES

a. Single Family		
i.	\$3,717.00	per dwelling unit
ii.	\$4,647.00	per dwelling unit
iii.	\$4,581.00	per dwelling unit
iv.	\$5,511.00	per dwelling unit
b. Multi-Family		
i.	\$2,495.00	per dwelling unit
ii.	\$3,114.00	per dwelling unit
iii.	\$3,071.00	per dwelling unit
iv.	\$3,691.00	per dwelling unit
b. Congregate Multi-Family		
i.	\$1,967.00	per dwelling unit
ii.	\$2,431.00	per dwelling unit
iii.	\$2,369.00	per dwelling unit
iv.	\$2,863.00	per dwelling unit

#### D. Payment in Lieu of Park Land Dedication

a. Payment in Lieu of Park Land Dedication, Not Deferred	\$241,000.00	per acre
b. Payment in Lieu of Park Land Dedication, Deferred	\$265,000.00	per acre

#### E. Street

a. Residential	\$4,316.64	per single family dwelling unit
b. Transportation	\$272.00	per adjusted average daily person trip



## Staff Report

---

**Meeting Date:** December 6, 2021

**From** Greg Brewster, IT/SandyNet Director

**SUBJECT:** SandyNet Business IGA with Clackamas Broadband eXchange

---

### **DECISION TO BE MADE:**

Upon review of the proposed IGA and Business Plan, staff respectfully requests that Council decides if the proposed venture is a feasible and acceptable solution that moves SandyNet towards its goal of "continuing to grow to make it self-sufficient for the long-term."

### **PURPOSE / OBJECTIVE:**

The SandyNet/Clackamas Broadband Exchange (CBX) IGA would expand a partnership between the City of Sandy and Clackamas County to provide high speed internet to business customers outside Sandy's city limits, splitting revenue between the two entities on a 53% - 47% basis. The proposed IGA will enable SandyNet to make progress on growth and financial objectives that will further the Sandy City Council's goal of achieving self-sufficiency for SandyNet. These objectives include diversifying SandyNet's business customer base, paying down debt, and increasing funding for staffing / infrastructure. Compared to residential customers, medium and enterprise businesses customers provide advantages for the City in terms of stability and profitability, chiefly through the reduced need for service visits and a clearer definition of responsibilities between customer and provider.

By focusing on businesses, the IGA proposes a charge of \$225 per Gigabit fiber customer, per month and offer a complete ISP service. The responsibility of CBX will be to build, own, and maintain the fiber optic network while SandyNet will provide the ISP traffic, modem, support and billing.

This business plan provides a comprehensive picture of this model of SandyNet offering ISP services to businesses. Under the arrangement, SandyNet would keep \$120 of the \$225 charge, with CBX keeping \$105. It is projected that over the course of five years, the revenue realized by by growing to 90 such customers would provide a funding stream that could be leveraged to pay down a significant amount of debt and/or grow SandyNet's staff capacity. The team would begin by using existing staff to configure and deploy equipment to customers and grow the team/network to support future customers.

### **BACKGROUND / CONTEXT:**

SandyNet and CBX have goals and resources that complement each other, creating an opportunity to offer business level internet service provider (ISP) services to Clackamas County. Given SandyNet's experience and performance as an ISP, and Clackamas County's jurisdiction and resources, the two entities desire to partner to address internet affordability and reliability. The proposed partnership would enable SandyNet to expand beyond its current service boundaries with little risk by charging a common rate and service package to customers.

SandyNet and CBX currently have an established pilot program in the Kiwanis Camp Project, which offers gigabit fiber optic service to homes outside of city limits in an otherwise underserved area. Using knowledge learned from that project, SandyNet and CBX believe they can apply a similar model to businesses.

Broadband/telecom entities often work together to achieve common goals. Open access networks allow a fiber network owner to lease or share parts of the network to another entity, which is fairly common in the industry. In SandyNet and CBX's situation, SandyNet is an already established Internet Service Provider (ISP) and CBX owns and operates a large fiber optic network following an open access modal. The IGA defines the responsibilities and roles of each entity to achieve a complete product or service. The Kiwanis project demonstrates that these two entities can achieve this service at a highly competitive price and service reliability.

**KEY CONSIDERATIONS / ANALYSIS:**

Analysis of the market has shown that shaping the project around medium to large businesses, will yield a higher level of revenue and profit at a lower operation expense to service locations within Clackamas County. The maximum number of businesses to add before re-evaluating costs and the project is 90 businesses customers across five years with an adoption rate of 1.5 customer per month. This will result in the optimal amount of revenue.

Cost of service is determined by adhering to the responsibilities of the City and County as defined in sections 2 and 3 of the IGA. Also explained in detail in the Cost of Service section of the Plan, SandyNet is responsible for customer service, network operations and billing, while Clackamas County is responsible for outside plant and its assets. Note that the Op-ex and Cap-ex costs for each section are not equal, resulting in outside plant incurring the most Cap-ex and network operations/support incurring the most Op-ex. Detailed explanation of the installation and operating costs can be found in detail under the SandyNet/CBX Business Plan.

Alternatives and Risks can be found in their respectively named sections under the SandyNet/CBX Business Plan. The IGA is built around the mutual agreement between the two entities that was established in the Kiwanis project. SandyNet is not obligated to engage in any service order or opportunity that would result in additional unmanageable risk or situations that are deemed unacceptable/unprofitable.

**RECOMMENDATION:**

The SandyNet Advisory Board and staff recommend that the Council authorize the City Manager to enter into an intergovernmental agreement with CBX to provide ISP business service to customers in Clackamas County.

**BUDGETARY IMPACT:**

Costs related to SandyNet for customer turnup are a one time cost of equipment (access equipment and optics), which are less than \$889.28 per customer. With a \$500 installation fee that is billed to the customer, install costs drop to \$389.28 with a 3.5 month break even projection. Customers are required to enter into a minimum 12 month term for service.

Monthly recurring costs, such as ISP transit, IP addressing, datacenter port costs, power, leased space for access equipment, etc.), are subject to the following tiers:

- 1-34 customers: \$15 per month, per customer
- 35-90 customers: \$25 per month, per customer

These numbers were calculated from the Installation and Operational Cost sections of the Sandynet/CBX Business Plan and details can be found in Exhibit B, C, E and F. ISP transit and power are subject to an average 3% inflation rate each year and the projections laid out in the business plan are adjusted for inflation.

Costs for construction and operating expenses related to Clackamas County and their responsibilities can be found under section 2 of the IGA.

Per the agreement, the city will receive a minimum of \$120 per month per customer for providing the service. Following the marketing plan laid out in the Target Market Plan Analysis of the SandyNet/CBX Business Plan and achieving the goal of 1.5 customers per month will yield over \$329,400 in revenue, \$66,542.17 in op-ex, \$23,356.80 in installation costs (including \$500 fee collected from customer) and \$239,500 in profit over the term of the agreement.



**SANDYNET/CBX BUSINESS PLAN**

## TABLE OF CONTENTS

<b>TABLE OF CONTENTS</b>	<b>1</b>
<b>TABLE OF EXHIBITS</b>	<b>2</b>
<b>EXECUTIVE SUMMARY</b>	<b>3</b>
<b>BUSINESS DESCRIPTION</b>	<b>5</b>
<b>OBJECTIVES</b>	<b>7</b>
DIVERSIFYING BUSINESS CUSTOMER BASE	7
PAY DOWN DEBT	7
INCREASE FUNDING FOR STAFF/INFRASTRUCTURE	8
RECAP AND OVERARCHING OBJECTIVE	8
<b>ALTERNATIVES</b>	<b>9</b>
BUILD OFF OF EXISTING FIBER PATHS	9
INCREASE MARKETING	9
HIRE ADDITIONAL EMPLOYEES	9
INCREASE SERVICE RATES	10
<b>ANALYSIS</b>	<b>11</b>
MARKET DEMOGRAPHICS	11
COST OF SERVICE	12
INSTALLATION COST	12
NEW CUSTOMER BREAK-EVEN POINT	13
OPERATIONAL COSTS	13
TARGET MARKET PLAN	14
MARKETING PLAN	15
EXPECTED BENEFITS	15
<b>RISKS</b>	<b>17</b>
INSURANCE/TRAVEL RISKS	17
LIABILITY	17
MISSED MARKET TARGET	17
STAFF CONCERNS	17
IGA RENEWAL FAILURE	18
CUSTOMER RESPONSIVENESS	18
EXCESS SUPPORT COSTS	18
<b>RECOMMENDATION</b>	<b>19</b>

## TABLE OF EXHIBITS

EXHIBIT A - CBX NETWORK MAP	20
EXHIBIT B - ACTIVITY-BASED COSTING ANALYSIS	21
EXHIBIT C - RECURRING OPERATIONAL COSTS PER CUSTOMER	23
EXHIBIT D - PROJECTED REVENUES	24
EXHIBIT E - SUPPORT COSTS	25
EXHIBIT F - COST BREAKDOWNS	26
EXHIBIT G - SERVICE ORDER/SANDYNET TRANSIT AGREEMENT	28

## **EXECUTIVE SUMMARY**

The SandyNet/Clackamas Broadband Exchange (CBX) IGA would expand a partnership between the City of Sandy and Clackamas County to provide high speed internet to business customers outside Sandy's city limits, splitting revenue between the two entities on a 53% - 47% basis. The proposed IGA will enable SandyNet to make progress on growth and financial objectives that will further the Sandy City Council's goal of achieving self-sufficiency for SandyNet. These objectives include diversifying SandyNet's business customer base, paying down debt, and increasing funding for staffing / infrastructure. Compared to residential customers, medium and enterprise businesses customers provide advantages for the City in terms of stability and profitability, chiefly through the reduced need for service visits and a clearer definition of responsibilities between customer and provider.

SandyNet and CBX have goals and resources that complement each other, creating an opportunity to offer business level internet service provider (ISP) services to Clackamas County. Given SandyNet's experience and performance as an ISP, and Clackamas County's jurisdiction and resources, the two entities desire to partner to address internet affordability and reliability. The proposed partnership would enable SandyNet to expand beyond its current service boundaries with little risk by charging a common rate and service package to customers.

SandyNet and CBX currently have an established pilot program in the Kiwanis Camp Project, which offers gigabit fiber optic service to homes outside of city limits in an otherwise underserved area. Using knowledge learned from that project, SandyNet and CBX believe they can apply a similar model to businesses.

Broadband/telecom entities often work together to achieve common goals. Open access networks allow a fiber network owner to lease or share parts of the network to another entity, which is fairly common in the industry. In SandyNet and CBX's situation, SandyNet is an already established Internet Service Provider (ISP) and CBX owns and operates a large fiber optic network following an open access modal. The IGA defines the responsibilities and roles of each entity to achieve a complete product or service. The Kiwanis project demonstrates that these two entities can achieve this service at a highly competitive price and service reliability.



By focusing on businesses, it is proposed in the IGA to charge \$225 per Gigabit fiber customer, per month and offer a complete ISP service. The responsibility of CBX will be to build, own, and maintain the fiber optic network while SandyNet will provide the ISP traffic, modem, support and billing.

This business plan provides a comprehensive picture of offering ISP services to businesses. Under the arrangement, SandyNet would keep \$120 of the \$225 charge, with CBX keeping \$105. It is projected that over the course of five years, the revenue realized by SandyNet by growing to 90 such customers would provide a funding stream that could be leveraged to pay down a significant amount of debt and/or grow SandyNet's staff capacity. The team would begin by using existing staff to configure and deploy equipment to customers and grow the team/network to support future customers.

The proposed IGA represents a reviewed and approved agreement between the two entities, and the business plan carries the endorsement of the SandyNet Advisory Board as a recommended venture for SandyNet.

## **BUSINESS DESCRIPTION**

SandyNet is a department of the City of Sandy that offers internet-related services to businesses and residents of Sandy as well as businesses and individuals outside its city limits. SandyNet is an authorized Competitive Local Exchange Carrier (CLEC) through the Oregon Public Utility Commission (PUC) and a public utility of the City of Sandy that is owned and operated by the people of Sandy. SandyNet directly competes with other carriers and providers. SandyNet is operated as an enterprise fund, using revenue generated by itself, rather than tax dollars to pay for its expansion and operations, with the exception of providing internet connections to City of Sandy facilities.

SandyNet has offered its services over a variety of mediums and technologies. As SandyNet has grown and established itself over time, its footprint and economies of scale have grown as well enabling a city-wide fiber-to-the-home deployment in 2014 and fiber-to-the-business in 2017.

Having standardized its service across fiber optics, SandyNet is able to offer various types of packages to its customers. While its main focus is delivering broadband data services, SandyNet also offers additional or over-the-top services, including:

- ISP Broadband
- Voice Service
- Video Service (3rd Party)
- Professional Services for Businesses
- Last Mile Dark Fiber Services

SandyNet was formed for the purpose of providing accessible and affordable broadband within the community. Created in 2003, SandyNet began offering services to families, businesses and city facilities that previously lacked reasonable access to the internet. The City Council and staff view the internet as a public utility essential to the economic growth and prosperity of the community. Creating a municipal internet service was an innovative solution to resolve multiple issues that Sandy faced, including:

- Access to internet for residents, students, businesses and enterprises
- Affordability
- Closing the Digital Divide
- Economic Development and Resident Livability
- Connecting city-owned facilities

As Sandy continues to expand, and as businesses and families move and live or operate in Sandy, many of the needs SandyNet is charged with addressing are ongoing and ever changing. Long term sustainability plays a critical role in SandyNet's future as the community's ISP. In 2021, Sandy City Council identified a policy goal to "continue to grow SandyNet to make it self-sufficient for the long-term."

## OBJECTIVES

The desired outcomes of this business proposal are to make significant progress in increasing revenue, paying down debt, and diversifying SandyNet's customer base within its business profit center. The proposal, which is detailed in the form of an IGA between the City of Sandy and Clackamas Broadband Exchange, identifies the requirements and responsibilities.

The term "profit" is used in this document. In accounting terms, profit is used to represent earnings after explicit costs. The term "revenue" represents earnings gathered from the customer or other sources. SandyNet is not a for-profit entity, but the term "profit" is used to represent earnings that are available to complete the following objectives.

### DIVERSIFYING BUSINESS CUSTOMER BASE

Within SandyNet's current business portfolio, 89% of customers are considered small businesses. 79% of these small businesses participate in the 300Mbps plan for \$41.95 Monthly Recurring Cost (MRC), with 21% participating in the Gigabit plan for \$59.95 MRC (1000/1000 Mbps). SandyNet currently has relatively few medium and enterprise accounts. The two main reasons for the lack of such accounts are:

- **SandyNet Footprint** - Medium to large companies that currently operate in Sandy tend to be chains or part of a multi-site company, both of which tend to favor larger providers.
- **Availability** - Sandy and its business district and zones do not house a large number of medium or large-sized businesses.

Medium or large businesses often have less, but more specific requirements and requirements of the ISP and customer are laid out in the Master Service Agreement (MSA). Medium and larger businesses do not often require the assistance of the ISP for general questions or troubleshooting of network endpoints, which often yields more revenue and less support and operational costs.

### PAY DOWN DEBT

The City Council expressed in its 2021 Council Goals a desire to align and seek opportunities that would allow SandyNet to become self-sustaining. Projects or avenues that offer the ability to pay down SandyNet's debts should be analyzed and considered as potential short or long term revenue streams.

## **INCREASE FUNDING FOR STAFF/INFRASTRUCTURE**

SandyNet's staff size cannot currently meet the needs/requirements of its operations. Full compensation for city employees is the highest operating expense for SandyNet, leaving us with fewer full-time employees that would be required to specialize in multiple operational areas. Additional revenue is the key to bringing staffing levels to a sustainable level, as well as to increasing capacity to allow for growth.

In preparations for future infrastructure upgrades, tentative timelines and implementation goals should be set and regularly evaluated. However, in the ISP industry where the serving area, technologies, adoption rates, and the competitive landscape changes every year, it is important to constantly re-evaluate and adjust plans and upgrades. Generally, the price-per-megabit decreases over time for customers, meaning that rate increases typically involve higher speeds and updated infrastructure (this does not include price incentives or expirations of promotional offers).

## **RECAP AND OVERARCHING OBJECTIVE**

All these objectives can be grouped under the overarching goal of becoming self-sustaining. Objectives and execution of projects that assist in achieving that goal should fall in line with SandyNet's mission, and directly contribute to the residents of Sandy. Opportunities and decisions that affect SandyNet should always improve the quality of service for its customers.

## **ALTERNATIVES**

### **BUILD OFF OF EXISTING FIBER PATHS**

One alternative for capturing additional revenue, as well as new markets, would involve the build out of mainline fiber that is already in close proximity to residential areas. Most plans to pursue this strategy involve areas outside of existing city limits and primarily offer only residential services. Building fiber in rural areas does little to help expand the business side of SandyNet and offers a much lower density of customers, driving up the capital investment needed to service. Alternatives that can be used to handle the additional costs of rural areas deployment can include a higher Monthly Recurring Cost (MRC) for those in less densely populated areas. Additionally, those that build out rural areas often focus on bringing costs down by building overhead and using smaller size materials such as lower fiber counts, less capacity or expansion capabilities.

### **INCREASE MARKETING**

Another alternative would be to increase marketing to areas that are already served. Marketing strategies could target current inactive service locations; primarily those that once had active service (i.e. customer move-ins that didn't activate the service); and could involve ads at local events, online, and visibility in high traffic areas. Marketing within our department has already increased over the past six months, but has not been shown to be beneficial at this time. Theories into why current marketing strategies are not working are:

- Lack of marketing knowledge and practices or inability to create meaningful campaigns
- SandyNet might have reached market saturation, where marketing provides little marginal benefit

Potential solutions could involve hiring marketing consultants to aid in managing or creating campaigns aimed at new or existing customers.

### **HIRE ADDITIONAL EMPLOYEES**

SandyNet is currently hiring an FTE sooner than the planned date of July, 2022, due to an existing employee going to part time. Should SandyNet have a new FTE, starting in January 2022, this employee would add an additional 0.5 FTE capacity to our crew. Further, this future FTE is expected to be a Telecom Utility Worker, which may increase the capacity for construction and repairs, but would not resolve the issue of short helpdesk/network analysts. Future prospects would include SandyNet hiring a

part time worker to assist with answering phones and or to provide Saturday and potentially Sunday phone support. Such a part time employee would work 25 hours a week or less. Additional alternatives could involve contractor call center support, which could handle general calls after normal working hours.

### **INCREASE SERVICE RATES**

SandyNet's current rates are set by a schedule that was adopted by Council before the Fiber to the Home project began in 2014. The last scheduled rate increase was in 2019, which increased pricing from \$39.95 to \$41.95. Increasing the rate to \$44.95 for the 300Mbps service would allow for an additional \$85,000 of revenue a year. Staff's current recommendation for a rate adjustment involves increasing the price only for the 300Mbps service, and subsequently increasing the speed from 300 to 500 while working toward offering a tier higher than 1000Mbps. Any service offered above 1000 Mbps would require newer Central Office infrastructure and use a technology called XGS-PON or 10-PON.

## ANALYSIS

### MARKET DEMOGRAPHICS

The proposed market identified by this plan is medium to large businesses within Clackamas County, excluding chain businesses and those that would prefer contracts with a larger provider. Potential industries include, but are not limited to:

- Architects, civil engineering or design firms
- Law and legal offices
- Software or technology development companies
- Production studios or video editing or graphic design companies
- Machine, fabrication or industrial shops or offices
- Call centers and office buildings
- Real estate
- Banks
- Auto dealerships

Geographically, the businesses targeted in this plan will reside within Clackamas County. Much of the area is already served by other ISP's, many of which are large and have well-established business markets that are often defined by phone and cable territories, preventing overlap and duplication of services. Prices from competitors vary based on the service medium and location. Competitors pricing of non-shared bandwidth at 1/1Gbps is typically \$250-\$800+ a month.

Many areas only offer businesses with a coax cable connection, creating an asymmetrical upload and download ratio. While a business can download at higher speed, uploads can be bottlenecked by video calls, document uploads or other high traffic applications. Depending on the industry, a fiber optic connection can be greatly beneficial to the customer.

CBX has over 360 miles of fiber optic cable around the county, many of which pass nearby hundreds of potential businesses. Their current route map outlines their mainline and current spurs that are possible to build from, see Exhibit A.



## **COST OF SERVICE**

Typically, the cost for enterprise customers is relatively fixed. Based on the proposed IGA, the responsibilities of County and City have been separated into the fiber operator and service provider.

Generally in an ISP model, providers must provide the following roles:

- Customer Service - Handling support and orders and installations
- Billing - Must be able to send out invoices and collect payments
- Network Operations - Run the network and the equipment
- Outside Plant - Construction, repair and maintenance of any capital assets

While these are general roles, it is possible to split the total cost and responsibilities for a service connection between both parties. As defined within the IGA, CBX would be responsible for the outside plant<sup>1</sup>, meaning that they build, repair and own all the physical fiber optic plant, including but not limited to: fiber optic lines, splice cases, remote cabinets, vaults and pedestals. The outside plant in any deployment tends to cost the most in terms of capital expenditures, but can also be counted as an asset. Because the IGA defines the minimum price and revenue amount received by CBX, separation of its capital and operational costs can simply be deducted from SandyNet's duties and install/operational costs.

The responsibilities of SandyNet would be to offer customer service, billing and handle network operations. SandyNet already has an established model and history of each role, which can be adjusted to accept the roles outlined in the IGA<sup>2</sup>.

Additional information can be found in Exhibit B: the bill of materials (BOM) used for new installations as well as the job cost sheet analysis and activity based costing.

## **INSTALLATION COST**

The exact cost for each installation will vary depending on multiple factors: material prices, which fluctuate based on supply as well as lifecycle and retirement of existing hardware; labor hours required for installation, which include per job travel distances as well as the time it takes to reach the job site; and the type of installation, which may change the equipment needed for the job. Refer to Exhibit B for the table used to determine labor costs.

---

<sup>1</sup> See INTERGOVERNMENTAL AGREEMENT BETWEEN CLACKAMAS COUNTY AND THE CITY OF SANDY § 2

<sup>2</sup> See INTERGOVERNMENTAL AGREEMENT BETWEEN CLACKAMAS COUNTY AND THE CITY OF SANDY § 3

## **NEW CUSTOMER BREAK-EVEN POINT**

For revenue and profit calculations, the cost for a new business fiber customer is averaged to be \$889.28. This number is determined by using an average travel time for an installation of 2.5 hours as well as 1 hour for set up overhead costs. Additionally, the BOM has a credit of \$500, which is the one time installation fee that the customer pays as a set up charge, bringing the costs for installation to \$389.28. The average break even point for a new customer would be 3.5 months. Customers are required to enter into a minimum of a 12 month agreement with SandyNet as to make sure that SandyNet will recoup its costs.

## **OPERATIONAL COSTS**

Recurring costs include those needed to maintain service. The cost breakdown can be found in Exhibit C. There are only a few items worth noting that contribute to the overall cost of an enterprise business customer:

**IP Addresses** - Public IP addresses are required for business service and must be owned by and operated by the ISP. The cost for an IPv4 address rises every day as IPv4 exhaustion has continued as the transition to IPv6 slowly continues to grow. As of August of 2021 the price for a single public IPv4 address is roughly \$42. IP addresses can be reused if a customer cancels, making the average cost built into the revenue model at \$2 a month.

**IP Transit Costs** - Transit costs are the cost for SandyNet to purchase upstream bandwidth from major carriers. Each connection typically adds 10Gbps of throughput to the overall available ISP bandwidth. Using historical information from 9 business fiber customers (mostly heavy users), the average traffic came to 5.25 TB of total data transmitted each month. Each 10G connection can handle up to 3240 TB of traffic per month, allowing SandyNet to technically add up to 617 customers per 10G connection. Due to the stochastic nature of ISP traffic and download times, peak data transfer can vary and sometimes spike above 10Gbps. SandyNet already maintains a cushion of extra capacity to handle unexpected spikes in traffic. Realistically a 10GB connection should be added after achieving 40-50% link saturation during peak hours, resulting in about 200 customers per 10G connection. The price for this model comes out to \$5 a month. As more upstream connections are made, the ability to handle spikes and heavy traffic loads continues to increase as well. The amount of traffic should note that while the upstream bandwidth is shared between business and residential customers, the traffic patterns often

complement each other. Typically from 6am to 5pm, ISP traffic is business heavy, and after 5pm, becomes residential heavy as businesses close up for the day. Transit costs typically decrease over time, however it is reflected in Exhibit C, that a 3% inflation cost increase occurs each year.

**Datacenter Costs** - These include the cost to run equipment as well as the cost of electricity. Costs for equipment can be broken down into cost per port for equipment over a five year model, located in Exhibit C. The price for power is estimated at being less than \$4 a month per customer, bringing the Datacenter costs to \$18 a month. The price for hardware fluctuates based on total utilization of the hardware. Exhibit F shows that the price is higher on the stand alone unit breakdown over the lifespan of the device, however if the equipment is introduced after 34 existing customers, the average price per port drops to less than \$11, beating the projections for the \$14 port cost (DC Cost \$18 - \$4 electricity = \$14 port cost). The port cost does not need to include any calculation for inflation, and electricity cost should be adjusted 3% annually, as reflected in Exhibit C.

Total average operational costs per business customer are \$15 until 34 customers are reached. The average operational costs are \$25 a month per business customer after 34 existing customers and purchase of new hardware.

## **TARGET MARKET PLAN**

With no additional infrastructure added to the SandyNet system, this business plan can utilize existing hardware with an excess of resources or ports. Excess includes equipment ports on already owned assets and in their current state, have no active plans to be used. This could include equipment that actively sits in remote locations for customers or connectivity. Multiple locations already exist where an excess of resources can be utilized, offsetting some datacenter and equipment costs.

Given the current equipment that is in production, SandyNet currently has enough excess ports in locations relevant to this project to add 34 customers before it needs to purchase additional data center equipment. SandyNet currently has enough excess bandwidth to add 30-40 customers before additional bandwidth would be required. Removing ports and bandwidth costs from the operational costs drops the monthly cost for operations to \$15 per customer.

After 34 customers, additional equipment will need to be purchased for the project, bringing the operational costs up to \$25 a month per customer, with the intent of reaching 90 customers in five years

(see Exhibit D). The decision and time to implement new hardware will introduce a new level of fixed capacity that will drive the need and adjustments of the marketing plan.

After reaching 90 customers, costs would shift again, which would incur additional infrastructure and bandwidth costs. Cost of IP addresses would also increase over time. Operational costs would need to be reassessed after 90 customers are added to the system.

## **MARKETING PLAN**

Marketing plays a key role in SandyNet planning and capacity. After purchasing new equipment to increase network capacity, ports must be filled to make daily operations profitable. Marketing also plays a key role in the yield management of the project. In addition to physical ports and hardware capacity, marketing must be managed to help level the capacity of the service requests queue, so as not to divert already allocated resources from other SandyNet operations. With the intent of leveling capacity over time, marketing will be used to manage the demand, rather than chase it. This will allow SandyNet to forecast demand and help normalize the arrival rate of new customers in the ordering/set up queue.

Clackamas County's Economic Development Department has access to business names, and locations that can allow SandyNet to identify potential new businesses. Using GIS data, SandyNet can easily create relevant campaigns to customers that may benefit from the service.

Engaging a marketing vendor may prove to be the most effective solution. If rendered, these services would greatly benefit already existing SandyNet ventures, which may allow for excess resources to be used towards adding businesses while keeping marketing expenses low.

## **EXPECTED BENEFITS**

The ability to target medium and larger businesses would help SandyNet add a mixture of different business levels into its network over a larger geographic area. Benefits of this include the potential to upsell additional services, as well as diversify business market offerings. Advancing to larger tiers of service often results in a reduced number of truck roles or technician site visits by defining a more specific definition of responsibilities between the customer and provider. Responsibilities are laid out in the Master Service Agreement (MSA), which defines the ISP and customer duties. Aside from providing a lit service and hand off location, the customer generally engages another party or operates an in-house department that will complete and manage the connection to the service providers. SandyNet's

responsibilities are to provide a reliable connection and exceptional support leading up to the customer demarcation.

A successful deployment could help in providing additional staff or contractors for after hours or weekend support. This can include phone support as well as service technician support. These actions can help move SandyNet out of its current hours of operation to potentially offer weekend installs of residential customers as well as response to business calls in either a live or voicemail/call back support option.

The additional revenue generated by business customers creates a cash flow that originates outside of Sandy city limits that can be leveraged to assist SandyNet in paying off its debts, subsidize residential and business service within city limits, and help in achieving the City Council goal of making SandyNet self-sustaining.

## **RISKS**

### **INSURANCE/TRAVEL RISKS**

The increased number of miles traveled can result in increased risk for SandyNet employees. Risk of traffic-related accidents and injuries increase, as well as wear and failure of vehicle parts. Upon assessment with Administration, it was determined that these increased risks had minimal monetary impact on already existing insurance rates. Additional costs and maintenance should be noted as additional overhead. A focus on safety and preventive maintenance is the best way to help mitigate these risks.

### **LIABILITY**

Potential liability from damage or personal injury is always a risk. Failing hardware can cause business disruptions, fires, electrocution, and harm from lasers. Proper installation of equipment is essential to reducing these risks. Proper testing of electrical components, securing fiber and placing equipment in appropriate locations decrease environment hazards as well as tripping and safety hazards. Grounding of electrical equipment can prevent fires or harming techs and employees. By following correct installation procedures, the risk can be minimized to a manageable level.

### **MISSED MARKET TARGET**

Failure to achieve the target customer goal can result in decreased profits and higher operational costs for each customer. While some factors in determining the number of active or new customers may be out of SandyNet's control, the ability to decide whether to continue expansion or to back out of the IGA, as defined in section 6 of the IGA, allows SandyNet to prevent or recover from losses should they arise<sup>3</sup>.

### **STAFF CONCERNS**

Staffing is always a potential risk. As the number of customers increases, the customer must rely more on existing staff. Failure to meet service, business projects, and operation demands can result in lower customer service responsiveness and effectiveness. Proper staffing and capacity planning of current staff should allow for the ability to respond to the stochastic arrival rate of service orders and support requests with a high level of confidence. It should also allow for minimal or no impact on support in the event of employee departure or termination.

---

<sup>3</sup> See INTERGOVERNMENTAL AGREEMENT BETWEEN CLACKAMAS COUNTY AND THE CITY OF SANDY § 6

## **IGA RENEWAL FAILURE**

The early termination or failure to renew an IGA with Clackamas County can result in loss of existing customers and revenue. Depending on the previous level of commitment, purchases related to the project may cause financial risk. Equipment can most likely be sold in the event that termination of the agreement between SandyNet and CBX were to occur before five years. Additional staffing concerns may result in higher idle worker time, leading to unnecessary employee costs, which would require reallocation of duties or potential reduction of hours or workforce.

## **CUSTOMER RESPONSIVENESS**

In the short term, risk of decreased customer responsiveness could occur. A larger rate of support requests or unplanned work can delay responsiveness to customers. Appropriate capacity planning and network design can help reduce the risk of unplanned outages. Unplanned work, if unmanaged, will cause a decrease in CSR responsiveness and quality of service. One common remedy is to implement cross-training between employees, which would allow SandyNet employees to quickly reassign labor to areas of need, reducing the risk of delayed customer support responsiveness.

## **EXCESS SUPPORT COSTS**

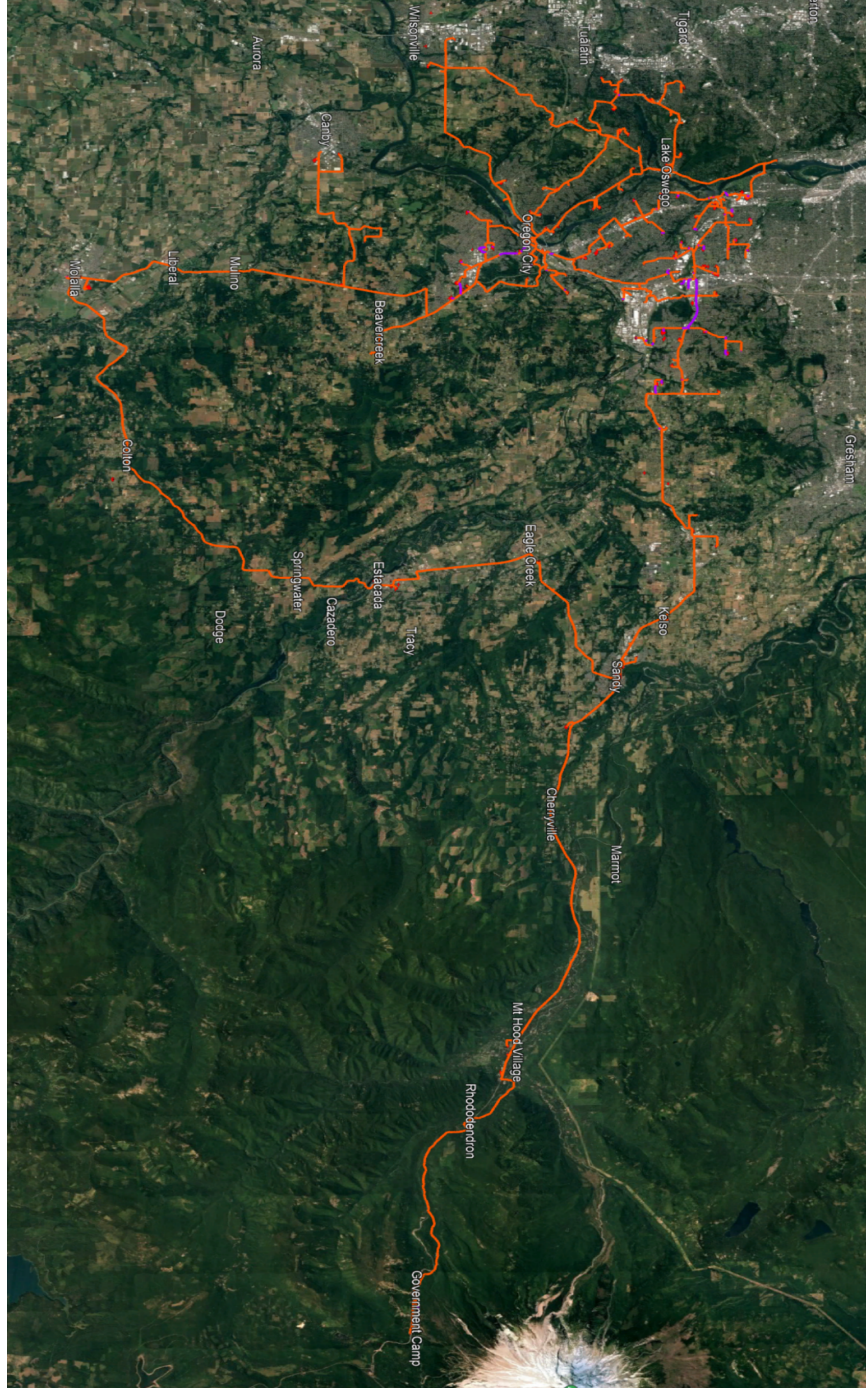
One major risk of margin creep is the cost and excess number of truck rolls. A truck roll is defined as the action of sending a technician to visit a location and resolve or diagnose a problem. Depending on the location, a single truck roll may cost a month to two months profit. Because a truck roll can cause support costs to increase and take more staff time than a typical customer, it is key to prevent truck rolls when possible. Truck rolls are most commonly used for investigating a support issue or resolving an issue such as equipment failure. Reducing the number of failure points in SandyNet's responsibilities is the most cost effective way to identify an appropriate situation requiring a truck roll. Using common hardware with active monitoring techniques, hardware failure should be predictable and support issues should be visible and correctable using data and information gathered from the equipment. Processes and procedures should be optimized to help CSRs and techs best determine when a truck roll is necessary. See Exhibit E for labor and overhead costs related to an average predicted truck roll.

## **RECOMMENDATION**

The IGA has been reviewed and approved by the City Attorney. The Business plan and IGA were reviewed and recommended by the SandyNet Advisory Board on November 18th, 2021. Staff respectfully recommends City Council approval of the IGA between the City of Sandy and Clackamas County.



# EXHIBIT A - CBX NETWORK MAP



**EXHIBIT B - ACTIVITY-BASED COSTING ANALYSIS**

**Direct Materials for Single Business Installation**

Item	Qty	Cost	Total
WS-C2960G-8TC-L	1	\$300	\$300
Power Cord (Included with switch)	1	-	-
C(17-61) DWDM-SFP-6386-80 Compatible 1000BASE 80km DOM	2	\$200	\$400
1m LC UPC to LC UPC Duplex OS2 Patch Cable	3	\$4.30	\$12.90
5ft Cat6 UTP Ethernet Patch Cable	1	\$3.20	\$3.20
Install Fee	1	\$(500)	\$(500)
			<b>\$216.1</b>

**Direct Labor for Single Business Installation (Total compensation)**

Activity	Hours	Cost Per Hour	Total
Average Travel Time	2	\$39.80	79.6
Average Installation Time	0.5	\$39.80	19.9
			<b>\$119.4</b>

**Overhead Costs (Operational and Administrative)**

Activity	Qty	Cost	Total
IT Analysis Overhead	0.25 Hours	\$64.36	\$16.09
Network Engineer Overhead	0.5 Hours	\$62.58	\$31.29
Vehicle Fuel Costs	2 Gallons	\$3.2	\$6.4
			<b>\$53.78</b>

**EXHIBIT C - RECURRING OPERATIONAL COSTS PER CUSTOMER**

**Monthly OP-EX**

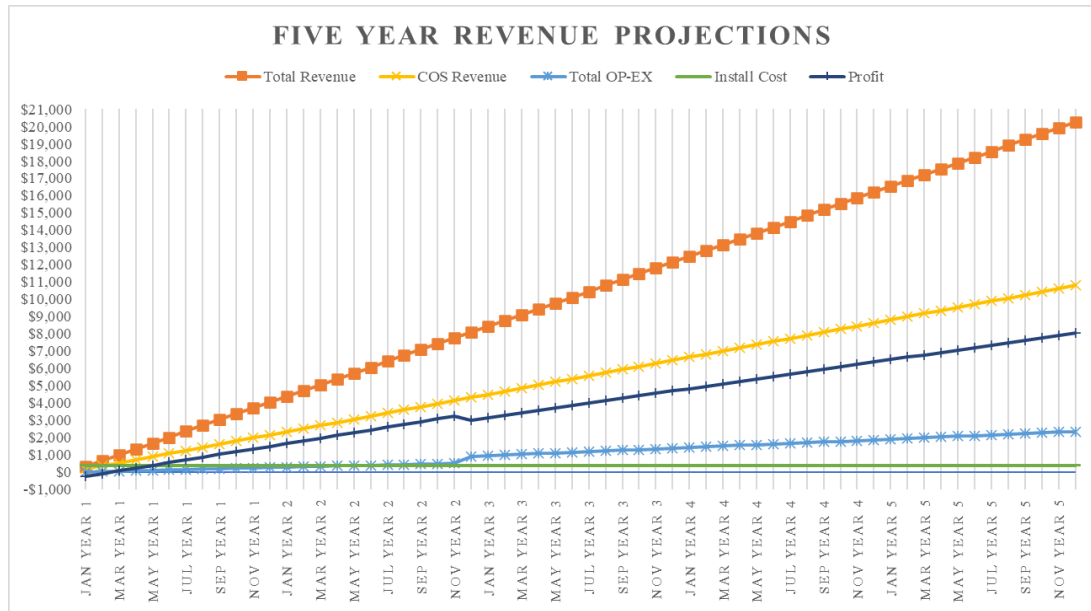
Item	Qty	Cost	Total
IP Address	1	\$2	\$2
IP Transit Costs	1	\$5	\$5
Data Center Costs	1	\$18	\$18
			<b>\$25</b>

**OP-EX Monthly/Annually (Adjusted for Inflation)**

Time	Monthly OP-EX	Annual OP-EX
Year 1	\$ 25.00	\$ 300.00
Year 2	\$ 25.27	\$ 303.24
Year 3	\$ 25.55	\$ 306.58
Year 4	\$ 25.83	\$ 310.01
Year 5	\$ 26.13	\$ 313.55

### EXHIBIT D - PROJECTED REVENUES

Revenue	\$225
CBX Cost	\$105
Operational Costs	\$15 per customer, up to 34 customers. \$25 after 34 customers.
Installation Costs	\$389.28
Installs Per Month	1.5



Total OP-EX is adjusted for 3% inflation for electricity and transit costs

**EXHIBIT E - SUPPORT COSTS**

**Direct Labor Required in Support Costs with Truck Roll**

Activity	Hours	Cost Per Hour	Total
Average Travel Time	2	\$39.80	79.6
Average Installation Time	0.5	\$39.80	19.9
			<b>\$119.4</b>

**Overhead in Support Costs with Truck Roll**

Activity	Qty	Cost	Total
IT Analysis Overhead	0.10 Hours	\$64.36	\$6.5
Network Engineer Overhead	0.10 Hours	\$62.58	\$6.3
Vehicle Fuel Costs	2 Gallons	\$3.2	\$6.4
			<b>\$19.2</b>

## EXHIBIT F - COST BREAKDOWNS

### New Equipment (Cisco Nexus 9k)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
SmartNet Costs	\$1,512.00	\$1,587.60	\$1,587.60	\$1,587.60	\$1,587.60	\$1,587.60	\$ 9,450.00
Utilized Ports (Customers)	18	36	54	72	90	90	
Depreciation	\$8,016.00	\$8,016.00	\$8,016.00	\$8,016.00	\$8,016.00	\$8,016.00	\$ 48,096.00
Utilized Port OP-EX	\$ 445.33	\$ 222.67	\$ 148.44	\$ 111.33	\$ 89.07	\$ 89.07	\$ 184.32
Monthly Utilized Port OP-EX	\$ 37.11	\$ 18.56	\$ 12.37	\$ 9.28	\$ 7.42	\$ 7.42	\$ 15.36

### Average Port Cost Per Month Adjusted for 34 customers before purchase and transition

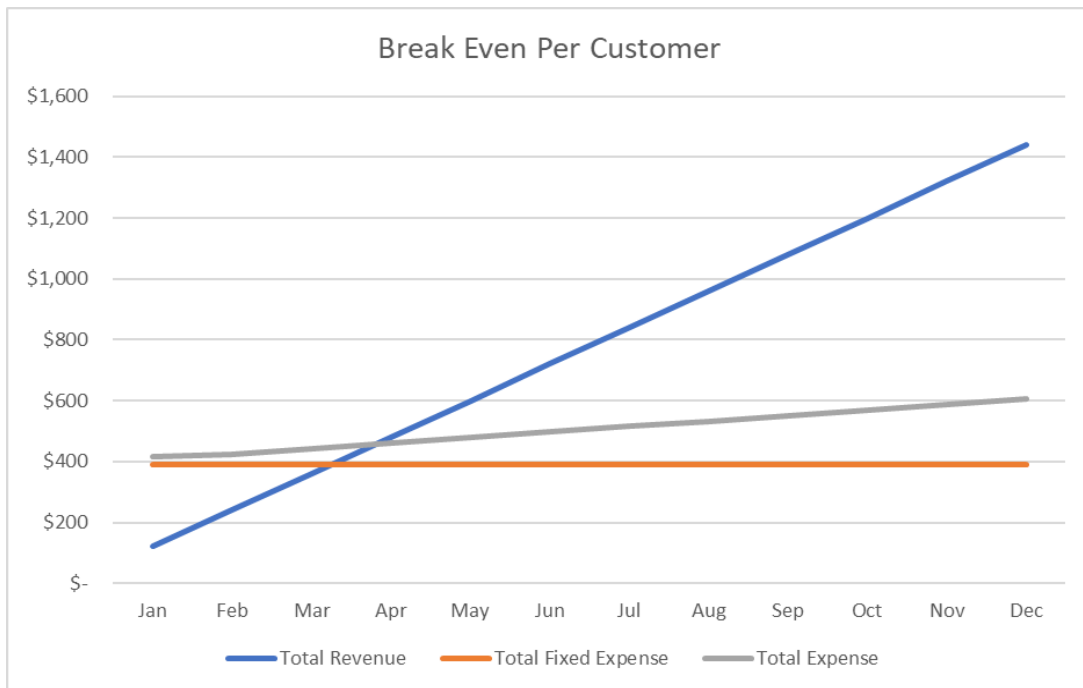
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
SmartNet Costs	\$1,512.00	\$1,587.60	\$1,587.60	\$1,587.60	\$1,587.60	\$1,587.60	\$ 9,450.00
Utilized Ports (Customers)	34	52	70	90	90	90	
Depreciation	\$8,016.00	\$8,016.00	\$8,016.00	\$8,016.00	\$8,016.00	\$8,016.00	\$ 48,096.00
Utilized Port OP-EX	\$ 235.76	\$ 154.15	\$ 114.51	\$ 89.07	\$ 89.07	\$ 89.07	\$ 128.61
Monthly Utilized Port OP-EX	\$ 19.65	\$ 12.85	\$ 9.54	\$ 7.42	\$ 7.42	\$ 7.42	\$ 10.72

### Bandwidth Cost for Single 10G connection

Customer	Monthly Usage (TB)
AE Fiber Customer 1	1.45
AE Fiber Customer 2	0.7
AE Fiber Customer 3	16.26
AE Fiber Customer 4	0.6
AE Fiber Customer 5	1.4
AE Fiber Customer 6	0.8
AE Fiber Customer 7	2
AE Fiber Customer 8	14
AE Fiber Customer 9	10
Average TB	5.245555556
10G Transit	\$ 800.00
TB download per month	3240
Cost of a 10G circuit per customer per month	\$ 1.30

**Break Even Point Per Customer**

		Total Revenue	Opex	Total Fixed Expense	Total Expense
1	Jan	\$ 120.00	\$ 25.00	\$ 389.28	\$ 414.28
2	Feb	\$ 240.00	\$ 36.00	\$ 389.28	\$ 425.28
3	Mar	\$ 360.00	\$ 54.00	\$ 389.28	\$ 443.28
4	Apr	\$ 480.00	\$ 72.00	\$ 389.28	\$ 461.28
5	May	\$ 600.00	\$ 90.00	\$ 389.28	\$ 479.28
6	Jun	\$ 720.00	\$ 108.00	\$ 389.28	\$ 497.28
7	Jul	\$ 840.00	\$ 126.00	\$ 389.28	\$ 515.28
8	Aug	\$ 960.00	\$ 144.00	\$ 389.28	\$ 533.28
9	Sep	\$ 1,080.00	\$ 162.00	\$ 389.28	\$ 551.28
10	Oct	\$ 1,200.00	\$ 180.00	\$ 389.28	\$ 569.28
11	Nov	\$ 1,320.00	\$ 198.00	\$ 389.28	\$ 587.28
12	Dec	\$ 1,440.00	\$ 216.00	\$ 389.28	\$ 605.28





**EXHIBIT G - SERVICE ORDER/SANDYNET TRANSIT AGREEMENT**



**SERVICE ORDER AGREEMENT**

Contact Info	Contract Terms
Greg Brewster - General Manager <a href="mailto:gbrewster@ci.sandy.or.us">gbrewster@ci.sandy.or.us</a>  39250 Pioneer Blvd Sandy, OR 97055  Phone: 503.668.2923	Service Term: 3 Years Quote Date: 2/23/21 Effective Date: Effective upon service activation

Customer Billing Address	Service Address/Demarc	Customer Contact Info
TBD	TBD	Title - Name Email/Phone

Recurring Monthly Fees			
QTY	Item	Description	Price
1	ISP Access	ISP Service	\$225
5	Static IP	Static IP Addresses	\$10

Total Monthly Recurring	\$235
-------------------------	-------

Non-Recurring Fees			
QTY	Item	Description	Price
1	Equip/Install	Equipment installation and Service Turn-up	\$500

Total Non-Recurring	\$500
---------------------	-------

SandyNet hereby submits the above service order to Customer. It is not effective until signed by Customer. If this service order is not accepted by Customer within 30 days of the date set forth above, all pricing, dates, and terms are subject to change. All prices listed exclude any applicable taxes. Customer hereby warrants that such individual is a signatory for the Customer and authorized to accept services on their behalf.

By signing below you agree and understand that this Service Order is subject to the terms of the Master Service Agreement Terms and Conditions for Delivery of Service as executed between SandyNet and you the Customer. You agree to comply with this Service Order within 30 days of the date set forth above. All changes must be in writing. Any changes may result in a new installation date and additional charges.

- Signatures on Following Page -

**Customer**

**SandyNet**

\_\_\_\_\_  
Authorized Customer Signature      Date

\_\_\_\_\_  
SandyNet Signature      Date

\_\_\_\_\_  
Print

\_\_\_\_\_  
Print

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

**City of Sandy - SandyNet  
Master Service Agreement  
Terms and Conditions for Delivery of Service**

**This Master Service Agreement (the "Agreement") between City of Sandy ("SandyNet") and <Customer Name> ("You" or "Customer") shall govern the services SandyNet has contracted to provide to you under the Service Order Form(s) ("Order Form") executed by you.**

**Master Service Agreement Term.** The term of this Agreement commences on the execution date of this agreement as outlined below and continues through the latest expiration date of all Order Form Term(s) subject to this Agreement, unless earlier terminated as provided herein.

**Service Term.** The initial term ("Initial Term") of each service commences on the Effective Date indicated on the Order Form and shall continue until the end of the Service Term as defined on the Order Form. After expiration of the Initial Term, each service shall automatically renew on a 12 month basis ("Renewal Term") unless written notice is given by either party no sooner than one hundred and twenty (120) days and at least thirty (30) prior to the expiration of the Initial Term if no TPF (third party fees charged to SandyNet for transmitting your data through networks controlled by third-parties ("Third Party Networks")) or ninety (90) days prior to the expiration of the Initial Term if TPF is utilized.

**Service.** SandyNet agrees to provide you services as specified on the Order Form for the Term outlined in this agreement. Services provided by SandyNet may include, but are not limited to; IP version 4 and version 6 transit (Internet access), colocation, private line (any point to point service delivered via any media), and voice services. SandyNet agrees to provide its services to you from the point at which SandyNet's network connects to your network, hereafter referred to as the "DEMARC" as specified on the Order Form, this "DEMARC" may or may not be located on your premises but will always have the unified characteristic of being dedicated exclusively to a single party which is you. The Service Level Agreement ("SLA") which you have signed with SandyNet for each connection leading up to your DEMARC outlines the performance and reliability specifications of SandyNet's service to be provided and is incorporated in this Agreement by this reference. You have been advised and understand that SandyNet's service relies on and is limited by the inherent shared nature of the internet and that SandyNet will use its actual best efforts to provide you with the highest speed at which data will pass through networks controlled by third-parties reasonably available. SandyNet will provide all equipment ("Equipment") and installation services up to and including your "DEMARC" point, but will not be responsible for configuration beyond the "DEMARC."

**Customer Equipment Configuration.** It is understood that under the terms of this Agreement, SandyNet is under no obligation to configure any of your equipment. All configurations of your equipment, including Border Gateway Protocol ("BGP"), router configurations, and the like are your sole responsibility. At its discretion SandyNet may, but is not required to, assist you in configuring your equipment to utilize SandyNet's service. Any assistance which SandyNet may provide to you is on an "as is" basis without warranty of any kind.

**Invoicing.** You agree to pay all fees and other charges billed to your account as set forth herein. Services will be billed by SandyNet in arrears on the fifteenth day (15th) of the month in which the service is to be used, and prorated for any portion of such month. The invoice on the fifteenth of the month will include any base service charges for the previous month along with any additional usage charges above the customer's base service charges in the previous month. Payment is due, and must be received by SandyNet, by the fifth (5th) day of the month following the month in which the invoice was sent.

**Late Fees and Non-Payment.** In the event SandyNet does not receive any undisputed payment in full when due (and disputes must be made in good faith), the following will be charged to your account: (i) A two hundred fifty dollar (\$250) service late fee; (ii) a fee equal to thirty percent (30%) of the third party fees charged to SandyNet for transmitting your data through networks controlled by third-parties "loop fee;" and interest on the outstanding balance due SandyNet at the rate of 1% per month. SandyNet reserves the right to temporarily suspend your service in the event that your account becomes 30 (thirty) or more days past due. Service will not be re-activated until the outstanding balance, including any late fees, is paid in full.

**Activation Fees.** You are required to provide SandyNet with any setup or activation fees, as set forth in the Order Form, which will be invoiced upon execution of the Order Form. SandyNet will not provide any service until such fees have been paid in full.

**Billing Cycle Commencement.** Monthly recurring fees will commence billing within forty eight (48) hours of SandyNet providing a live DEMARC to the customer. Fees will be prorated based on the effective date and any prepaid fees for the first month of service, unless otherwise noted on the Service Order Form. In the event you are unable to turn up service within forty eight (48) hours of having been provided a live DEMARC, SandyNet may provide up to a maximum thirty (30) day Billing Grace Period before commencing recurring billing. You must notify SandyNet in writing of the need to delay the service effective date within forty eight (48) hours of SandyNet providing you a live Demarc. SandyNet will maintain your live DEMARC, making it available to activate service at any time during the Billing Grace Period. Your service term Effective Date will be the date you activate the service during the Billing Grace Period or the date when the Billing Grace Period expires.

**Equipment.** You acknowledge and agree that: (i) SandyNet is the owner of all Equipment and intellectual property rights related to SandyNet's services to be delivered to you pursuant to this Agreement; and (ii) SandyNet has not granted you any rights or licenses to such Equipment or intellectual property except as contained in this Agreement. In exchange for the use of such equipment, you accept full responsibility for Equipment located on your premises and agree to pay the full replacement cost for any Equipment that is lost, stolen, damaged, sold, transferred or in any other way not returned in working order to SandyNet upon termination of this Agreement

**Access to Equipment.** By signing the Order Form, you agree to allow SandyNet personnel, and independent contractors acting on behalf of SandyNet, reasonable access to your premises for the purpose of installing, repairing, and removing SandyNet Equipment. In the event your premises are leased from a third party, you also agree that you have obtained or will obtain appropriate authorization from your landlord for (i) the placement of Equipment on your premises and (ii) reasonable access to SandyNet personnel and independent contractors to install, repair, and remove Equipment.

**Use and Abuse of Services.** You understand and agree that services provided to you by SandyNet may only be used for lawful purposes; that you are fully responsible for any data or traffic originating from your customer IP connections; and to assist SandyNet in investigating all uses not permitted by this Agreement ("Abuses") which SandyNet believes have originated from your customer IP connections. Abuses include, but are not limited to (i) transmission of unsolicited bulk email ("SPAM"), (ii) transmissions from computers involved in DOS and ddos attacks, IRC bots, (iii) illegal "Hacking" activity and (iv) any other activity which is generally defined by the global internet community as malicious or illegal. Furthermore, if you are utilizing BGP to exchange routing information with SandyNet, you represent and warrant that you have the requisite authority to "route" any IP address space to which you are announcing via our network to the Global Internet. You also understand that while SandyNet makes an effort to properly filter announcements, you are responsible for all liability resulting from your actions including the incorrect or malicious announcement of a third party's IP address space.

**Maintenance.** Upon reasonable prior written notice, SandyNet reserves the right to interrupt service for routine maintenance at such times as may be reasonably necessary. You agree that except as set forth in the SLA under "Credit for Loss of Service", SandyNet will not be liable to you for any consequences of any interruptions to the service, which may render you unable to access the Internet.

**Force Majeure.** You acknowledge that both parties ability to comply with its obligations hereunder may be impeded by events or actions outside of such party's reasonable control, including, without limitation, acts of God, floods, fires, hurricanes, earthquakes, acts of war, labor actions, failure of third party suppliers, changes in applicable laws and regulations, or any similar action or event ("Force Majeure"). Both parties agree that in the event of a Force Majeure, the party affected shall not be responsible for any failure to meet its obligations for the duration of the Force Majeure. SandyNet agrees if such an event precludes SandyNet from providing service, you will not be liable for payment of the fees otherwise due under this Agreement.

**Termination.** You are entitled to terminate this Agreement at any time upon thirty (30) days advance written notice except where SandyNet utilizes third party facilities for delivery of your services ("TPF") as indicated on your Order Form in which case you may terminate this Agreement upon ninety (90) days advance written notice (except in the case of your termination due to chronic problems (as described in the SLAs), failures to meet services levels or SandyNet's breach of this Agreement, in which case this ninety (90) day notice requirement does not apply). Termination notice must be sent to SandyNet via US Post or certified mail, or email provided confirmation of receipt is acknowledged, and will be effective on the third day following any such mailing. However, if there is any remaining contract term on this Agreement (except in the case of your termination due to chronic problems (as described in the SLAs), failures to meet services levels or SandyNet's breach of this Agreement, in which case the following does not apply), you will remain responsible for 100% of the loop fees, location charges, and minimum service fees for the remaining duration of the contract, which shall become immediately payable on the termination date which unpaid amount shall be subject to interest at the rate of 1% per month if not fully paid within thirty (30) days. These "loop fees," "location charges" and "minimum service fees" are the charges associated with the actual DEMARC point to the customer and form the basis for cost recovery on dedicated facilities and thus, may not be canceled until the end of the contract term, except as otherwise set forth above. You understand and agree that SandyNet may terminate this Agreement at any time with written notice delivered to you via US Post thirty (30) days prior to termination, which notice will be effective on the third day following any such mailing. Termination of this Agreement by SandyNet will not affect your continuing responsibility for all fees relating to your account prior to the date of termination.

**Indemnification and Liability Release.** You and your agents, successors and/or assignees expressly agree to indemnify and release SandyNet, its affiliates, subcontractors, suppliers, agents, employees, successors and assignees from any liability for any claims, losses, actions, damages, suits or proceedings arising out of or otherwise relating to your installation and/or your use of SandyNet's services and/or Equipment in violation of this Agreement. Furthermore both parties hereby release the other from any liability resulting from use of content on the internet or any other network to which a party connects but is not in control of.

**Warranty Limitations.** SandyNet warrants only that it shall, subject to the terms and conditions of this Agreement, provide you with the service contracted for. YOU AGREE THAT THE SERVICE AND EQUIPMENT ARE BEING PROVIDED "AS AVAILABLE" AND "AS IS," WITH ALL FAULTS ACCEPTED. SANDYNET MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, OF ANY KIND, INCLUDING BUT NOT LIMITED TO WARRANTIES OF TITLE, NONINFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. SANDYNET MAKES NO WARRANTIES WITH RESPECT TO (i) THE EQUIPMENT, OR (ii) THE SERVICES PROVIDED BY ANY THIRD PARTY. SANDYNET SHALL HAVE NO LIABILITY FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES OR ANY LOSS OF REVENUE OR PROFITS ARISING UNDER OR WITH RESPECT TO THIS AGREEMENT, EVEN IF SANDYNET IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHER, BOTH PARTIES' AGGREGATE LIABILITY ARISING UNDER OR WITH RESPECT TO A CLAIM UNDER THIS AGREEMENT SHALL IN NO EVENT EXCEED THE TOTAL AMOUNT OF FEES PAID OR PAYABLE TO SANDYNET IN ANY SINGLE MONTH UNDER THIS AGREEMENT.

**Entire Agreement.** This Agreement, the Order Form, the SLA and any exhibits, addenda and/or amendments signed by both parties, shall constitute the entire understanding of the parties related to the subject matter hereof. In the event of any conflict between either: (a) the Order Form and this Agreement; and/or (b) any Customer purchase order, the Order Form and this Agreement, the terms and conditions of this Agreement shall control.

**Arbitration.** This Agreement shall be governed by and construed in accordance with the substantive laws of the State of Oregon and the United States of America, without regard to their principles of conflicts of law. You agree that any legal action or proceeding relating to your use of SandyNet's service shall be settled totally and finally by arbitration in Clackamas County, Oregon or such other location as SandyNet prescribes, in accordance with the Federal Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association or expiration of the Agreement.

**No Waiver.** The failure of either party at any time to enforce any right or remedy available to it under the Order Form, this Agreement, or the SLA with respect to any breach or failure by either party shall not be construed to be a waiver as such right or remedy with respect to any other breach or failure by either party.

**Attorney's Fees and Cost of Collection.** In any dispute whether or not suit is filed including but limited to costs incurred prior to any action, during said action and appeal and collection of any judgment of said action arising out of this Agreement, the substantially prevailing party shall be entitled to an award of its reasonable attorneys' fees and other costs incurred therein.

**IP Address Allocation.** IP address allocations are made for dedicated capacity circuits based on established standards as defined by ARIN, the American Registry for Internet Numbers. SandyNet makes allocations based on these reasonable standards and reserves the right to request justification for IP address assignments larger than a /29 subnet (8 addresses) of globally routable IP addresses. Such justifications may require a host-count and/or a plan network map to be provided to SandyNet prior to the allocation of IP address resources. Once the customer reaches a full /24 (256 addresses) SandyNet reserves the right to refuse the allocation and direct the customer to ARIN for a direct allocation.

**SandyNet  
Dedicated Capacity Service Level Agreement**

This Service Level Agreement (“SLA”) supplements the Terms and Conditions for Delivery of Service and your Service Order Form, which are incorporated herein by this reference. This SLA defines the SandyNet (“SandyNet”) service performance standards. This SLA will become effective on the first day following installation of SandyNet’s service.

This SLA applies exclusively to SandyNet’s Shared Network Backbone which is exclusively owned and operated by SandyNet and does not cover any local loop or service provided via that local loop to your premise where the local loop is owned and operated by a third party. In the event where services are delivered to the your premise via a single local loop owned and operated by a third party provider SandyNet will extend the same SLA terms provided by that specific third party provider to you. If your local loop consists of multiple, redundant local loops to your premise which are owned and operated by a third party SandyNet’s SLA outlined below will apply.

**Technical Support**

SandyNet supports and monitors its service up to the demarcation point where the border router connects to your computer (“DEMARC”), via ICMP echo-reply packets, every 120 seconds, 24 hours per day. The SandyNet Network Operations Center (“NOC”) is available 24 hours per day for support. Once a customer ticket is opened with the NOC, either through monitoring alarm or you report trouble to NOC staff, any outage SLA credits will begin to accrue.

**Performance Standards**

If SandyNet’s network is not performing as described herein, you are entitled to a service credit with an upper limit of the amount billed by SandyNet networks, excluding third party fees charged to SandyNet for transmitting your data through networks controlled by third-parties (“Third Party Networks”).

**Latency, Packet-loss, Jitter and Network availability**

Network Latency: SandyNet network delivers no more than 25ms of intra-state latency within the shared network backbone<sup>1</sup> between the aggregation router to which the your local-loop<sup>2</sup> is connected and SandyNet’s network transmits your data though Third Party Networks. Packet loss: SandyNet’s standard is no more

than 0.5% packet loss across the shared network backbone, from the aggregation router to which the your local-loop is connected and SandyNet’s network transmits your data though Third Party Networks. Packet loss in excess of 0.5% constitutes a service outage. Jitter: The SandyNet Networks network will provide jitter of less than 3 ms between any two nodes on the network backbone; jitter in excess of this 3 ms threshold constitutes a service outage. Network availability: SandyNet’s shared network backbone availability in any given month is 99.99%.

**Sole remedy for Loss of Service**

Your exclusive remedy for loss of service from SandyNet is limited to reinstatement of service and a credit for the period of lost connectivity. Credits will be paid for SandyNet network outages resulting in a continuous loss of connectivity as set out below:

Network service outage exceeding 2 hours: 5% of monthly-billed IP services. Network service outage exceeding 4 hours: 10% of monthly-billed IP services. Network service outage exceeding 6 hours: 15% of monthly-billed IP services.

for every additional 4-hour incremental network outage, you shall be entitled to receive an additional 5% of monthly-billed base service credit up to the monthly 100% maximum credit limit.

The period of lost service shall be determined by records kept by SandyNet at its NOC and based on ICMP ping packets to the customer DEMARC.

**Chronic Outage**

Customer shall have the right to terminate the Agreement in the event of any Chronic Service Quality Problem (as hereinafter defined) upon thirty (30) days written notice to SandyNet. As used herein, the term “Chronic Service Quality Problem” shall mean: (i) any one Interruption (as defined in the SLA) lasting more than seven (7) days at a particular Service Location or (ii) five (5) or more Interruptions (as defined in the SLA) at a particular Service Location, with each Interruption lasting at least thirty continuous minutes, in any thirty day period. For the purpose of applying this provision, Customer must document in writing (through the opening of a trouble ticket) the Interruption with SandyNet promptly. In the event of a termination for a Chronic Service Quality Problem, Customer only shall be responsible for the payment of charges for the Service incurred prior to the termination date.

**Other Credits**

SLA credit is capped at 20% of the base service amount for issues relating to port or router failures on SandyNet owned equipment which result in the failure of you local-loop. This does not apply if you have multiple local-loops feeding into diverse routers, nor does it apply to any failures inside the shared network backbone.

SLA credit is capped at 20% of the monthly fee.

**SLA Credit Exclusions**

SLA credits do not apply to third party fees charged to SandyNet for transmitting your data through local-loop connections provided by Third Party Networks.

1 The shared network backbone consists of the routers and circuits which are under exclusive control of SandyNet but not dedicated for the use of a specific customer.  
2 Your local-loop consists of circuits, microwave, fiber and/or leased lines that are exclusively used by you for your connection to the shared network backbone.  
3 Packet-loss is measured end-to-end using ICMP-echo-reply packets; failure of these test packets to return indicates packet loss. Failure of SandyNet owned routers to respond to ICMP-echo-reply packets does not indicate Packet-loss as the routers rate-limit ICMP. Only end-to-end tests are accepted for SLA credits.

**SIGNATURE PAGE TO FOLLOW**

IN WITNESS WHEREOF, the parties hereto have executed this agreement this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

SANDYNET.

By: \_\_\_\_\_

Print: \_\_\_\_\_

Title: \_\_\_\_\_

CUSTOMER:

By: \_\_\_\_\_

Print: \_\_\_\_\_

Title : \_\_\_\_\_

**Variables**

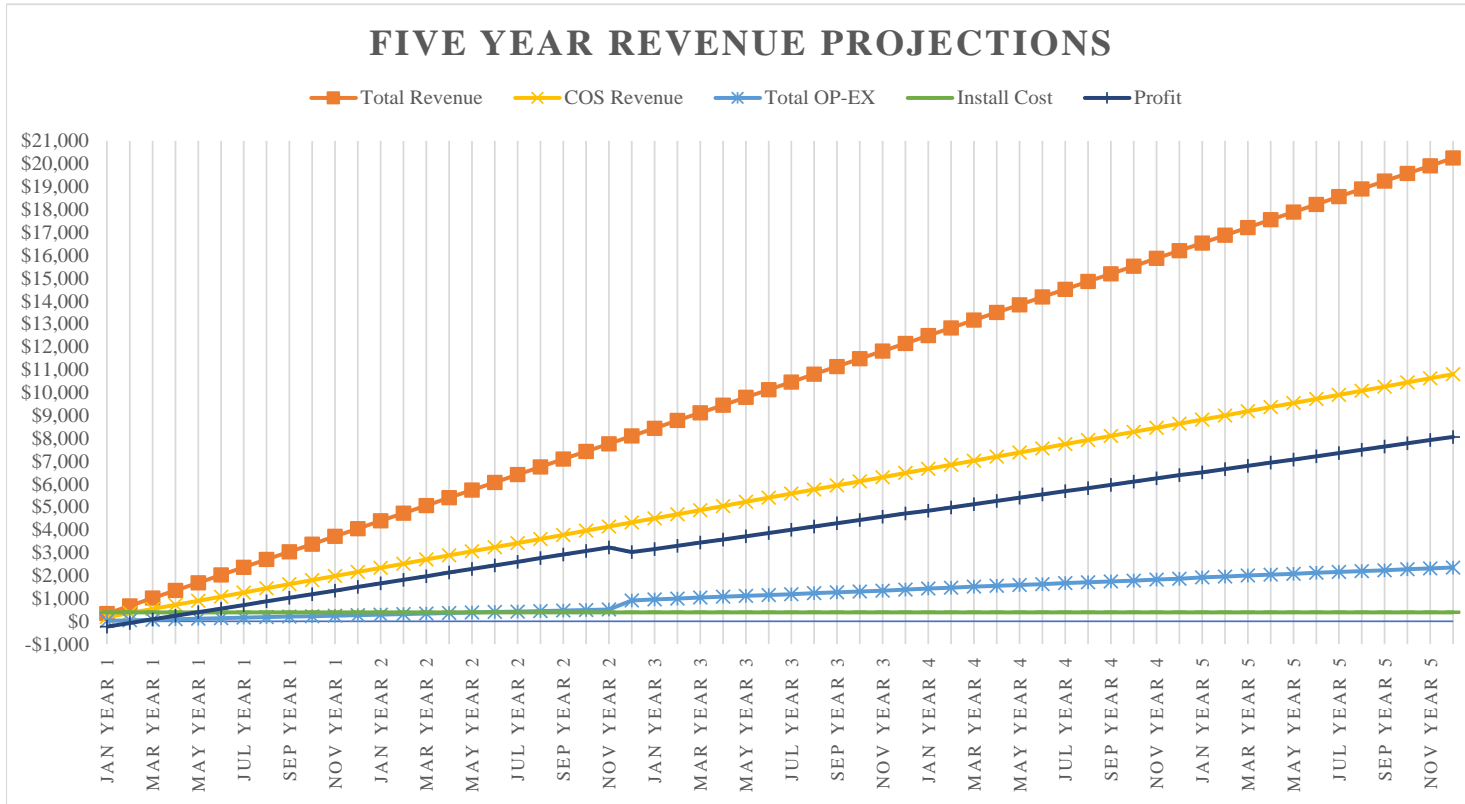
Constants	
Revenue	225
CBX Cost	105
Operational Costs	25
Installation Costs	639.28
Installs Per Month	1.5
Operational Costs Current	15
Inflation Rate	0.03

Date	Month	Total Customers	Total Revenue	CBX Revenue	COS Revenue	Total OP-EX	Install Cost	Profit
Jan Year 1	Jan	1.5	\$ 337.50	\$ 157.50	\$ 180.00	\$ 22.50	\$ 389.28	\$ (231.78)
Feb Year 1	Feb	3	\$ 675.00	\$ 315.00	\$ 360.00	\$ 45.00	\$ 389.28	\$ (74.28)
Mar Year 1	Mar	4.5	\$ 1,012.50	\$ 472.50	\$ 540.00	\$ 67.50	\$ 389.28	\$ 83.22
Apr Year 1	Apr	6	\$ 1,350.00	\$ 630.00	\$ 720.00	\$ 90.00	\$ 389.28	\$ 240.72
May Year 1	May	7.5	\$ 1,687.50	\$ 787.50	\$ 900.00	\$ 112.50	\$ 389.28	\$ 398.22
Jun Year 1	Jun	9	\$ 2,025.00	\$ 945.00	\$ 1,080.00	\$ 135.00	\$ 389.28	\$ 555.72
Jul Year 1	Jul	10.5	\$ 2,362.50	\$ 1,102.50	\$ 1,260.00	\$ 157.50	\$ 389.28	\$ 713.22
Aug Year 1	Aug	12	\$ 2,700.00	\$ 1,260.00	\$ 1,440.00	\$ 180.00	\$ 389.28	\$ 870.72
Sep Year 1	Sep	13.5	\$ 3,037.50	\$ 1,417.50	\$ 1,620.00	\$ 202.50	\$ 389.28	\$ 1,028.22
Oct Year 1	Oct	15	\$ 3,375.00	\$ 1,575.00	\$ 1,800.00	\$ 225.00	\$ 389.28	\$ 1,185.72
Nov Year 1	Nov	16.5	\$ 3,712.50	\$ 1,732.50	\$ 1,980.00	\$ 247.50	\$ 389.28	\$ 1,343.22
Dec Year 1	Dec	18	\$ 4,050.00	\$ 1,890.00	\$ 2,160.00	\$ 270.00	\$ 389.28	\$ 1,500.72
Jan Year 2	Jan	19.5	\$ 4,387.50	\$ 2,047.50	\$ 2,340.00	\$ 292.50	\$ 389.28	\$ 1,658.22
Feb Year 2	Feb	21	\$ 4,725.00	\$ 2,205.00	\$ 2,520.00	\$ 315.00	\$ 389.28	\$ 1,815.72
Mar Year 2	Mar	22.5	\$ 5,062.50	\$ 2,362.50	\$ 2,700.00	\$ 337.50	\$ 389.28	\$ 1,973.22
Apr Year 2	Apr	24	\$ 5,400.00	\$ 2,520.00	\$ 2,880.00	\$ 360.00	\$ 389.28	\$ 2,130.72
May Year 2	May	25.5	\$ 5,737.50	\$ 2,677.50	\$ 3,060.00	\$ 382.50	\$ 389.28	\$ 2,288.22
Jun Year 2	Jun	27	\$ 6,075.00	\$ 2,835.00	\$ 3,240.00	\$ 405.00	\$ 389.28	\$ 2,445.72
Jul Year 2	Jul	28.5	\$ 6,412.50	\$ 2,992.50	\$ 3,420.00	\$ 427.50	\$ 389.28	\$ 2,603.22
Aug Year 2	Aug	30	\$ 6,750.00	\$ 3,150.00	\$ 3,600.00	\$ 450.00	\$ 389.28	\$ 2,760.72
Sep Year 2	Sep	31.5	\$ 7,087.50	\$ 3,307.50	\$ 3,780.00	\$ 472.50	\$ 389.28	\$ 2,918.22
Oct Year 2	Oct	33	\$ 7,425.00	\$ 3,465.00	\$ 3,960.00	\$ 495.00	\$ 389.28	\$ 3,075.72

Nov Year 2	Nov	34.5	\$ 7,762.50	\$ 3,622.50	\$ 4,140.00	\$ 517.50	\$ 389.28	\$ 3,233.22
Dec Year 2	Dec	36	\$ 8,100.00	\$ 3,780.00	\$ 4,320.00	\$ 909.72	\$ 389.28	\$ 3,021.00
Jan Year 3	Jan	37.5	\$ 8,437.50	\$ 3,937.50	\$ 4,500.00	\$ 958.05	\$ 389.28	\$ 3,152.67
Feb Year 3	Feb	39	\$ 8,775.00	\$ 4,095.00	\$ 4,680.00	\$ 996.38	\$ 389.28	\$ 3,294.34
Mar Year 3	Mar	40.5	\$ 9,112.50	\$ 4,252.50	\$ 4,860.00	\$ 1,034.70	\$ 389.28	\$ 3,436.02
Apr Year 3	Apr	42	\$ 9,450.00	\$ 4,410.00	\$ 5,040.00	\$ 1,073.02	\$ 389.28	\$ 3,577.70
May Year 3	May	43.5	\$ 9,787.50	\$ 4,567.50	\$ 5,220.00	\$ 1,111.34	\$ 389.28	\$ 3,719.38
Jun Year 3	Jun	45	\$ 10,125.00	\$ 4,725.00	\$ 5,400.00	\$ 1,149.66	\$ 389.28	\$ 3,861.06
Jul Year 3	Jul	46.5	\$ 10,462.50	\$ 4,882.50	\$ 5,580.00	\$ 1,187.99	\$ 389.28	\$ 4,002.73
Aug Year 3	Aug	48	\$ 10,800.00	\$ 5,040.00	\$ 5,760.00	\$ 1,226.31	\$ 389.28	\$ 4,144.41
Sep Year 3	Sep	49.5	\$ 11,137.50	\$ 5,197.50	\$ 5,940.00	\$ 1,264.63	\$ 389.28	\$ 4,286.09
Oct Year 3	Oct	51	\$ 11,475.00	\$ 5,355.00	\$ 6,120.00	\$ 1,302.95	\$ 389.28	\$ 4,427.77
Nov Year 3	Nov	52.5	\$ 11,812.50	\$ 5,512.50	\$ 6,300.00	\$ 1,341.28	\$ 389.28	\$ 4,569.44
Dec Year 3	Dec	54	\$ 12,150.00	\$ 5,670.00	\$ 6,480.00	\$ 1,379.60	\$ 389.28	\$ 4,711.12
Jan Year 4	Jan	55.5	\$ 12,487.50	\$ 5,827.50	\$ 6,660.00	\$ 1,433.82	\$ 389.28	\$ 4,836.90
Feb Year 4	Feb	57	\$ 12,825.00	\$ 5,985.00	\$ 6,840.00	\$ 1,472.57	\$ 389.28	\$ 4,978.15
Mar Year 4	Mar	58.5	\$ 13,162.50	\$ 6,142.50	\$ 7,020.00	\$ 1,511.32	\$ 389.28	\$ 5,119.40
Apr Year 4	Apr	60	\$ 13,500.00	\$ 6,300.00	\$ 7,200.00	\$ 1,550.07	\$ 389.28	\$ 5,260.65
May Year 4	May	61.5	\$ 13,837.50	\$ 6,457.50	\$ 7,380.00	\$ 1,588.82	\$ 389.28	\$ 5,401.90
Jun Year 4	Jun	63	\$ 14,175.00	\$ 6,615.00	\$ 7,560.00	\$ 1,627.58	\$ 389.28	\$ 5,543.14
Jul Year 4	Jul	64.5	\$ 14,512.50	\$ 6,772.50	\$ 7,740.00	\$ 1,666.33	\$ 389.28	\$ 5,684.39
Aug Year 4	Aug	66	\$ 14,850.00	\$ 6,930.00	\$ 7,920.00	\$ 1,705.08	\$ 389.28	\$ 5,825.64
Sep Year 4	Sep	67.5	\$ 15,187.50	\$ 7,087.50	\$ 8,100.00	\$ 1,743.83	\$ 389.28	\$ 5,966.89
Oct Year 4	Oct	69	\$ 15,525.00	\$ 7,245.00	\$ 8,280.00	\$ 1,782.58	\$ 389.28	\$ 6,108.14
Nov Year 4	Nov	70.5	\$ 15,862.50	\$ 7,402.50	\$ 8,460.00	\$ 1,821.34	\$ 389.28	\$ 6,249.38
Dec Year 4	Dec	72	\$ 16,200.00	\$ 7,560.00	\$ 8,640.00	\$ 1,860.09	\$ 389.28	\$ 6,390.63
Jan Year 5	Jan	73.5	\$ 16,537.50	\$ 7,717.50	\$ 8,820.00	\$ 1,920.52	\$ 389.28	\$ 6,510.20
Feb Year 5	Feb	75	\$ 16,875.00	\$ 7,875.00	\$ 9,000.00	\$ 1,959.72	\$ 389.28	\$ 6,651.00
Mar Year 5	Mar	76.5	\$ 17,212.50	\$ 8,032.50	\$ 9,180.00	\$ 1,998.91	\$ 389.28	\$ 6,791.81
Apr Year 5	Apr	78	\$ 17,550.00	\$ 8,190.00	\$ 9,360.00	\$ 2,038.11	\$ 389.28	\$ 6,932.61
May Year 5	May	79.5	\$ 17,887.50	\$ 8,347.50	\$ 9,540.00	\$ 2,077.30	\$ 389.28	\$ 7,073.42
Jun Year 5	Jun	81	\$ 18,225.00	\$ 8,505.00	\$ 9,720.00	\$ 2,116.50	\$ 389.28	\$ 7,214.22
Jul Year 5	Jul	82.5	\$ 18,562.50	\$ 8,662.50	\$ 9,900.00	\$ 2,155.69	\$ 389.28	\$ 7,355.03
Aug Year 5	Aug	84	\$ 18,900.00	\$ 8,820.00	\$ 10,080.00	\$ 2,194.88	\$ 389.28	\$ 7,495.84



Sep Year 5	Sep	85.5	\$ 19,237.50	\$ 8,977.50	\$ 10,260.00	\$ 2,234.08	\$ 389.28	\$ 7,636.64
Oct Year 5	Oct	87	\$ 19,575.00	\$ 9,135.00	\$ 10,440.00	\$ 2,273.27	\$ 389.28	\$ 7,777.45
Nov Year 5	Nov	88.5	\$ 19,912.50	\$ 9,292.50	\$ 10,620.00	\$ 2,312.47	\$ 389.28	\$ 7,918.25
Dec Year 5	Dec	90	\$ 20,250.00	\$ 9,450.00	\$ 10,800.00	\$ 2,351.66	\$ 389.28	\$ 8,059.06
			<b>\$ 617,625.00</b>	<b>\$ 288,225.00</b>	<b>\$ 329,400.00</b>	<b>\$ 66,542.17</b>	<b>\$ 23,356.80</b>	<b>\$ 239,501.03</b>



**INTERGOVERNMENTAL AGREEMENT  
BETWEEN CLACKAMAS COUNTY  
AND THE CITY OF SANDY**

THIS AGREEMENT (“Agreement”) is entered into and by and between Clackamas County (“County”), a political subdivision of the State of Oregon, and the City of Sandy (“City”), a political subdivision of the State of Oregon, pursuant to ORS Chapter 190 (Cooperation of Governmental Units), collectively referred to as the “Parties” and each a “Party.”

**RECITALS**

WHEREAS, authority is conferred under ORS Chapter 190 to local governments to enter into agreements for the performance of any and all functions and activities that a party to the agreement, its officers or agencies have authority to perform; and

WHEREAS, the parties desire to partner for a fiber based business internet service whereby the City will serve as the Internet Service Provider (“ISP”) and the County will construct the necessary infrastructure and provide the dark fiber connections to the City’s customers (the “Project”).

NOW, THEREFORE, in consideration of the mutual promises set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Term.** This Agreement shall be effective upon execution by both Parties, and shall continue for a term of five (5) year from the date of execution. This Agreement shall automatically renew for an additional one (1) year term each year thereafter unless otherwise terminated by the parties but not to exceed a maximum of 10 years from date executed.
2. **Rights and Obligations of the County.**
  - A. Upon written request from the City, County may construct the necessary infrastructure and install a dark fiber connection to customers who have agreed to have the City serve as an ISP. Infrastructure construction shall be performed by County in its sole discretion. The County is and will remain the owner of any infrastructure and dark fiber installed as part of said construction. Prior to County performing such construction, the County will consult with the City to ensure that the specifications of the infrastructure and fiber are compatible with City’s system. Prior to the County performing the construction, the City shall ensure the following construction and installation requirements are satisfied for each property to be served:
    - i. The City has secured all relevant easements, leases, licenses, authorizations, or other agreements from property owner as determined necessary by County to allow County to use existing pathways to, into and within each site to the demarcation point for service, and to otherwise perform the infrastructure construction.
    - ii. A path acceptable to the County is provided for the fiber optic cable from the point of entry into the service site to the termination panel or CSP (Customer Splice Point) and into the home demarcation that complies with all applicable building, electrical, fire and related codes.
    - iii. The County and its employees, agents, lessees, officers and its authorized vendors, upon reasonable notice, have the right to reasonable ingress and egress into and out of the

properties and buildings in connection with the provision of service.

- B. Following construction of such infrastructure, and throughout the term of this Agreement, County shall maintain and repair, as necessary, all County-owned infrastructure necessary to provide service to each customer receiving service pursuant to this Agreement. County shall have the sole discretion to determine how to maintain said infrastructure and make the required repairs, provided that (1) the repair is sufficient to restore service at a level equal to or better than the level that existed prior to the damage necessitating the repair, and (2) the repair is completed promptly, and in any event no later than forty-eight (48) hours after County is notified of the need for repair.
- C. Subject to the availability of funds, as determined by the County in its sole administrative discretion, the County will provide up to but not to exceed \$3,000.00 for the expansion of the fiber network to serve each customer. If the construction cost will exceed \$3,000.00, the City will collect the additional funds from the customer and distribute the funds to County either in lump sum or an agreed amount over the term of the customer's service order.
- D. County will secure all franchises, licenses, or other authorizations necessary for operating in the appropriate utility right of way ("ROW"). County will be responsible for paying all ROW specific fees and taxes. City will collect those fees and taxes on the County's behalf and transmit to County.

**3. Rights and Obligations of City.**

- A. If County performs the infrastructure construction necessary to serve a customer, the City will provide ISP services to the customer pursuant to those terms and conditions as may be mutually agreed to between the City and the customer. County will have no involvement or interest in, and will not be a party to, any such agreement entered into by and between City and the customer.
- B. In serving as an ISP, City shall provide all commercially reasonable ISP services including, but not limited to, IP addresses, billings, and general customer service. Customer service will, at a minimum be available Monday through Friday from 9 am to 5 pm, excluding federal holidays.
- C. As of the date of this Agreement, City will provide ISP services to customers at a minimum cost of \$225.00 per month per customer for a symmetrical 1 Gig service. Of the fees actually collected from each customer each month, \$105.00 will be distributed by the City to the County. Minimum cost does not include any fees or taxes that may be imposed on City or County, which may be added to the customer's cost. The City reserves the right to upsell, or provide over-the-top services to customers including but not limited to: phone service, television and network services, so long as it does not require any additional dark fiber connections. Any services requiring dark fiber must be mutually agreed upon between both parties.
- D. Rate increases shall occur no more than once per year and shall be mutually agreed upon by both parties and memorialized in an amendment to this agreement, unless the increase is (1) related to a government-imposed fee or tax., or (2) an amount not related to a government-imposed fee or tax which is not greater than three percent (3%) per year.

**4. Location.**

- A. The rights and obligations of the Parties pursuant to this Agreement apply only in the geographic area served by the Clackamas County fiber network.

**5. Representations and Warranties.**

- A. *City representations and warranties:* City represents and warrants to County that City has the power and authority to enter into and perform this Agreement, and this Agreement, when executed and delivered, shall be a valid and binding obligation of City enforceable in accordance with its terms.
- B. *County Representations and Warranties:* County represents and warrants to City that County has the power and authority to enter into and perform this Agreement, and this Agreement, when executed and delivered, shall be a valid and binding obligation of County enforceable in accordance with its terms.
- C. The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided.

**6. Termination.**

- A. The County and City, by mutual written agreement, may terminate this Agreement at any time.
- B. Either the County or City may terminate this Agreement in the event of a breach of the Agreement by the other. Prior to such termination, however, the Party seeking the termination shall give the other Party written notice of the breach and of the Party's intent to terminate. If the breaching Party has not entirely cured the breach within fifteen (15) days after such notice, or other time as may be agreed between the parties in writing, then the Party giving notice may terminate the Agreement at any time thereafter by giving written notice of termination stating the effective date of the termination. If the default is of such a nature that it cannot be completely remedied within such fifteen (15) day period, this provision shall be complied with if the breaching Party begins correction of the default within the fifteen (15) day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable. The Party giving notice shall not be required to give more than one (1) notice for a similar default in any twelve (12) month period.
- C. The County or City shall not be deemed to have waived any breach of this Agreement by the other Party except by an express waiver in writing. An express written waiver as to one breach shall not be deemed a waiver of any other breach not expressly identified, even though the other breach is of the same nature as that waived.
- D. Either Party may terminate this Agreement in the event the Party fails to receive expenditure authority sufficient to allow that Party, in the exercise of its reasonable administrative discretion, to continue to perform under this Agreement, or if federal or state laws, regulations or guidelines are modified or interpreted in such a way that performance under this Agreement is prohibited or a Party is prohibited from paying for such work from the planned funding source.
- E. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.
- F. Upon termination of this Agreement, regardless of cause, County's obligations under this Agreement shall nevertheless remain in full force and effect with regard to any customers then being served under this Agreement, for a period of time equal to the term of any service order then in effect for such customer, or one year, whichever is less.

**7. Indemnification.**

- A. Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act or successor statute, the County agrees to indemnify, save harmless and defend City, its officers, elected officials, agents and employees from and against all costs, losses, damages, claims or actions and all expenses incidental to the investigation and defense thereof arising out of or based upon damages or injuries to persons or property caused by the negligent or willful acts of the County or its officers, elected officials, owners, employees, agents, or its subcontractors or anyone over which the County has a right to control.
- B. Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act or successor statute, City agrees to indemnify, save harmless and defend the County, its officers, elected officials, agents and employees from and against all costs, losses, damages, claims or actions and all expenses incidental to the investigation and defense thereof arising out of or based upon damages or injuries to persons or property caused by the negligent or willful acts of City or its officers, elected officials, owners, employees, agents, or its subcontractors or anyone over which City has a right to control.

8. **Insurance.** The Parties agree to maintain insurance levels sufficient to cover the obligations agreed to in this Agreement.

9. **Party Contacts**

- A. Duke Dexter or his designee will act as liaison for the County.

Contact Information:

Duke Dexter  
121 Library Court  
Oregon City, Oregon 97045  
[ddexter@clackamas.us](mailto:ddexter@clackamas.us)  
Fax: 503-655-8255

Greg Brewster or his designee will act as liaison for City.

Contact Information:

Greg Brewster  
39250 SE Pioneer Blvd  
Sandy, Oregon 97055  
[gbrewster@ci.sandy.or.us](mailto:gbrewster@ci.sandy.or.us)  
(503) 489-0937

- B. Either Party may change the Party contact information, or the invoice or payment addresses, by giving prior written notice thereof to the other Party at its then current notice address.

10. **General Provisions**

- A. **Oregon Law and Forum.** This Agreement, and all rights, obligations, and disputes arising out of it will be governed by and construed in accordance with the laws of the State of Oregon without giving effect to the conflict of law provisions thereof. Any claim between County and City that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Clackamas County for the State of Oregon; provided, however, if a claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the

District of Oregon. In no event shall this section be construed as a waiver by either Party of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court. City, by execution of this Agreement, hereby consents to the in personam jurisdiction of the courts referenced in this section.

- B. **Compliance with Applicable Law.** Both Parties shall comply with all applicable local, state and federal ordinances, statutes, laws and regulations. All provisions of law required to be part of this Agreement, whether listed or otherwise, are hereby integrated and adopted herein. Failure to comply with such obligations is a material breach of this Agreement.
- C. **Non-Exclusive Rights and Remedies.** Except as otherwise expressly provided herein, the rights and remedies expressly afforded under the provisions of this Agreement shall not be deemed exclusive, and shall be in addition to and cumulative with any and all rights and remedies otherwise available at law or in equity. The exercise by either Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach, or for any other default or breach, by the other Party.
- D. **Access to Records.** The Parties shall retain, maintain, and keep accessible all records relevant to this Agreement (“Records”) for a minimum of six (6) years, following Agreement termination or full performance or any longer period as may be required by applicable law, or until the conclusion of an audit, controversy or litigation arising out of or related to this Agreement, whichever is later. The Parties shall maintain all financial records in accordance with generally accepted accounting principles. All other Records shall be maintained to the extent necessary to clearly reflect actions taken. During this record retention period each Party shall permit the other Parties’ authorized representatives’ access to the Records at reasonable times and places for purposes of examining and copying.
- E. **Debt Limitation.** This Agreement is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10, of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provisions herein which would conflict with law are deemed inoperative to that extent.
- F. **Severability.** If any provision of this Agreement is found to be unconstitutional, illegal or unenforceable, this Agreement nevertheless shall remain in full force and effect and the offending provision shall be stricken. The Court or other authorized body finding such provision unconstitutional, illegal or unenforceable shall construe this Agreement without such provision to give effect to the maximum extent possible the intentions of the Parties.
- G. **Integration, Amendment and Waiver.** Except as otherwise set forth herein, this Agreement constitutes the entire agreement between the Parties regarding its subject matter. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by such Party of that or any other provision.

- H. **Interpretation.** The titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.
- I. **Independent Contractor.** Each of the Parties hereto shall be deemed an independent contractor for purposes of this Agreement. No representative, agent, employee or contractor of one Party shall be deemed to be a representative, agent, employee or contractor of the other Party for any purpose, except to the extent specifically provided herein. Nothing herein is intended, nor shall it be construed, to create between the Parties any relationship of principal and agent, partnership, joint venture or any similar relationship, and each Party hereby specifically disclaims any such relationship.
- J. **No Third-Party Beneficiary.** City and County are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.
- K. **Assignment.** Neither Party shall assign or transfer any of its interest in this Agreement, by operation of law or otherwise, without obtaining prior written approval from the other Party, which shall be granted or denied in that Party's sole and absolute discretion. One Party's consent to any assignment shall not relieve the other Party of any of its duties or obligations under this Agreement.
- L. **Counterparts.** This Contract may be executed in several counterparts (electronic or otherwise), each of which shall be an original, all of which shall constitute the same instrument.
- M. **Survival.** The provisions of Sections 5, 7, and 10 shall survive the termination of this Agreement.
- N. **Necessary Acts.** Each Party shall execute and deliver to the others all such further instruments and documents as may be reasonably necessary to carry out this Agreement.
- O. **Successors in Interest.** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective authorized successors and assigns.
- P. **Force Majeure.** Neither City nor County shall be held responsible for delay or default caused by events outside of City's or County's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war.
- Q. **Confidentiality.** The Parties and their employees or agents may, in the course of this Agreement, be exposed to or acquire material identified as confidential information. Such information shall be deemed confidential information of the Party identifying it as such ("Confidential Information"). The Parties agree to hold Confidential Information in strict confidence, using at least the same degree of care that each Party uses in maintaining the confidentiality of its own confidential information, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information

to third parties or use Confidential Information for any purpose unless specifically authorized in writing under this Agreement.

R. **Notice.** Any notice required to be provided under this Agreement shall be provided to the Party Contact at the address specified in Section 9 of this Agreement. Notices shall be made by personal service, in which case they are effective on the date of service, or by certified mail, in which case they are effective on the date of delivery, or if delivery is refused, upon the date of delivery refusal.

S. **Dispute Resolution.** Should any dispute arise between the parties, it is agreed that such dispute will be submitted to a mediator prior to any litigation and the parties hereby expressly agree that no claim or dispute arising under the terms of this Agreement shall be resolved other than first through mediation and only in the event said mediation efforts fail, through litigation. The parties shall exercise good faith efforts to select a mediator who shall be compensated equally by both parties. Mediation will be conducted in Portland, Oregon, unless both parties agree in writing otherwise. Both parties agree to exercise good faith efforts to resolve disputes covered by this section through this mediation process. If a party requests mediation and the other party fails to respond within ten (10) calendar days, or if the parties fail to agree on a mediator within ten (10) calendar days, a mediator shall be appointed by the presiding judge of the Clackamas County Circuit Court upon the request of either party. The parties shall have any rights at law or in equity with respect to any dispute not covered by this Section.

**IN WITNESS HEREOF**, the Parties have executed this Agreement by the date set forth opposite their names below.

**Clackamas County**

**City of Sandy**

\_\_\_\_\_  
Chair, Board of County Commissioners

\_\_\_\_\_  
By:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Recording Secretary





## Staff Report

---

**Meeting Date:** December 6, 2021  
**From** Kelly O'Neill, Development Services Director  
**SUBJECT:** Planning Commission Appointments

---

**DECISION TO BE MADE:**

- Appointment of four Planning Commissioners
- Decision on Planning Commission term structure

**BACKGROUND / CONTEXT:**

The terms for Planning Commissioners Jerry Crosby (seat 1), Don Carlton (seat 2), Ron Lesowski (seat 3), and Hollis Maclean-Wenzel (seat 7) expire on December 31, 2021.

The City Council designated Mayor Pulliam, Councilor Walker, and Councilor Sheldon to serve with Planning Commissioner Mayton on the interview panel. City staff collected applications from seven candidates and interviews were conducted on Tuesday November 23, 2021.

**RECOMMENDATION:**

The interview panel recommends that the Council appoint Jerry Crosby to Seat 1, Darren Wegener to Seat 2, Breezy Poulin to Seat 3, and Hollis MacLean-Wenzel to Seat 7 on the Planning Commission.

**TERM STRUCTURE OPTIONS:**

**Option 1:** Earlier this year, the Planning Commission expressed a desire for an altered term structure with multiple cohorts, rather than [the standard two-cohort system](#), to limit the amount of turnover in any given year. If Council would like to move forward with this approach, staff propose the three-cohort structure below:

<b>Seat 1</b>	<b>Jerry Crosby</b>	<b>Term expiration: 12/31/2025</b>
<b>Seat 2</b>	<b>Darren Wegener</b>	<b>Term expiration: 12/31/2023</b>
<b>Seat 3</b>	<b>Breezy Poulin</b>	<b>Term expiration: 12/31/2023</b>
<i>Seat 4</i>	<i>Jan Lee</i>	<i>Term expiration: 12/31/2024</i>
<i>Seat 5</i>	<i>Steven Hook</i>	<i>Term expiration: 12/31/2024</i>

Seat 6	Chris Mayton	Term expiration: 12/31/2024
Seat 7	Hollis MacLean-Wenzel	Term expiration: 12/31/2025

**Option 2:** Alternatively, the Council could choose to appoint all four Commissioners to four year terms, consistent with past practice, as shown below:

Seat 1	Jerry Crosby	Term expiration: 12/31/2025
Seat 2	Darren Wegener	Term expiration: 12/31/2025
Seat 3	Breezy Poulin	Term expiration: 12/31/2025
Seat 4	Jan Lee	Term expiration: 12/31/2024
Seat 5	Steven Hook	Term expiration: 12/31/2024
Seat 6	Chris Mayton	Term expiration: 12/31/2024
Seat 7	Hollis MacLean-Wenzel	Term expiration: 12/31/2025

**LIST OF ATTACHMENTS/EXHIBITS:**

Application forms for all seven applicants.

Published on *Sandy, OR* (<https://www.ci.sandy.or.us>)

[Home](#) > [Planning Commission](#) > [Planning Commission Application](#) > [Webform results](#) > Planning Commission Application

#### Submission information

Form: [Planning Commission Application](#) [1]  
Submitted by Visitor (not verified)  
Wed, 10/13/2021 - 1:59pm  
[REDACTED]

**First Name**

Donald

**Last Name**

Carlton

**Email**

[REDACTED]

**Phone Number**

5038876536

**Address**

17067 Hood Court

**City**

Sandy

**State**

OR

**Zip Code**

97055

**Mailing Address (if different)**

Same

**Please explain your interest in serving on the Planning Commission**

I have been on the Planning Commission since 2006 I believe it is important to provide service to the public. In the past I have been a volunteer firefighter with a command rank of Lieutenant (Estacada) Unable to continue to serve my community in that capacity due to employment considerations, I have chosen to do so via service on the Planning Commission now for 15 years.

**What knowledge, education, or skills would you bring to the Commission?**

My primary duties with the US Forest Service was in wildland fire protection planning. I did this at the Ranger District, National Forest and Regional Level (WA/OR) My additional knowledge from being on the Planning Commission for 15 years provided me extensive knowledge of the code, state law, planning processes and analytical skills I bring these skills as well as extensive past experience to the Commission.

**Upload Current Resume**

[donald-carlton\\_resume-pc\\_oct2021.pdf](#) [2]

**By checking this box, I agree to the following:**

I certify that the information contained in this application is correct to the best of my knowledge. I understand that to falsify information is grounds for refusing to appoint me, or for removal should I be appointed. I authorize any person, organization or company listed on this application to furnish you any and all information concerning my employment, education and qualifications for appointment. I also authorize you to request and receive such information. In consideration for my appointment, I agree to abide by Federal and State law along with the rules and regulations of the City.

**Source URL:** <https://www.ci.sandy.or.us/node/13221/submission/11121>

**Links**

[1] <https://www.ci.sandy.or.us/bc-pc/webform/planning-commission-application>

[2] [https://www.ci.sandy.or.us/system/files/webform/donald-carlton\\_resume-pc\\_oct2021.pdf](https://www.ci.sandy.or.us/system/files/webform/donald-carlton_resume-pc_oct2021.pdf)

Published on *Sandy, OR* (<https://www.ci.sandy.or.us>)

[Home](#) > [Planning Commission](#) > [Planning Commission Application](#) > [Webform results](#) > Planning Commission Application

#### Submission information

Form: [Planning Commission Application](#) [1]  
Submitted by Visitor (not verified)  
Fri, 10/29/2021 - 10:44am

**First Name**

Christopher

**Last Name**

Choruby

**Email**

[REDACTED]

**Phone Number**

503 997 7722

**Address**

35900 Industrial Way #102

**City**

Sandy

**State**

oregon

**Zip Code**

97055

**Mailing Address (if different)****Please explain your interest in serving on the Planning Commission**

My family lives in Sandy, my wife was born and raised here. We own a business in Sandy(Allstate Insurance), and are raising children in Sandy I want to make sure that the future of this city is well planned for future generations.

**What knowledge, education, or skills would you bring to the Commission?**

Daily I deal with complex problems and questions that require a clear solution. I am a small business owner for 4 years, 13 years total in my field I would bring a non biased perspective and open mind for what is best for this city. I carry a degree from Oregon State University - Major is international business and minor is Anthropology

**Upload Current Resume**

[christopher\\_choruby\\_resume.docx](#) [2]

**By checking this box, I agree to the following:**

I certify that the information contained in this application is correct to the best of my knowledge I understand that to falsify information is grounds for refusing to appoint me, or for removal should I be appointed I authorize any person, organization or company listed on this application to furnish

you any and all information concerning my employment, education and qualifications for appointment. I also authorize you to request and receive such information. In consideration for my appointment, I agree to abide by Federal and State law along with the rules and regulations of the City.

**Source URL:** <https://www.ci.sandy.or.us/node/13221/submission/11861>

**Links**

[1] <https://www.ci.sandy.or.us/bc-pc/webform/planning-commission-application>

[2] [https://www.ci.sandy.or.us/system/files/webform/christopher\\_choruby\\_resume.docx](https://www.ci.sandy.or.us/system/files/webform/christopher_choruby_resume.docx)

Published on *Sandy, OR* (<https://www.ci.sandy.or.us>)

[Home](#) > [Planning Commission](#) > [Planning Commission Application](#) > [Webform results](#) > Planning Commission Application

Submission information

Form: [Planning Commission Application](#) [1]  
Submitted by Visitor (not verified)  
Fri, 10/15/2021 - 7:15pm

**First Name**

Jerry

**Last Name**

Crosby

**Email**

[REDACTED]

**Phone Number**

9712214860

**Address**

37390 Dubarko Rd

**City**

Sandy

**State**

OR

**Zip Code**

97055

**Mailing Address (if different)**

**Please explain your interest in serving on the Planning Commission**

I wish to continue serving my community as a planning commissioner. It's been a pleasure these many years and I believe I have the energy and will to serve another term I love Sandy

**What knowledge, education, or skills would you bring to the Commission?**

umteen number of previous years experience on the Commission Meeting management skills, able to remain calm when things get tense.

**Upload Current Resume**

[resume-planning\\_commission.doc](#) [2]

**By checking this box, I agree to the following:**

I certify that the information contained in this application is correct to the best of my knowledge. I understand that to falsify information is grounds for refusing to appoint me, or for removal should I be appointed. I authorize any person, organization or company listed on this application to furnish you any and all information concerning my employment, education and qualifications for appointment. I also authorize you to request and receive such information. In consideration for my

appointment, I agree to abide by Federal and State law along with the rules and regulations of the City.

**Source URL:** <https://www.ci.sandy.or.us/node/13221/submission/11271>

**Links**

[1] <https://www.ci.sandy.or.us/bc-pc/webform/planning-commission-application>

[2] [https://www.ci.sandy.or.us/system/files/webform/resume-planning\\_commission.doc](https://www.ci.sandy.or.us/system/files/webform/resume-planning_commission.doc)



Published on *Sandy, OR* (<https://www.ci.sandy.or.us>)

[Home](#) > [Planning Commission](#) > [Planning Commission Application](#) > [Webform results](#) > Planning Commission Application

#### Submission information

Form: [Planning Commission Application](#) [1]

Submitted by Visitor (not verified)

Thu, 10/28/2021 - 4:37pm

**First Name**

Ronald

**Last Name**

Lesowski

**Email**

[REDACTED]

**Phone Number**

503 318 9631

**Address**

51920 E Terra Fern Dr

**City**

Sandy

**State**

OR

**Zip Code**

97055

**Mailing Address (if different)****Please explain your interest in serving on the Planning Commission**

Sandy has been my home and work place for the past 24 years. This community has been the best place to raise my family and run my business. With that in mind, I feel that it is my duty to give back to a City that has given me so much. I enjoy reading, interpreting and applying the City's code to the cases presented to us. I also like playing a role in enhancing the City's code with changes that make this town move livable and workable.

**What knowledge, education, or skills would you bring to the Commission?**

Comprehensive knowledge of Sandy's municipal code and community issues. Ability to listen and actively communicate my position. Demonstrated experience in reviewing subject matter and being prepared for meetings. Being fair and open-minded on the issues presented. 12+ years as a City of Sandy Planning Commissioner. Being a small business owner/operator within Sandy I bring a perspective that helps to understand and represent our local business community.

**Upload Current Resume**

[ron\\_lesowski\\_resume.docx](#) [2]

**By checking this box, I agree to the following:**

I certify that the information contained in this application is correct to the best of my knowledge. I understand that to falsify information is grounds for refusing to appoint me, or for removal should I be appointed. I authorize any person, organization or company listed on this application to furnish you any and all information concerning my employment, education and qualifications for appointment. I also authorize you to request and receive such information. In consideration for my appointment, I agree to abide by Federal and State law along with the rules and regulations of the City.

**Source URL:** <https://www.ci.sandy.or.us/node/13221/submission/11831>

**Links**

[1] <https://www.ci.sandy.or.us/bc-pc/webform/planning-commission-application>

[2] [https://www.ci.sandy.or.us/system/files/webform/ron\\_lesowski\\_resume.docx](https://www.ci.sandy.or.us/system/files/webform/ron_lesowski_resume.docx)

Published on *Sandy, OR* (<https://www.ci.sandy.or.us>)

[Home](#) > [Planning Commission](#) > [Planning Commission Application](#) > [Webform results](#) > Planning Commission Application

#### Submission information

Form: [Planning Commission Application](#) [1]  
Submitted by Visitor (not verified)  
Wed, 10/27/2021 - 7:50pm

**First Name**

Hollis

**Last Name**

MacLean Wenzel

**Email**

[REDACTED]

**Phone Number**

503 577 5338

**Address**

46575 SE Jadryn Road

**City**

Sandy

**State**

OR

**Zip Code**

97055

**Mailing Address (if different)****Please explain your interest in serving on the Planning Commission**

Healthy, thriving communities have at their heart good, quality planning. My late husband was a senior planner for the city of Portland for over 20 years. I learned a lot about how good planning can influence the livability of a community. Being located so close to Portland, a very fast growing city, growth will happen in our community whether we plan for it or not. I want to be a part of that planning. I don't want to see Sandy lose itself to sprawl like so many small towns do as they become suburbs.

I lived in Portland for 15 years before moving to Sandy. I have now lived in Sandy now for over 15 years. I love Sandy. I truly believe it is the best of both worlds: Mt Hood is our backyard and Portland is our living room. As the community is continuing to grow and evolve; from a logging town years ago into a suburb of Portland, the needs are changing. The population is changing. We need people on the Commission that understand the community's past, want to help it preserve its' history, maintain a "small town feel" but also help it grow intentionally towards its future.

**What knowledge, education, or skills would you bring to the Commission?**

I've served the city as the Chamber of Commerce's Director (for six years) and as a Planning Commissioner for the past 3 years. I've served on the Transportation Committee, the Tree

Committee, the Main Street Committee and as a citizen member of the committee for creating the Façade program and the adoption of "Sandy Style." I'm an active citizen, a Sandy business owner (with my husband, Dr. Dave Wenzel: River Ridge Counseling,) and a mother of six children who went through the Oregon Trails School District's schools.

I am a current Planning Commissioner. I have been serving on the Commission for just over three years. It has been a steep learning curve. Honestly, it took me about two years to really start to understand the way the code works. Now with a better working knowledge, I think I bring a stronger knowledge base adding continuity to the commission, but also a fresh perspective.

Fresh, after three years? YES. Although I am very thankful and indebted to the Planning Commissioners that have been on the commission for decades, their wealth of knowledge and their service are greatly appreciated. I am concerned that we have some long-time members on the Commission that have a hard time letting go of the past. We need new voices that will appreciate our past but help us create a thriving community for the present and into the future. Actually, there are a lot of good reasons institutions have term limits.

Lastly, I think I bring some diversity to the Planning Commission. Something that we, as a commission, are still sorely lacking. I have been the only woman on the Commission of seven commissioners until recently when Jan Lee joined us. Now we have two women and five men. I believe that a diversity of commissioners will bring a diversity of perspectives. I really hope to see us add more women, bring younger voices to the table, and include people from our Hispanic community as well. Our populace is changing, we should too. With diversity comes diverse perspectives and that makes for planning that serves the broader community. I hope to be a part of that team. Thank you for your consideration.

### **Upload Current Resume**

[hmwresumessept2021.doc](#) [2]

### **By checking this box, I agree to the following:**

I certify that the information contained in this application is correct to the best of my knowledge. I understand that to falsify information is grounds for refusing to appoint me, or for removal should I be appointed. I authorize any person, organization or company listed on this application to furnish you any and all information concerning my employment, education and qualifications for appointment. I also authorize you to request and receive such information. In consideration for my appointment, I agree to abide by Federal and State law along with the rules and regulations of the City.

**Source URL:** <https://www.ci.sandy.or.us/node/13221/submission/11741>

### **Links**

[1] <http://www.ci.sandy.or.us/bc/pc/webform/planning-commission-application>

[2] <https://www.ci.sandy.or.us/system/files/webform/hmwresumessept2021.doc>

Published on *Sandy, OR* (<https://www.ci.sandy.or.us>)

[Home](#) > [Planning Commission](#) > [Planning Commission Application](#) > [Webform results](#) > Planning Commission Application

Submission information

Form: [Planning Commission Application](#) [1]  
Submitted by Visitor (not verified)  
Tue, 10/19/2021 - 4:41pm

**First Name**

Breezt

**Last Name**

Poulin

**Email**

[REDACTED]

**Phone Number**

503 475 6074

**Address**

39265 Scenic St

**City**

Sandy

**State**

OR

**Zip Code**

97055

**Mailing Address (if different)**

**Please explain your interest in serving on the Planning Commission**

I am a civic minded, 20 year resident, experienced in municipal processes. I would like the opportunity to take part in the development of my community

**What knowledge, education, or skills would you bring to the Commission?**

I have experience as an employee of a municipality specifically, working in the Community Development Department.

**Upload Current Resume**

[breezy\\_l\\_poulin\\_resume\\_summary.docx](#) [2]

**By checking this box, I agree to the following:**

I certify that the information contained in this application is correct to the best of my knowledge. I understand that to falsify information is grounds for refusing to appoint me, or for removal should I be appointed. I authorize any person, organization or company listed on this application to furnish you any and all information concerning my employment, education and qualifications for appointment. I also authorize you to request and receive such information. In consideration for my

appointment, I agree to abide by Federal and State law along with the rules and regulations of the City.

**Source URL:** <https://www.ci.sandy.or.us/node/13221/submission/11391>

**Links**

[1] <https://www.ci.sandy.or.us/bc-pc/webform/planning-commission-application>

[2] [https://www.ci.sandy.or.us/system/files/webform/breezy\\_l\\_poulin\\_resume\\_summary.docx](https://www.ci.sandy.or.us/system/files/webform/breezy_l_poulin_resume_summary.docx)

Published on *Sandy, OR* (<https://www.ci.sandy.or.us>)

[Home](#) > [Planning Commission](#) > [Planning Commission Application](#) > [Webform results](#) > Planning Commission Application

#### Submission information

Form: [Planning Commission Application](#) [1]  
Submitted by Visitor (not verified)  
Fri, 10/08/2021 - 7:57am

**First Name**

Darren

**Last Name**

Wegener

**Email**

[REDACTED]

**Phone Number**

15035776352

**Address**

37720 Coralburst St

**City**

Sandy

**State**

OR

**Zip Code**

97055

**Mailing Address (if different)****Please explain your interest in serving on the Planning Commission**

I am interested in serving on the City of Sandy Planning Commission because I believe in public service and giving back to my community. Since starting to work for the City of Portland Bureau of Development Services, I have had the opportunity to attend Planning Commission meetings, hearings, and been able to see how the work that they do can positively impact their community. I would like to be able to give back to my community in that same way. My wife and I have chosen to raise our two kids in Sandy, and I would like to do my part in planning for a city that will allow my kids, when they are grown, to love Sandy the way that we do.

**What knowledge, education, or skills would you bring to the Commission?**

While my professional background is in training and public safety, I have been working with the City of Portland, Bureau of Development Services for about 2 and a half years now, as a Training Analyst. As part of my role, I have been able to participate in projects that I think would help me serve as a Planning Commissioner. I have

Helped with the transfer of Planning Commission, Historical Design Committee, and Land Use Commission hearing online after COVID-19 closed city offices.

Worked with planners and inspectors to launch online permitting software. Worked with

Emergency Managers to design emergency procedures and processes for permitting and inspections post major natural disaster.

- Worked on various other projects and programs that have allowed me to gain a working knowledge of the permitting process.

In addition, I have a strong desire to see Sandy grow in a way that makes sense for its residents.

### **Upload Current Resume**

[darrenwegerresume\\_cos\\_planning\\_com.pdf](#) [2]

### **By checking this box, I agree to the following:**

I certify that the information contained in this application is correct to the best of my knowledge. I understand that to falsify information is grounds for refusing to appoint me, or for removal should I be appointed. I authorize any person, organization or company listed on this application to furnish you any and all information concerning my employment, education and qualifications for appointment. I also authorize you to request and receive such information. In consideration for my appointment, I agree to abide by Federal and State law along with the rules and regulations of the City.

**Source URL:** <https://www.ci.sandy.or.us/node/13221/submission/10851>

### **Links**

[1] <https://www.ci.sandy.or.us/bc-pc/webform/planning-commission-application>

[2] [https://www.ci.sandy.or.us/system/files/webform/darrenwegerresume\\_cos\\_planning\\_com.pdf](https://www.ci.sandy.or.us/system/files/webform/darrenwegerresume_cos_planning_com.pdf)





## Staff Report

---

**Meeting Date:** December 6, 2021  
**From** Kelly O'Neill, Development Services Director  
**SUBJECT:** Comprehensive Plan Consultant Approval

---

**DECISION TO BE MADE:**

Review and approve the scope of work (Attachment A) from 3J consulting and direct the City Manager to enter into a contract with 3J consulting for \$250,960 (Attachment B).

**PURPOSE / OBJECTIVE:**

The City Council desires to be proactive in managing and planning for growth. To that end, the Council set a goal for 2021-23 to 'Begin the update of the City's Comprehensive Plan.'

**BACKGROUND / CONTEXT:**

Staff received submissions in response to the RFQ from 3J Consulting, Angelo Planning Group, and MIG. Staff, Councilor Smallwood, and Commissioner Maclean-Wenzel scored the proposals from the three firms. On August 23, staff notified the firms that [3J Consulting](#) was chosen as the firm to partner with and that negotiations were underway. 3J Consulting is using subcontractors ECONorthwest, GEOS Institute, and Veritas Collaborations.

Once the consultant contract is approved the next steps will include meeting with City staff to agree on a preliminary list of key stakeholder groups, discuss public engagement tools, and other project strategies. The consultant will then begin data collection and analysis through a review of relevant documents. The project schedule is detailed on page 8 in the scope of work.

**RECOMMENDATION:**

Direct the City Manager to enter into a contract with 3J consulting for \$250,960.

**BUDGETARY IMPACT:**

The total costs anticipated at this point are approximately \$281,000. With revenues coming from the following sources:

- \$200,000 Planning Division budget as allocated by the City Council
- \$41,024 from Economic Development Strategic Plan budget as allocated by the City Council
- \$50,000 [DLCD TA grant](#)

**Budget Related to Consultant:**

The City Council budgeted \$200,000 specifically for the Comprehensive Plan. The City Council also budgeted \$100,000 for an economic development strategic plan. Prior to beginning an economic development strategic plan, the City has to complete an updated Economic Opportunities Analysis (EOA) which is included in the 3J scope of work.

**Grant Update:**

As staff had previously presented to the City Council, the most likely source of grant funding for a comprehensive plan is through the DLCD TA grant program. On November 23, 2021 the City was awarded \$50,000 for a DLCD TA grant (Attachment C).

**Other Expenditures:**

The Planning Division is anticipating spending approximately \$30,000 on other ancillary costs associated with the Comprehensive Plan. To date, we have incurred expenditures related to GIS (\$1,500), Engagement HQ (\$3,750), and Perspektiv Design (\$2,000). We anticipate additional costs associated with mailings and printing, and public engagement.

**SUGGESTED MOTION LANGUAGE:**

"I move to direct the City Manager to enter into a contract with 3J Consulting to update the City's Comprehensive Plan, as recommended in the staff report."

**LIST OF ATTACHMENTS/EXHIBITS:**

[Attachment A. Comp. Plan Scope of Work](#)

[Attachment B. Comp. Plan Budget](#)

[Attachment C. TA Grant Award Letter](#)

## SANDY 2043 VISION AND COMPREHENSIVE PLAN FINAL SCOPE OF WORK

November 24, 2021

### TASK 1. PROJECT MANAGEMENT

#### Task 1.1 Project Kickoff

Prepare for and participate in a kickoff meeting with Sandy staff to review, refine and finalize the scope of work, deliverables, schedule and budget, and agree on roles and responsibilities, and communication protocols. Agree on a preliminary list of key stakeholder groups and discuss public engagement and communications tools and strategies.

*Deliverables: Kickoff meeting agenda and notes; refined scope of work, schedule, budget, roles and responsibilities*  
*Timeline: December 2021*

#### Task 1.2 Project Administration

Hold bi-weekly project management phone calls to track progress on key tasks and deadlines, discuss roles, identify unanticipated issues and develop alternative approaches as needed. Prepare monthly progress reports and invoices that describe the activities undertaken, estimate the percent completion of each task, and track expenditures and hours.

*Deliverables: Bi-weekly call agendas and notes; monthly progress reports, invoices*  
*Timeline: Ongoing*

### TASK 2. EXISTING CONDITIONS ASSESSMENT

#### 2.1 Data Collection and Analysis

Research comprehensive plan elements through the review of relevant documents, such as the existing adopted Comprehensive Plan, newly updated Transportation System Plan (TSP) and 2015 Urbanization Study, among others. Collect and synthesize existing data from the 2015 Urbanization Study, with a focus on updating data points (since 2015) for the following key indicators:

- Sociodemographic data
- Housing costs
- Building permit data
- Population growth forecasts
- Land consumption rates
- Sectors of employment

Information collected through the City's concurrent Economic Opportunities Analysis (EOA) process will also be incorporated into the review and synthesis of the economic elements of the 2015 Urbanization Study.

In addition, data will be collected and analyzed around Sandy's vulnerability to natural hazards. Exposure to natural hazards will be assessed through a review of historical trends, as well as projected future changes, based on the best available scientific information, model outputs, and existing research related to natural hazard impacts for the area. Work with the City of Sandy to determine the key variables that will be important to consider as well as the level of risk the City plans to address.

Information from the synthesis of relevant background documents as well as analysis of demographics, land use, economic and housing trends, transportation, natural resources and natural hazard vulnerability, will be used to develop background reports that align with statewide planning goals. The reports will describe the comprehensive plan elements and underlying topics as they relate to the City of Sandy: What are the City's assets? What trends are driving how the topic has changed and will continue to change the community? Examples of topics include:

- Housing
- Natural Hazards and Resiliency
- Community and Culture
- Transportation and Infrastructure
- Governance and Growth Management
- Parks, Trails and Natural Resources

The Background Reports will be presented in non-scientific language and accessible to a wide audience. The Background Reports will use a combination of narrative, maps, tables and graphics to convey key information and ultimately constitute as the introduction to each chapter in the updated Comprehensive Plan document. A two-page, infographic-rich “Community Profile” will also be developed to make the information more accessible to the public. This information will be used at outreach events and distributed widely through various online and City mechanisms.

**Deliverables:** Background Reports, Community Profile

**Timeline:** December-March 2022

### **2.3 Housing Snapshot**

To expand upon the data-driven assessment of housing trends in the Background Reports and develop a more qualitative understanding housing perspectives in Sandy, in-depth interviews will be conducted with community members from varying socioeconomic backgrounds to share stories of housing experiences in Sandy with regards to access, choice and/or affordability.

Support City staff in identifying interviewees, developing questions and conducting up to (5) interviews in a shared effort with staff. Prepare a graphically rich document that showcases the collection of (5) community stories and describes housing experiences and perspectives in Sandy. A presentation deck will be prepared that describes the interviews, reflects on the process and provides key takeaways.

**Deliverables:** Conduct up to (5) community interviews; Draft, and Final Housing Snapshot; Presentation materials

**Timeline:** December 2021-March 2022

### **2.3 SWOT Analysis**

Based on the information provided in the Background Reports, design a matrix that analyzes Sandy’s strengths, weaknesses, opportunities and threats within the framework of community resilience. Populate the matrix with a preliminary assessment, in coordination with the Project Team, and present it for discussion among the project’s committees as a first activity following introduction to the process. Use the SWOT analysis to frame the Comprehensive Plan Visioning process, develop resilience policies, and generate engagement around Sandy’s future.

**Deliverables:** SWOT Analysis Matrix

**Timeline:** February-March 2022

## **TASK 3. ECONOMIC OPPORTUNITIES ANALYSIS**

### **3.1 Economic Opportunities Analysis (EOA)**

Developing EOA will include the following steps:

- **Buildable Lands Inventory (BLI).** The BLI will result in an accurate inventory of commercial and industrial land that is vacant, underutilized, or redevelopable. The consultant will help define key parcel characteristics that make land suitable or not suitable for commercial or industrial development or redevelopment. These characteristics will be used in part to help qualify parcels for inclusion in the inventory. The inventory will also identify and exclude parcels affected by natural and manmade constraints that would prohibit their feasible use for development.

This task will result in an inventory of buildable lands designated for employment (commercial and industrial) within the Sandy UGB. The inventory will meet the requirements of Goal 9, which essentially takes a “site” based approach to land inventories. The BLI must identify sites by plan designation; the EOA must identify “needed sites” based on the regional economic development goals and objectives. The product of the BLI will be: (1) maps and GIS data and (2) a chapter of the EOA that describes the methodology and results of the BLI.

- **Economic Opportunities Analysis.** The EOA will develop the analysis of employment growth potential and demand for the economic opportunities analysis. The demand analysis should document key economic opportunities and estimate the future demand for commercial and industrial development in Sandy. The analysis will address relationships among demographics, employment growth, market trends, and development. Population growth, demographic shifts, and employment growth by sector will drive demand for future development. Forecasting employment land demand will require completing the following tasks:
  - Review of national, state, and local trends
  - Assessment of community economic development potential
  - Forecast of employment growth in Sandy
  - Identification of required site types

A primary objective of many EOAs is to develop technical analysis that supports a meaningful assessment of policies and actions to identify economic development opportunities in the city. In addition, the city expects to have meetings with the Economic Development Advisory Board. The anticipated purpose and outcome of each Economic Development Advisory Board meetings will be as follows:

- Meeting 1: Preliminary results of the BLI and discuss economic development objectives
- Meeting 2: Preliminary results of the EOA and employment growth forecast and revised BLI results (if needed)
- Meeting 3: Site needs of target industries, site suitability of existing buildable land, and preliminary assessment of land sufficiency
- Meeting 4: Results of site-specific analysis and consideration of economic development policy revisions for the Comprehensive Plan
- Meeting 5: Final EOA and final revisions to Comprehensive Plan policies

We will present findings of the EOA to the Planning Commission and City Council at one of the project briefings for the project.

**Deliverables:** *Draft and final EOA report; Revisions to Comprehensive Plan policies*

**Timeline:** *January-December 2022*

#### **TASK 4. COMMUNITY ENGAGEMENT**

##### **4.1 Public Engagement Strategy**

Prepare a Public Engagement Strategy to guide outreach efforts throughout the vision and comprehensive plan process and encourage community-wide participation by providing many opportunities for public exchange in a variety of formats and locations. The Strategy will capitalize on existing City mechanisms for community engagement; establish community engagement objectives; identify the diverse set of stakeholders; and describe the array of tools and activities best suited to inform and engage stakeholders. The Public Engagement Strategy will provide an approach for engaging Sandy youth, either through activities that support the project and/or a Youth Advisory Committee. The Strategy also will identify methods of communication to keep community members up-to-date with the project, and notify residents, businesses and other stakeholders about opportunities to be actively involved in the Comprehensive Plan update process.

**Deliverables:** *Draft and Final Public Engagement Strategy*

**Timeline:** *January 2022*

#### **4.2 Advisory Committees and Commissions**

##### *Community Advisory Committee*

Facilitate up to eight (8) meetings of a Community Advisory Committee (CAC) that represents a broad cross-section of community interests. The CAC will review and comment on work products, guide public outreach and engagement efforts, act as liaisons to specific constituencies or interest groups, help host public events, encourage community members to participate in the process, and act as champions of the ultimate Sandy Vision and Comprehensive Plan that emerges from this process. Develop a CAC charter that establishes roles, shared ground rules and decision-making procedures. The anticipated purpose and outcome of each CAC meetings will be as follows:

- CAC #1: Learn about the Comprehensive Plan process, Discuss key issues, and Review draft Public Involvement Plan elements*
- CAC #2: Review Background Reports and Community Profile, Provide guidance on readability/accessibility, Engage in SWOT Analysis, Report back on visioning activities*
- CAC #3: Engage in SWOT Analysis (cont'd), Report back on visioning activities, Identify Vision Themes*
- CAC #4: Review community feedback from visioning activities, Review Draft Vision Statement*
- CAC #5: Review community feedback from Open House #1, Finalize Vision Statement, Review Draft Goals*
- CAC #6: Develop policy concepts for first group of Comp Plan chapters*
- CAC #7: Develop policy concepts for second group of Comp Plan chapters*
- CAC #8: Develop policy concepts for third group of Comp Plan chapters*

##### *Youth Advisory Committee*

Facilitate up to two (2) meetings of a Youth Advisory Committee (YAC) consisting of Sandy High School students. Support City staff to engage the YAC in community outreach efforts and provide youth-specific guidance on the Comprehensive Plan update.

*Depending on the availability of additional funds and both student and City interest and capacity, we can facilitate 2-3 more YAC meetings or provide training in outreach and community organization. This could include activities like intercept surveys, report-writing and school-based community conversations as well as a small stipend for students.*

##### *Planning Commission and City Council Briefings*

Support City staff in providing up to eight (8) Planning Commission and City Council briefings at key points throughout the project. These briefings are important touchpoints to ensure elected and appointed officials are engaged in the process and eventual recommendations are supported.

*Depending on availability of additional funds, 3J also will support City staff in engaging other pertinent committees identified by the City. Other committees may include a Business Advisory Committee and Environmental Advisory Committee, or the formation of a Technical Committee that consist of stakeholders, agency partners and service providers such as ODOT, DLCD, DEQ, and Clackamas County to work alongside the CAC, review project materials and advise on technical issues. Depending on the makeup of the CAC, a technical committee or task force may be needed for the natural hazard mitigation and resiliency process.*

***Deliverables:*** Prepare for and facilitate up to eight (8) CAC meetings with meeting summaries, two (2) YAC meetings and eight (8) Planning Commission and City Council Briefings

***Timeline:*** Ongoing

#### **4.3 Community Conversations and Events**

Prepare a Community Conversation Kit and conduct up to two (2) Community Conversations in a shared effort with City staff and CAC members. Community Conversation Kits will be structured in a manner that provides community members with information about the project and engages them in discussion about what they value about Sandy today and what could make it a better place to live in the future.

In addition to community conversations, support City staff to identify and design activities for community events, like an informational booth or intercept surveys. Community Events may include Music and Movies in the Park, Farmers' Market, Longest Day Parkway, Corn Cross Cyclecross Race, Dog Days Out, Christmas Tree Lighting Ceremony, Trick-or-Treat Trail, Music Fair and Feast, the Sandy Mountain Festival, and SOLV-IT in Sandy Day and others. Activities will be designed to create awareness of the project and engage youth and adults in identifying what they love about Sandy today and what they would change to make Sandy an even better place to live, work and play in the future. City staff and CAC members will be the primary staff at these events.

**Deliverables:** *Community Conversations Kit, Summaries of up to two (2) Community Conversations, Community Event materials*

**Timeline:** *January 2022*

#### **4.4 Stakeholder Workshops**

Lead and facilitate two (2) day-long stakeholder workshops will be held to identify natural hazard vulnerabilities and develop policies to address those vulnerabilities in the comprehensive plan. Workshop #1 will coincide with the visioning process and convene City staff, CAC members, and technical experts from the following community systems: economic, built, health and human services, natural resources, and cultural. Those participants will review environmental projections and identify the impact those changing conditions will have on the five community systems. This vulnerability assessment will form the foundation for Workshop #2 where the same participants will identify policy solutions to address the highest priority natural hazard vulnerabilities as part of the development of the Comprehensive Plan.

**Deliverables:** *Prepare, facilitate, and summarize two (2) Stakeholder Workshops*

**Timeline:** *June 2022 and October 2022*

#### **4.5 Surveys and Online Engagement**

Develop up to four (4) online community forums or surveys to gather the general interests and positions of the public throughout the Visioning and Comprehensive Planning process. Digital surveys will be provided through EngagementHQ or other online engagement platforms, and paper surveys may be distributed or conducted as intercept surveys at strategic locations around the city, such as the library, Ant Farm, senior center and similar "third place" locations. The data from these surveys will be aggregated and used to inform the development of the Sandy 2043 Vision, as well as various elements in the Comprehensive Plan. Surveys will coincide with each of the (4) rounds of public involvement and provide an alternative opportunity to comment for those who may not come to a meeting or event or feel comfortable voicing their opinions among others. These engagement opportunities will be advertised in Sandy community Facebook groups, City communication channels, and in-person in aforementioned "third places."

**Deliverables:** *Develop and summarize up to four (4) online community forums or surveys*

**Timeline:** *Ongoing*

#### **4.6 Open Houses**

Work with City staff and the CAC to host four (4) Open Houses throughout the course of the project, pending COVID-19 protocols. These fun and engaging community events are the main opportunities for Sandy community members to engage and share ideas with their neighbors face-to-face regarding the Sandy 2043 Vision and various elements of the Comprehensive Plan. Open Houses may include a variety of activities, such as multiple stations around a room, breakout discussion groups and/or real-time polling, and offer Spanish translation services. Additionally, staff and officials will be available to answer questions and discuss ideas with participants. In order to encourage participation, snacks/beverages and activities for children will be provided.

Open House #1: *Community members will review and comment on the draft Vision Statement and participate in discussions to identify preliminary goals for each topic area.*

Open House #2: *Validate draft goals for the first group of Comp Plan Chapters and share ideas that can best serve the community's vision*

Open House #3: *Validate draft goals for the second group of Comp Plan Chapters and share ideas that can best serve the community's vision*

Open House #4: *Validate draft goals for the third group of Comp Plan Chapters and share ideas that can best serve the community's vision*

**Deliverables:** *Prepare for and facilitate up to four (4) Open Houses, summarize engagement results*

**Timeline:** *Ongoing*

#### **4.7 Communication Tools**

Work with City staff to use a variety of methods to notify residents about events and other opportunities to be involved in the process. Seek a proper balance between these tools in order to achieve maximum engagement:

- **Branding.** Use the City's project branding on all materials, ensuring continuity and visibility for the Vision and Comprehensive Plan process.
- **Project Website.** Support City staff's efforts to design and administer an informative, accessible and interactive website. Provide content for the project hub, which staff will run and maintain, including a project overview and timeline, important contacts, schedules for public events, opportunities for participation, updates on the project's status, and the ability to view or download documents.
- **Social media.** Provide City staff with content for their social media platforms, such as the City's Facebook and Twitter accounts to increase project awareness and provide multiple avenues for community input.
- **Media contacts.** Prepare media releases to the Sandy Source and other local outlets for the City to distribute.
- **Public information materials.** Prepare flyers, newsletters, facts sheets and other materials to educate and inform the public.
- **Electronic mailing list.** The City will maintain a database of e-mail addresses of people who express interest in the planning process. 3J will prepare e-blasts for the City to distribute to help notify people about events and activities. Interested parties will have several opportunities to join the mailing list, such as on the project website and at public meetings and events.

**Deliverables:** *Outreach and communications materials*

**Timeline:** *Ongoing*

### **TASK 5. VISIONING AND GOAL SETTING**

#### 5.1 Sandy 2043 Vision and Goals

Concurrent with the collection and analysis of background information and identification of natural hazard vulnerabilities through Stakeholder Workshop #1, the first round of outreach activities will focus on the Sandy 2043 Vision. The community will be asked open-ended questions about what they like about Sandy today and what could be improved in the future. Natural hazard vulnerabilities will be identified by processing the information from the first stakeholder workshop. Compile the input gathered and summarize the major themes and categories of ideas. Organize the information into Comprehensive Plan "topic areas" that build upon the organization of the Background Reports and are further refined to reflect community priorities. This information will be the foundation of the Comprehensive Plan vision statement and goals. Depending on staff direction, the plan elements of the Comprehensive Plan will either be organized by the topic areas of the Vision Statement or by statewide planning goal.

**Deliverables:** *Draft and Final Sandy 2043 Vision and Goals, prioritized list of natural hazard vulnerabilities*

**Timeline:** *August 2022*

### **TASK 6. COMPREHENSIVE PLAN**

#### 6.1 Policy Formulation and Implementation Strategies

City staff and the consultant team will coordinate lead and support roles in the development of updated policies for each of the comprehensive plan elements which will be integrated into the updated Comprehensive Plan either



as its own element or spread across other elements. This will require close and direct coordination with City staff, CAC members and other stakeholders that represent various capacities related to the comprehensive plan elements.

Policies developed will be analyzed to ensure alignment with the SWOT analysis prior to being included in the Comprehensive Plan. This ensures planning efforts and recommendations from supporting community plans are coordinated and reflected in the updated Comprehensive Plan.

City staff and the consultant team will work collaboratively to identify any implementation strategies and evaluate a selection of implementation strategy options, where applicable.

*If additional funding becomes available, other tasks may include a formal action plan, an implementation strategy for HB 2003, code updates, zoning map updates, and other implementing ordinances.*

**Deliverables:** *Draft Policies, Implementation Strategy, Policy Evaluation Matrix*

**Timeline:** *September 2022 – February 2023*

#### 6.2 Comprehensive Plan

Produce a Comprehensive Plan document that incorporates the Background Reports and natural hazards vulnerability assessment, as well as the vision, goals and policies for each topic area or statewide planning goal, ensuring that the policies are aligned with Oregon Statewide Planning goals and have supporting implementation strategies where applicable. By the time of production, all contents of the document will have been vetted and reviewed by the CAC and broader community.

The Comprehensive Plan document will be shared with City staff in Word so that staff may design and format the document in Adobe InDesign.

**Deliverables:** *Draft and Revised Comprehensive Plan document*

**Timeline:** *March-April 2023*

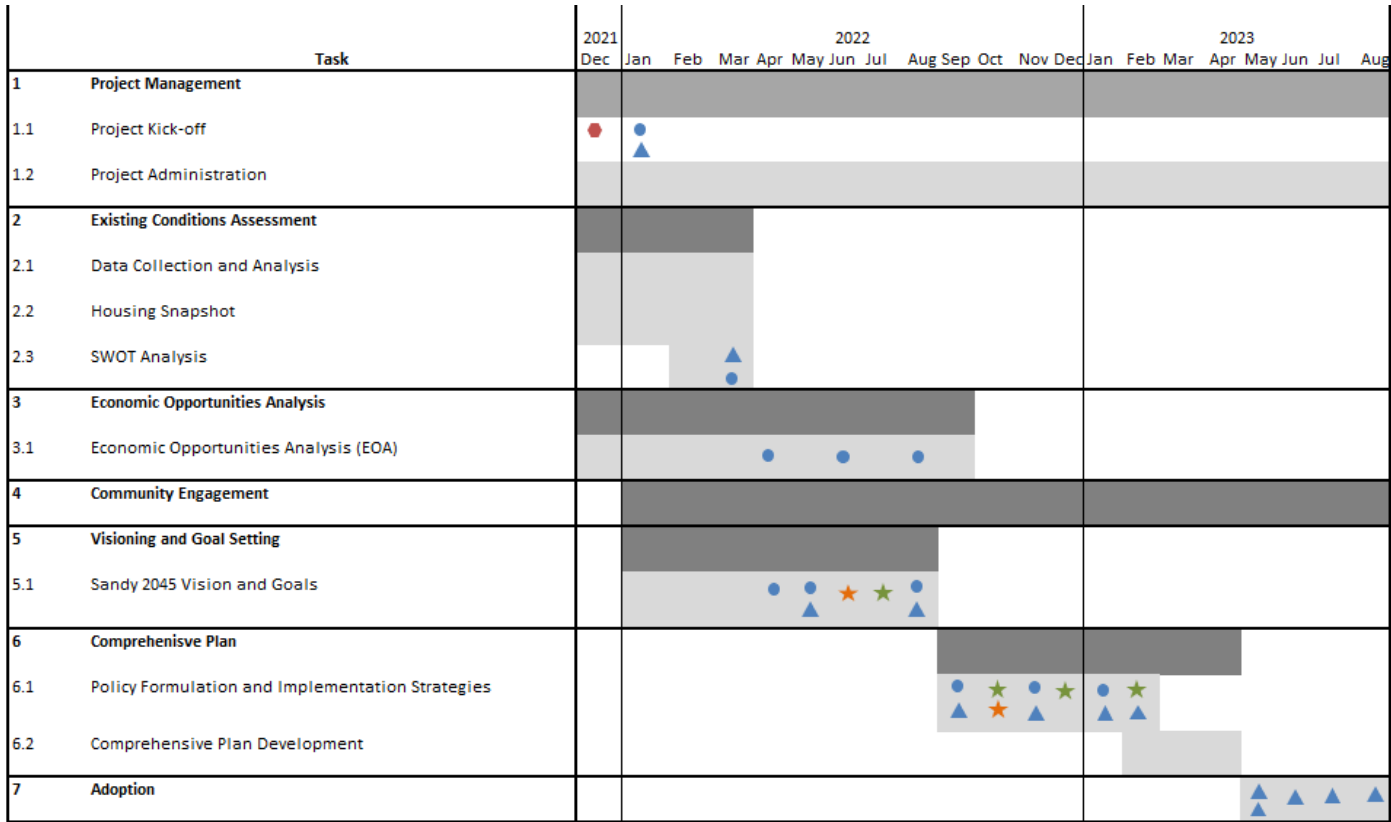
#### **TASK 7. ADOPTION**

Support City staff in adoption proceedings by presenting the draft Comprehensive Plan in 3 groupings of chapters to be reviewed at a series of joint Planning Commission and City Council worksessions. Once final refinements are made, a final draft of the Comprehensive Plan will be presented at two hearings: one for the Planning Commission and one for the City Council.

**Deliverables:** *Presentations at up to three (3) Joint Planning Commission/City Council work sessions, one (1) Planning Commission hearing, one (1) City Council hearing*

**Timeline:** *May – August 2023*

### Project Schedule



- Team Kickoff
- CAC and Advisory Board Meetings (11)
- ▲ PC/CC Briefings (8)
- ★ Open Houses (4)
- ★ Stakeholder Workshops (2)

**ATTACHMENT B**

Sandy Comprehensive Plan Cost Estimate Summary	3J Subtotal	GEOS Subtotal	Veritas Subtotal	ECONW Subtotal	TOTAL
<b>Tasks</b>					
<b>1. Project Management</b>	<b>\$21,260</b>	<b>\$5,980</b>	<b>\$2,970</b>	<b>\$2,880</b>	<b>\$ 33,090</b>
1.1 Project Kickoff	\$1,252	\$260	\$330	\$320	\$ 2,162
1.2 Project Administration	\$20,008	\$5,720	\$2,640	\$2,560	\$ 30,928
<b>2. Existing Conditions Assessment</b>	<b>\$11,344</b>	<b>\$8,810</b>	<b>\$0</b>	<b>\$7,700</b>	<b>\$ 27,854</b>
2.1 Data Collection and Analysis	\$6,672	\$7,250	\$0	\$5,780	\$ 19,702
2.2 Housing Snapshot	\$3,136	\$0	\$0	\$0	\$ 3,136
2.3 SWOT Analysis	\$1,536	\$1,560	\$0	\$1,920	\$ 5,016
<b>3. Economic Opportunities Analysis</b>	<b>\$1,024</b>	<b>\$0</b>	<b>\$0</b>	<b>\$40,000</b>	<b>\$ 41,024</b>
3.1 Economic Opportunity Analysis	\$1,024	\$0	\$0	\$40,000	\$ 41,024
<b>4. Community Engagement</b>	<b>\$50,638</b>	<b>\$21,830</b>	<b>\$17,030</b>	<b>\$4,240</b>	<b>\$ 93,738</b>
Task 4.1 Public Engagement Strategy	\$3,244	\$1,040	\$1,320	\$0	\$ 5,604
Task 4.2 Advisory Committees (10) and Commission Briefings (8)	\$19,636	\$4,030	\$0	\$2,560	\$ 26,226
Task 4.3 Community Events and Conversations	\$3,936	\$0	\$2,970	\$0	\$ 6,906
Task 4.4 Stakeholder Workshops	\$2,048	\$11,120	\$0	\$0	\$ 13,168
Task 4.5 Surveys and Online Engagement (4 surveys)	\$5,248	\$1,560	\$5,810	\$0	\$ 12,618
Task 4.6 Open Houses (4 open houses)	\$8,346	\$4,080	\$1,320	\$1,680	\$ 15,426
Task 4.7 Communication Materials	\$8,180	\$0	\$5,610	\$0	\$ 13,790
<b>5. Visioning and Goal Setting</b>	<b>\$8,368</b>	<b>\$3,120</b>	<b>\$0</b>	<b>\$0</b>	<b>\$ 11,488</b>
Task 5.1 Sandy 2043 Vision and Goals	\$8,368	\$3,120	\$0	\$0	\$ 11,488
<b>6. Comprehensive Plan</b>	<b>\$13,016</b>	<b>\$13,820</b>	<b>\$0</b>	<b>\$7,080</b>	<b>\$ 33,916</b>
Task 6.1 Policy Formulation and Implementation Strategies	\$9,856	\$12,260	\$0	\$7,080	\$ 29,196
Task 6.2 Comprehensive Plan	\$3,160	\$1,560	\$0	\$0	\$ 4,720
<b>7. Adoption (5)</b>	<b>\$5,370</b>	<b>\$1,820</b>	<b>\$0</b>	<b>\$2,660</b>	<b>\$ 9,850</b>
<b>Total Hours</b>	<b>910</b>	<b>434</b>	<b>122</b>	<b>433</b>	-----
<b>Total Fees</b>	<b>\$111,020</b>	<b>\$55,380</b>	<b>\$20,000</b>	<b>\$64,560</b>	<b>\$ 250,960</b>

c



# Oregon

Kate Brown, Governor

## ATTACHMENT C

### Department of Land Conservation and Development

635 Capitol Street NE, Suite 150

Salem, Oregon 97301-2540

Phone: 503-373-0050

Fax: 503-378-5518

[www.oregon.gov/LCD](http://www.oregon.gov/LCD)

November 23, 2021

Shelley Denison, Associate Planner  
City of Sandy  
39250 Pioneer Blvd.  
Sandy, Oregon 97055



SENT VIA E-MAIL

**RE: Notice of DLCD Technical Assistance grant award**

Dear Shelley:

I am very pleased to offer City of Sandy a Technical Assistance grant award for 2021-2023. Your application was selected from among 41 proposals submitted to the Department of Land Conservation and Development for this biennium. Your proposal aligns well with the priorities established in the Land Conservation and Development Commission's Grants Allocation Plan and other approval criteria. The department is prepared to fund the Comprehensive Plan project for \$50,000.

Please work with your DLCD regional representative to complete a scope of work and grant contract. Once a grant contract is signed by both parties, reimbursable work on the project may begin.

Oregon's current budget provides funding to support the Technical Assistance grant program. Please note, however, in the event of a significant change in state revenue we may be required to limit a portion of the grant award.

If you have any questions about the award, please contact Laura Kelly, your DLCD regional representative, at 503-798-7587 or [laura.kelly@dlcd.oregon.gov](mailto:laura.kelly@dlcd.oregon.gov), or me at (503) 856-6935 or [Gordon.howard@dlcd.oregon.gov](mailto:Gordon.howard@dlcd.oregon.gov).

Thanks for your interest, and compliments on your successful application. We look forward to working with you on the project.

Yours truly,

Gordon Howard  
Community Services Division Manager

cc: Senator Chuck Thomsen  
Representative Anna Williams  
Raihana Ansary & Jim McKenna, Regional Solutions Team Coordinator  
Laura Kelly, DLCD Regional Representative  
Angela Williamson, DLCD Grants Administrative Specialist



## Staff Report

---

**Meeting Date:** December 6, 2021  
**From** Ernie Roberts, Police Chief  
**SUBJECT:** Police Body Cameras Update and Purchase

---

**DECISION TO BE MADE:**

Receive an update on the police body camera project and authorize purchase.

**PURPOSE / OBJECTIVE:**

Provide body cameras for sworn staff which will increase transparency and public trust, and improve evidence records for prosecution purposes. The project also includes in car video systems for the remaining patrol vehicles.

**BACKGROUND / CONTEXT:**

Implementing a body worn camera system has been a goal for the Police Department for several years. In the 2019-21 budget process, the Budget Committee and City Council allocated a portion of the general revenue surplus towards body worn cameras, vehicles, and training for the Police Department. At the time, the department projected a cost of \$71,000 for the cameras and equipment. Since then the department worked with IT staff to identify the desired cameras and service provider and obtain a quote from the selected provider, WatchGuard (Motorola). Project costs have increased from the initial estimate mostly due to the adding of a cloud based storage system that is CJIS compliant in the package. The department will be purchasing 7 cameras, 7 in vehicle cameras, and unlimited cloud based storage.

The five year costs for the camera equipment and storage is \$117,803.

**RECOMMENDATION:**

Staff recommends accepting the quote and proceeding with the purchase of the camera equipment and implementation of required policy to complete the project.

**BUDGETARY IMPACT:**

The total cost for the camera equipment and unlimited storage and support for 5 years is \$117,803.

**SUGGESTED MOTION LANGUAGE:**

Move to authorize the purchase of the body worn cameras, vehicle cameras, and five year agreement for associated services and cloud based storage.