

City of Sandy

Agenda

City Council Meeting

Meeting Location: City Hall- Council Chambers, 39250
Pioneer Blvd., Sandy, Oregon 97055

Meeting Date: Tuesday, February 19, 2019

Meeting Time: 6:00 PM



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1. WORK SESSION 6PM

2. ROLL CALL

3. WORK SESSION ITEMS

- 3.1. Agenda Review
- 3.2. Public Comment
- 3.3. Review of Plan of Action/Conflict of Interest Policy

4. REGULAR COUNCIL MEETING 7PM

5. PLEDGE OF ALLEGIANCE

6. ROLL CALL

7. CHANGES TO THE AGENDA

8. PUBLIC COMMENT

9. ADJOURN WORK SESSION

10. PRESENTATION

- 10.1. Tonya Moffitt with Merina & Co., will be presenting the annual report for the fiscal

year ending June 30, 2018.

11. CONSENT AGENDA

- 11.1. City Council Minutes 4 - 11
[City Council Work Session & Regular Meeting - 04 Feb 2019 - Minutes - Pdf](#)
- 11.2. Sandy Transit Vehicle Replacement 12 - 16
- Allow Transit staff to proceed with the procurement of 2 Champion Low-floor Transport vehicles from Schetky Northwest Sales.
[Sandy Transit Vehicle Replacement - Pdf](#)

12. RESOLUTIONS

- 12.1. Plan of Action 17 - 24
- Staff recommends that Council "Approve Resolution 2019-04, a resolution adopting a Plan of Action."
[Plan of Action - Pdf](#)
- 12.2. Resolution 2019-3 Declaring the City Council's Intention to Form a Local Improvement District 25 - 27
- Approve resolution 2019-3
[Resolution 2019-3 Declaring the City Council's Intention to Form a Local Improvement District - Pdf](#)

13. NEW BUSINESS

- 13.1. Library Advisory Board Appointments 28
- Appoint Blanca Doroteo to the Library Advisory Board for the Sandy Service Area
Appoint Lynne Pollard to the Library Advisory Board for the Hoodland Service Area
[Library Advisory Board Appointments - Pdf](#)

14. REPORT FROM THE CITY MANAGER

15. COMMITTEE REPORTS

16. COUNCIL REPORTS

17. STAFF UPDATES

17.1. [Monthly Reports](#)

18. ADJOURN



MINUTES
City Council Meeting
Monday, February 4, 2019 City Hall- Council Chambers, 39250
Pioneer Blvd., Sandy, Oregon 97055 6:00 PM

COUNCIL PRESENT: Stan Pulliam, Mayor, Jeremy Pietzold, Council President, John Hamblin, Councilor, Laurie Smallwood, Councilor, Jan Lee, Councilor, Carl Exner, Councilor, and Bethany Shultz, Board Member

COUNCIL ABSENT:

STAFF PRESENT: Karey Milne, Recorder Clerk and Jordan Wheeler, City Manager

MEDIA PRESENT:

1. WORK SESSION 6PM

2. ROLL CALL

3. Work Session Items

3.1. Agenda Review

Mayor Pulliam, quickly reviewed the upcoming agenda for the regular meeting. Asked for any questions about the items on the meeting.

Council had some questions on Resolution 2019-2 for the loan amendment and had a brief discussion.

Council had some clarifying questions on the LID Engineer's Report.

Councilor Pietzold asked for a change on the Minutes from the January 22nd Meeting.

3.2. Tourism Grant Project Input

Staff Report - 0102

Economic Development Manager, David Snider reviewed the cost and concept of the shade sails for the Centennial Plaza, it was brought to the Urban Renewal Board at the December 3, 2018 Meeting, the board tabled the

discussion. They were unsure if that was the right approach for that area. Staff is seeking further direction from council on the concept and if it merits applying for the Tourism Grant Project.

Council and Mayor had several questions for EDM, David Snider.

EDM, David Snider answered those questions and explained how the grant works and how other community members applied in the past and how it was used, what kind of projects the County would like to see happen.

Kathleen Walker, Resident of the City of Sandy, She mentioned some other ideas, using the funds for Jonsrud View point, the interpretive signs and the binoculars that are there need to be replaced. It is such a big draw for people to go when they are visiting. Also would like council to look at what is really the issue at the plaza, should we look into some other options besides shade sails.

Council and Mayor had more questions and suggestions and concerns.

Council gave direction to staff to apply for this grant with updating the signs and binoculars at Jonsrud Viewpoint.

3.3. Economic Development Committee

Staff Report - 0101

City Manager, Jordan Wheeler, gave a brief update on the policy on boards, committees and commissions and how each one works. What is your purpose, how would you like to form this group, as an advisory board, or a committee etc.

Mayor Pulliam gave some background on why he would like to see this board/committee formed.

Council had some discussion.

City Manager, Jordan Wheeler, gave some input on how to move forward, and what this committee/board could help the council with their goals as well as help our Economic Development Manager.

Staff will bring back information and recommendation at the next council meeting.

4. REGULAR MEETING 7PM

5. Pledge of Allegiance

6. Oath of Office

6.1. Oath of Office - Bethany Shultz

Mayor Pulliam swore in Bethany Shultz.

Mayor Pulliam gave a brief welcome. Councilor Shultz said a few words.

7. Roll Call

8. Changes to the Agenda

9. Public Comment

10. Resolutions

10.1. Wastewater System Facilities Plan Additional Services, Resolution 2019-2 and CWSRF Loan Amendment

Staff Report - 0098

Public Works Director, Mike Walker, With the Completion of the Draft Wastewater System Facilities Plan (WSFP) it has become apparent that the recommended alternative will require additional services to: assist in preparing funding applications; develop a plan for flow monitoring and I&I investigation in the collection system; provide more detailed site planning for the satellite treatment facility and diversion pump station; renegotiate the MAO timeline with DEQ and further develop the Sandy River discharge alternative and evaluate the temperature impacts of a Sandy River discharge. Also included in the scope are services from a communications consultant to prepare talking points and messaging recommendations to support the plan and the financing options. Staff requested that Murraysmith prepare a scope of work and fee estimate (attached) for these additional services. We also asked DEQ to amend our existing \$250,000 Clean Water State Revolving Fund (SRF) loan to fund this work. DEQ has agreed to amend the loan agreement for the additional \$200,000 required. Resolution 2019-2 (attached) authorizes the loan amendment with DEQ.

Staff recommends council to approve Resolution 2019-2.

Council had some questions for staff.

Moved by Jeremy Pietzold, seconded by Jan Lee

Motion to approve Resolution 2019-2

CARRIED.

11. New Business

11.1. 2019 City Council Goals

Staff Report - 0100

City Manager, Jordan Wheeler, we are just bringing back your goals to finalize. The Council reviewed the draft goals on January 22 and had no changes. Staff recommends a motion to adopt the City Council Goals for 2019.

Moved by Laurie Smallwood, seconded by Carl Exner

Motion to approve Council Goals for 2019

CARRIED.

11.2. Engineer's Report for Proposed Bluff/Jonsrud Local Improvement District

Staff Report - 0092

Thomas Fisher, gave a review of the staff report.

At the August 6th meeting the City Council accepted a petition from property owners in the Bluff Rd./ Jonsrud Ln. area to create a Local Improvement District (LID). The petition was signed by property owners representing 67% of the property within the boundary of the proposed LID. Council by motion directed staff to prepare an Engineer's Report and return at a later date. The Report (attached) was prepared by the City's consulting engineers, CurranMcLeod, Inc. The Report includes two alternatives for providing sanitary sewer service to the proposed District. Alternative A - is a gravity sewer extending south from the existing sewer near Jonsrud Viewpoint to the intersection of Bell and Bluff with a branch to serve Jonsrud Lane. Alternative B is a gravity sewer starting at the same point and extending south to a point near the intersection of Bluff and Jonsrud with branch to the west to serve properties west of Bluff and a branch to serve Jonsrud Lane. Alternative A (\$431,300) can be constructed entirely within existing public right-of-way.

Alternative B (\$447,820) requires temporary construction and permanent easements for the western branch. Alternative B is also deeper than Alternative A and as a result the construction cost estimate is slightly higher.

Council had a few questions for staff.

Moved by Jeremy Pietzold, seconded by Laurie Smallwood

Motion to accept the report and direct staff to prepare preliminary assessments, provide notice to affected property owners and schedule a public hearing to consider objections to the formation of a Local Improvement District with Plan B

CARRIED.

12. Consent Agenda

12.1. City Council Minutes

13. Report from the City Manager

Follow up on Public Comment from last week, we are following up on the speed and volume of traffic on Meinig.

Upcoming Meetings, Saturday 9-12 with the Parks Board, Tuesday evening work session with ODOT at 6PM, and the Presentation Wednesday with Murray Smith at 6:30PM.

14. Committee/Council Reports

Councilor Shultz, will be attending her first Library board meeting next week.

Councilor Exner, mentioned he would like staff to review planning fees and make sure that we are doing small increases more frequently, and not large increases all at once. Have we scheduled a tour of the Tri Cities Waste Water Treatment Plant? He would like to make sure we can get a tour scheduled as it will be similar to what we will be implementing.

Councilor Lee, will have a C4 meeting coming up, nothing else to report.

Councilor Hamblin, will have a School Board Meeting coming up next week, nothing else to report.

Councilor Smallwood, She was not able to attend the last Parks Board meeting, but did watch it, they are working on items to bring to the meeting with council on Saturday. She also attended the City day at the Capitol recently.

Councilor Pietzold, Tickle creek trees, we had a wind storm a few weeks ago, he wanted to give kudos to our Parks and Public Works crews in making sure the down limbs and fallen trees are cleaned up and cleared from the path. He attended the City

Day at the Capitol as well, it was a great to see the ins and outs, and met some great people there. He and the Mayor and the City Manager met with the Skipper and Lundeen families.

Mayor Pulliam, will send a report to council regarding some upcoming events, and asked to attach to the minutes. The City Day at the Capitol was a great experience felt like a really good team building day. He is really happy with how the council is working together as a team. The Mountain Festival is working hard for the upcoming year, and we want to help put our best foot forward with them. Wednesday the 6th we are hosting the Morning Perk, he would love for other councilors to attend and also the Clackamas County is having a state of the County coming up and if any other councilors would like to attend, he will be attending.

14.1. [Mayors Report Feb 4](#)

7 - 8

15. Staff updates

15.1. [Monthly Reports](#)

16. Adjourn



Mayor, Stan Pulliam



City Recorder, Karey Milne

Mayors Report
February 4, 2019

Committees:

- Clackamas County Coordinating Committee (C4) meeting coming up this Thursday, January 7th.
- Sandy Mountain Festival – Had a great meeting with Festival President Martin Montgomery. We're going to put together a meeting with our City Manager and Department Heads that interact with the festival such as Transit, Police and Public Works to better coordinate and provide an even better festival.

Mayor Report:

- We recently had a great breakfast with the Skipper & Lundeen families concerning their property on the west end of town and our Council Goal of a 362nd & Bell Street connection. Looking forward to keeping the lines of communication open.
- Tomorrow there is a Chinese New Year celebration at the Sandy Public Library from 6:30pm – 7:30pm.
- We're hosting the Sandy Area Chamber of Commerce Morning Perk this Wednesday, February 6th from 7:30am until 9:00am.
- Joint work session with the Parks Committee this Saturday, January 9th here in Council Chambers from 9am until noon.
- Jordan and I are meeting with Cathy Stuchlik and her sons for lunch over at Clackamas County bank to provide an introduction to Jordan.
- Scheduled a meeting with Ree Armitage who is Senator Ron Wydens representative for February 21st at 1pm at City Hall.
- Looks like we'll have an opportunity to have lunch with Congressman Blumenauer the following day on February 22nd.
- The next time we get together will be next Tuesday, February 12th for our Work Session with ODOT.
- Clackamas County is hosting their Commissioners State of the County forum on Wednesday, February 13th at 11:30am at the Monarch Hotel in Clackamas. I plan on attending.

- Later that same day the Sandy Area Chamber of Commerce will be hosting their next REACH networking event from 4:30pm until 6:30pm at Buddha Kat Winery.
- On Friday, February 15th Sarah McIntyre and Rebecca Robinowitz will be joining me at a lunch with Jackie Key and the Post Commander of our local VFW to discuss ways we can partner for the benefit of our Youth Council and them getting to attend some statewide and national leadership conferences.



Staff Report

Meeting Date: February 19, 2019
From Andi Howell, Transit Director
SUBJECT: Sandy Transit Vehicle Replacement

Background:

Sandy Transit currently operates 2 Arboc Spirit of Mobility vehicles in the Sandy Transit Area Rides (STAR) program. STAR is the local demand response or "dial-a-ride" program which allows anyone within a 3-mile radius of the center of town to schedule an in-town ride. This program also serves as the complementary ADA service for those who are physically unable to access fixed route transit service.

Sandy Transit currently has permission from the Oregon Department of Transportation (ODOT) to replace both Arbocs due to the condition and cost of maintenance required to keep them in service. Sandy was awarded grant funding for the replacement of both vehicles through the Federal 5339 grant program in the project amount of \$200,000 with a local match of \$30,000.

Under most circumstances, when a vehicle is grant funded, the purchasing agency is required to procure the vehicle from the state contract using a Request for Quotes (RFQ) process. Transit staff conducted the RFQ and has selected a vendor. Of the 2 state contracted vendors, Schetky Northwest Sales submitted the lowest bid and met all the required and preferred specifications listed in the RFQ. The new vehicles are low-floor (kneeling), have a ramp for loading those with mobility challenges and an interior ramp in place of a step. A brochure is attached.

Vehicles to be replaced:

2014 Arboc Spirit of Mobility Vin# 1GB6G5BG0E1165176 Current miles: 96,044 (as of January 31, 2019)

2016 Arboc Spirit of Mobility Vin# 1GB6GUBG7G1225161 Current miles: 58,762 (as of January 31, 2019)

Replacement Vehicles:

2 2019 Champion Low-Floor Transport

Recommendation:

Allow Transit staff to proceed with the procurement of 2 Champion Low-floor Transport vehicles from Schetky Northwest Sales.

Budgetary Impact:

Project total is \$236,122 with a total reimbursement of \$170,000. The project is budgeted.



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This medium-duty shuttle bus boasts heavy-duty performance. In addition to single-step entry and no lifts, the LF Transports' wide body offers the greatest passenger capacity in the medium-duty category and its larger engine can handle the load.

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	FORD	CHEVROLET	INTERNATIONAL
CHASSIS	E-450	G4500	INTERNATIONAL UC
ENGINE	6.8L GAS	6.6L DIESEL AND GAS	MAXXFORCE 7, 300HP
TRANSMISSION	5 SPEED AUTOMATIC	6 SPEED AUTOMATIC	ALLISON AUTOMATIC
EXTERIOR HEIGHT	111"	111"	113"
EXTERIOR WIDTH	102"	102"	102"
INTERIOR HEIGHT	81"	81"	88.5"
INTERIOR WIDTH	96.75"	96.75"	96.75"
LENGTH	24.5', 25', 26', 27'	24.5', 25', 26', 27'	27', 31'
WHEELBASE	189", 208"	186", 208"	240"
GVWR	14,500	14,200	19,500

FORD CHASSIS STANDARDS:

55 GALLON FUEL TANK
225 AMP ALTERNATOR
DUAL 650 CCA BATTERY
POWER 4-WHEEL DISC (ABS)
LT225/75RX16E TIRES
TILT/CRUISE

CHEVROLET CHASSIS STANDARDS:

REAR AXLE RATIO 3.73
DUAL 145-AMP ALTERNATOR-DIESEL
DUAL 770 CCA BATTERY
57 GALLON FUEL TANK
POWER DISC BRAKES
TIRES LT225/75R 16E, BSW ALL SEASON
TILT CRUISE
CHROME APPEARANCE PACKAGE

INTERNATIONAL CHASSIS STANDARDS:

AUTOMATIC ALLISON TRANSMISSION
BRAKE SYSTEM, HYDRAULIC
320 AMP ALTERNATOR
225/70R19.5 R250F TIRES
40 GALLON FUEL TANK.

CONVERSION STANDARDS:

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ELECTRONIC 4-POINT AUTO-LEVELING FULL-KNEEL SUSPENSION SYSTEM
DC DRIVEN AIR COMPRESSOR
GALVANIZED STEEL CAGE CONSTRUCTION
GALVANIZED WHEELWELLS
STREET SIDE EXHAUST
MUD FLAPS
ENGINE BLOCK HEATER OEM
SELF DIAGNOSING 12 VOLT ELECTRICAL PANEL (FUSES)
DOOR ACTIVATED ENTRANCE LIGHTING
EXTERIOR KEY SWITCH - ENTRANCE DOOR
PLYWOOD FLOOR
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LONDON SMOKE INTERIOR
SOLID WINDOWS
REAR EGRESS WINDOW
DRIP RAIL OVER WINDOWS
COMPOSITE EXTERIOR
ROOF ONE PIECE COMPOSITE
FUEL FILL DOOR S/S WITH THUMB LOCK
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ELECTRIC PASSENGER ENTRY DOOR
RIGHT AND LEFT HAND GRAB RAIL AT ENTRY
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- 3.5" LCD Digital display - For Real-Time Ramp / Suspension System Performance & Diagnostics
- Heavy-duty High-capacity DC Driven Suspension Compressor - Made to kneel at every stop and continuously maintain air pressure. Due to the high CFM compression rate, full air system recovery from a full kneeled position to vehicle ride height within 3.5 seconds...Industry's Best!



Sandy Transit
16610 Champion Way
Sandy, OR 97055
503-489-0927

Notice of Intent to Award

TO: All Bidders
FROM: Andi Howell, City of Sandy Transit Director
RE: **Notice of Intent to Award Request for Quotes (RFQ)**
DATE: February 12, 2019

The City of Sandy Transit Department announces its intent to award the procurement of 2 category D low-floor vehicles.

To

Schetky Northwest Sales

The City received two bid responses from state contracted vendors for this vehicle replacement. Schetky Northwest Sales was the lowest bidder and met all requirements specified in the RFQ with the Champion Low-Floor Transport Vehicle.

Thank you for your time and effort submitting a quote.

A handwritten signature in black ink that reads "Andi Howell".

Andi Howell
Transit Director





Staff Report

Meeting Date: February 19, 2019
From Tyler Deems, Finance Director
SUBJECT: Plan of Action

Background:

As a result of the annual financial audit for the period ended June 30, 2018, two findings were identified by the city's auditing firm, Merina & Company, LLP. The first finding is classified as "Internal Control over Financial Reporting." The second finding is classified as "Compliance and Other Matters." Per ORS 297.466, the City must adopt a "Plan of Action" to address the findings, and then submit the plan to the Secretary of State's office within thirty (30) days of issued financial statements.

Finding I is a result of a lack of internal controls within the Finance Department. Recommendations from the auditors were made in the prior period that were not implemented in a timely manner. As soon as the Finance Department was made aware of this issue, procedures were put in place to address the lack of internal controls. These procedures were put in place in late August 2018. It is now required that all transactions and entries that impact the general ledger are reviewed by another individual other than the person who initiates the transaction/entry. By adding this step into our standard procedures, the Finance Department has reduced the risk of entries being made incorrectly and corrected errors more quickly (if errors are made), thus resulting in increased accuracy in our financial reporting.

Finding II is a result of not having a formal policy in place to address conflicts of interest, specifically related to federal funds, which is requirement of 2 CFR 200.318, which outlines procurement processes. A recommendation from the auditors was made in the prior period that was not implemented in a timely manner. Once the Finance Department was made aware of this, steps were taken to implement a policy regarding conflicts of interest. In speaking with various other entities who receive and expend federal funds, it was discovered that an "Administration of Federal Awards" policy would be helpful in addressing all requirements. The policy establishes policies and procedures over the selection, award, and administration of federal award, and ensures that no conflicts of interest arise during the selection, award, and administration of federal awards. Additionally, this policy addresses disciplinary actions taken when the policy is violated. This newly drafted policy has been reviewed by the Transit Director, who is the city's largest recipient of federal funding. A copy of the newly drafted policy is attached to this staff report for your review.

There is no financial impact of addressing either of the two findings mentioned above. Upon adoption of this resolution, the Finance Director will submit the adopted resolution to the Secretary of State's office within seven days. This will meet the requirements under ORS 297.466, and finalize the audit and necessary follow up items for the period ended June 30, 2018.

Recommendation:

Staff recommends that Council "Approve Resolution 2019-04, a resolution adopting a Plan of Action."

Budgetary Impact:

None.



NO. 2019-04

A Resolution Adopting a Plan of Action

Whereas, the City of Sandy has received and reviewed the Independent Auditor's Report for the fiscal year ended June 30, 2019, as prepared by our auditing firm Merina & Company, LLP; and

Whereas, two findings were noted in the report which need to be addressed. The first is related to Internal Controls over Financial Reporting, and the second is related to Compliance and Other Matters; and

Whereas, the City of Sandy is required by ORS 297.466 to adopt a plan of action in response to the audit findings, and file the plan of action with the Secretary of State within 30 days of the completed audit.

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

1. The City of Sandy has implemented procedures within the Finance Department to increase internal control and financial accuracy. The new procedures include a review step for all transactions/entry that impact the general ledger. As such, no transaction/entry is posted without the review of a staff member who is not the initiator of the entry. This will reduce the possibility of errors being made, allow for more timely correction of any errors, and result in increased accuracy in our financial reporting.
2. The City of Sandy has implemented a new policy related to the administration of federal awards. This policy applies to the selection, award, and administration of contracts that include federal funds. As part of this policy, the city addresses conflicts of interest, and how conflicts of interest are identified and addressed, as well as the disciplinary actions that may be taken, should anyone violate the policy.
3. The Plan of Action shall take effect immediately upon the adoption of this Resolution.
4. The Finance Director will file a copy of this Resolution with the Secretary of State in accordance with ORS 297.466.

This resolution is adopted by the Common Council of the City of Sandy and approved by the Mayor this 19 day of February 2019

#2019-04

Stan Pulliam, Mayor

ATTEST:

Karey Milne, City Recorder

#2019-04



ADMINISTRATION OF FEDERAL AWARDS POLICY

PURPOSE: This policy is intended to establish policies and procedures over the selection, award, and administration of Federal Awards, and to ensure that no conflicts of interest arise during the selection, award, and administration of Federal Awards.

APPLICABILITY: Every employee and elected official of the City of Sandy who has authority to solicit, receive, or expend Federal Financial Assistance is responsible for compliance with the policy. Each is responsible for ensuring that Federal Financial Assistance is administered in accordance with the purpose of the Federal Award Agreement and in compliance with all applicable laws and regulations.

GENERAL POLICY: All Federal Awards are subject to the established requirements as set forth by the federal government in the Uniform Guidance for Federal Awards (Uniform Guidance) and other law and regulations as required by the Federal Award Agreement and the granting agency.

DEFINITIONS:

Federal Award: Federal Financial Assistance that a non-federal entity receives directly from a federal awarding agency or indirectly from a pass-through entity, or a cost-reimbursed contract under federal acquisition regulations that a non-federal entity receives directly from a federal awarding agency or indirectly from a pass-through entity.

Federal Award Agreement: The instrument setting forth the terms and conditions of a Federal Award. The instrument is a grant agreement, cooperative agreement, or any other agreement providing Federal Financial Assistance, or a cost-reimbursing contract awarded under federal acquisition regulations.

Federal Financial Assistance: Assistance that non-federal entities receive to administer a Federal Award in the form of: grants, cooperative agreements, non-cash contributions, donations of property, direct appropriations, loans, loan guarantees, interest subsidies, or insurance.

ADMINISTRATIVE REQUIREMENTS: Each public official that has responsibility for administering a Federal Award shall:

- a. Provide efficient and effective administration of the Federal Award through the application of sound management practices;
- b. Administer Federal Financial Assistance in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal Award;
- c. Comply with the cost principles established by the federal government, support the accumulation of costs are required by the cost principles, and provide adequate documentation to support costs charged to the Federal Award;
- d. Apply costs and cost allocations related to indirect costs and administrative changes on a consistent basis and in accordance with federal cost principles and city policy;

- e. Ensure that no profit results from the use of Federal Financial Assistance, unless explicitly authorized by the terms and conditions of the Federal Award (i.e. program income); and
- f. Establish a process of internal control, designed to achieve the objectives of the Federal Award, in a manner that also achieves the following:
 - i. Effective and efficient operations;
 - ii. Reliable reporting for internal and external use;
 - iii. Evaluating and monitoring compliance with all applicable laws and regulations;
 - iv. Taking prompt action when instances of noncompliance are identified; and
 - v. Taking reasonable measures to safeguard protected personally identifiable information.

CONFLICTS OF INTEREST: In accordance with Federal regulations (2 CFR 200.318), a public official, including any department director, elected official, employee, or agent of the city, shall not participate in the selection, award, or administration of a contract supported by a Federal Award if she/he has a real or apparent conflict of interest. Such a conflict of interest would arise when the public official, or any member of her/his immediate family, or an organization which employs or is about to employ any of the parties indicated herein, receives a financial or other personal benefit from an organization considered for a contract supported by a Federal Award. Violations of such standards by a public official will be subject to disciplinary action in accordance with city policies.

AUDIT REQUIREMENTS:

- a. The city must procure or arrange for the city's audit as required by Section 200.508 – 200.512, under the Uniform Guidance.
- b. The City will prepare the following statements and schedules:
 - i. Financial statements that reflect its financial position, results of operations or changes in net position, and, where appropriate, cash flows for the fiscal year audited; and
 - ii. Schedule of Expenditures of Federal Awards (SEFA) for the period covered by the auditee's financial statements which must include the total Federal Awards expended.
- c. Audit Finding Follow Up – The city is responsible for follow-up and corrective action on all audit findings. The city will prepare a summary schedule of prior audit findings and corrective action plan for the current year findings; and
- d. Report Submission – The city will complete the data collection form within the earlier of 30 days after receipt of the auditor's report or nine months after the end of the audit period. The reporting package must include items as listed in the Uniform Guidance Section 200.512 (c).

ALLOWABLE COSTS: The total cost of a Federal Award is the sum of the allowable direct and allocable indirect costs, less any applicable credits. Costs must meet the following criteria to be allowable under Federal Awards:

- a. Be necessary and reasonable for the performance of the Federal Award and be allocable (chargeable or assignable) to that Federal Award in accordance with the relative benefits received.
- b. Conform to any limitations or exclusions set forth in the Uniform Guidance or in the Federal Award Agreements as to the type or amount of cost items.
- c. Be consistent with policies and procedures that apply uniformly to both federally financed and other activities of the city.
- d. Be given consistent treatment. A cost may not be assigned to a Federal Award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal Award as an indirect cost.
- e. Be determined in accordance with generally accepted accounting principles (GAPP).
- f. Not be included as a cost or used to meet cost-sharing or matching requirements of any other federal financed program in either the current or a prior period.
- g. Be adequately documented.
- h. Comply with the general cost provisions of the Uniform Guidance, 2 CFR Section 200.420. Examples of unallowable costs include, but are not limited to: alcohol, bad debts, contributions and donations, entertainment, goods and services for personal use, lobbying, organization costs associated with incorporation fees, and selling and marketing costs (except for prior approval of federal awarding agency).
- i. Receive prior written approval for certain items of costs as outlined in the Uniform Guidance, 2 CFR Section 200.407.

CLASSIFICATION OF COSTS: All costs associated with Federal Awards shall be classified as direct or indirect costs. All allowable costs should be included in the budget or the financial plan of the Federal Award Agreement. Disallowable costs will not be charged to the Federal Award.

- a. *Direct Costs:* Those costs that can be identified specifically with a particular cost objective or that can be directly assigned to such activities easily and with a high degree of accuracy. Examples include, but are not limited to: payroll costs of employees who work directly on the Federal Award, materials and other expenses incurred in direct relation to administering the Federal Award, and sub recipient expenses.
- b. *Indirect Costs:* Those costs incurred for a common or joint purpose benefitting more than one cost objective and/or not readily assignable to the cost objective benefitted. For example, administrative costs charged to the grant based on a cost allocation plan or approved indirect cost rate would be considered indirect costs.
- c. *Disallowable Costs:* Those costs that the federal awarding agency or pass-through entity determines to be unallowable, in accordance with applicable federal statutes, regulations, and terms and conditions of the Federal Award. To determine whether a cost is allowable or disallowable, refer to:
 - i. The Federal Award Agreement, and
 - ii. Section 200.420-475 General Provisions for Selected Items of Cost under the Uniform Guidance for Federal Awards. If unable to determine whether

the cost is allowed or disallowed, contact the federal awarding agency or granting agency administering the Federal Award for further clarification.

ADMINISTRATIVE CHARGES ON FEDERAL AWARDS: Administrative charges must be allocated as a reimbursable cost or in-kind cost to maintain consistency in the application of administrative charges.

- a. Departments will include administrative charges in the grant application in accordance with the city's approved cost allocation plan and/or indirect cost rate.
- b. Administrative charges will be included in the budget of the Federal Award approved by the awarding agency.
- c. If the Federal Award Agreement prohibits administrative charges or has a cap on those types of costs, the department will be responsible for including those costs as an in-kind match against the Federal Award.
- d. The Finance Director or City Manager may grant an exception to the allocation of administrative charges to a federal award.

DISPOSAL OF CAPITAL ASSETS PURCHASED WITH FEDERAL AWARDS: Funds received from federal assistance may be used to purchase capital assets, if allowed by the awarded federal assistance contract. When the capital asset is no longer needed for the project funded by the grant, the capital asset may be disposed of as outlined below:

- a. Real Property includes buildings, land (including improvements), and structures. If a grantee can no longer use the real property, the federal agency will direct the city to:
 - i. Sell the property and pay the federal agency its share of the proceeds according to matching or cost-sharing ratios; or
 - ii. Retain the property and pay the agency its share of the market value of the property; or
 - iii. Transfer title to the federal agency and receive its share of the market value.
- b. Equipment includes tangible personal property having an acquisition cost in excess of \$5,000 and a useful life of more than one year.
 - i. If the current market value of the equipment is less than \$5,000, the city may sell or retain it without compensating the federal government.
 - ii. If the current market value of the equipment is \$5,000 or more, a grantee has two options from which to choose. In absence of instructions from the awarding agency, within 120 days after the end of federal support of the project the city may:
 1. Retain the equipment; or
 2. Sell the equipment and pay the federal agency their share of the market value.

PERIODIC REVIEW: This policy will be reviewed by the Finance Director at least every three years.



Staff Report

Meeting Date: February 19, 2019

From Thomas Fisher,
Resolution 2019-3 Declaring the City Council's Intention to Form a

SUBJECT: Local Improvement District

Background:

At the February 4th meeting the City Council reviewed an Engineer's Report outlining two alignments and cost estimates for the Bluff Road/Jonsrud local improvement district (LID) and approved Alternative B from the report. Section 12.04.030 of the Municipal Code requires that a Resolution declaring the City's intent to form an LID be considered by the Council. The Resolution must include certain information regarding notice, process, costs and proposed assessments.

Recommendation:

Approve resolution 2019-3

Budgetary Impact:

N/A



NO. 2019 - 3

A Resolution Declaring the City Council's Intent to Form a Local Improvement District for Sanitary Sewer Service in the Bluff/Jonsrud Neighborhood

Whereas, At their February 4th meeting the Sandy City Council reviewed and approved Alternative B in the Engineer's Report for the proposed Bluff Jonsrud Sanitary Sewer Local Improvement District and;

Whereas, The City Council declares its intent to make such improvements in the method and manner as outlined in the Engineers Report and;

Whereas, The City Recorder is directed to give notice of such improvements by posting notice at City Hall, in two places within the benefited area and by mailing notices to the owners to be assessed for the cost of such improvements by certified mail and;

Whereas, Said notice shall describe the proposed improvements, the area to be served, the Council's intent to make such improvements, that the Engineers Report is available at City Hall during normal business hours and on the City's website, a date for a public hearing to consider remonstrances against and objections to the proposed District, the estimated total cost of the project and the amount to be financed by assessments to benefited properties.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sandy as follows:

It is the City's intent to form a Local Improvement District, the Engineers Report is available for review as described above and that the City Recorder shall provide notice to the benefited property owners and other interested parties in the manner described above

This resolution adopted by the Common Council of the City of Sandy and approved by the Mayor this 19th day of February, 2019.

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

Stan Pulliam, Mayor

ATTEST:

#2019 - 3

Karey Milne, City Recorder

#2019 - 3



Staff Report

Meeting Date: February 19, 2019
From Sarah McIntyre, Library Director
SUBJECT: Library Advisory Board Appointments

Background:

The Library Advisory Board has had an open call for members to join the Board for many months. We have had 2 applicants for the Board one for the Sandy Service Area and one for the Hoodland Service Area.

Blanca Doroteo has lived in the Sandy community since 2005. She is a Family Advocate Assistant for Head Start. Blanca is active in the Hispanic community (Vista) and volunteers her time to help her community members and assist with library programs. She says that she wants to be on the Library Board to learn more about her city, the resources available for her community, and the community at large. Blanca brings her children to the library to check out books and attend LEGO Club.

Lynne Pollard has lived in the Welches area since 1976. Lynne was a special librarian that began her career working for Nike in their IT department. She retired 3 years ago from her position as Vice President for Digital Services at Oregon Public Broadcasting (OPB). She has previously been the Vice President of the board of the Hoodland Preschool, and a past PTA President at Welches School. She is currently on the committee for Public Media Women in Leadership, and on the board of the Hoodland Women's Club.

Recommendation:

Appoint Blanca Doroteo to the Library Advisory Board for the Sandy Service Area
Appoint Lynne Pollard to the Library Advisory Board for the Hoodland Service Area

Budgetary Impact:

none