

Amended and Restated
INTERGOVERNMENTAL AGREEMENT
Willamette Falls Legacy Project

~~This Intergovernmental Agreement~~This AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT (“Agreement”) is made and entered into by and among the State of Oregon, through its Portland Metro Regional Solutions Office and its Parks and Recreation Department (the “State”), Clackamas County (the “County”), the City of Oregon City (the “City”) and Metro (“Metro”) (each a “party” and collectively, the “parties”), effective as of the last date of signature below (the “Effective Date”).

RECITALS

A. In February 2011, the former Blue Heron Paper Company located at 419/427 Main Street, Oregon City, Oregon (the “Property”) entered Chapter 7 bankruptcy, resulting in the loss of skilled jobs and leaving the mill property vacant, under the control of a bankruptcy trustee.

B. The parties began investigating the Property due to its proximity to Willamette Falls, a natural, cultural and historic wonder, and conducted environmental, structural, and historical analyses to better understand the Property, including the potential for public access to Willamette Falls and future redevelopment.

C. With the cooperation and contributions of the bankruptcy trustee, the parties commenced a land use master plan and rezoning effort, guided by four core values endorsed by the parties: public access, historic and cultural interpretation, economic redevelopment, and healthy habitat (the “Four Core Values”).

D. On July 29, 2013, the governor signed Senate Bill 5506 (“SB 5506”), and on August 14, 2013, signed Senate Bill 5533, together authorizing the sale of lottery-backed bonds to provide \$5 million for a public access project to Willamette Falls, so long as certain conditions set forth in SB 5506 were met (the “\$5M of State Funds”).

E. In May 2014, Falls Legacy, LLC, a Washington limited liability company (the “Owner”) purchased the Property from the bankruptcy trustee, and submitted the land use master plan and rezone application developed by the parties to the City, which was adopted in September 2014 as Master Plan CP 14-02, Zone Change and Text Amendment ZC 14-03, and Comprehensive Plan Amendment PZ 14-01.

F. On September 26, 2014, the parties entered into a Memorandum of Understanding (the “MOU”) regarding the former Blue Heron Paper Company property, documenting the parties’ shared commitment to the Four Core Values and to design and construction of public open space(s) and parkway on the Property with unobstructed views of the Willamette River and Willamette Falls (the “Riverwalk”).

G. On December 11, 2014, Portland General Electric Company (“PGE”) donated an option to Metro allowing Metro to acquire an easement over PGE property adjacent to Willamette Falls (the “PGE Option”), which PGE Option and future easement will allow design and construction of the Riverwalk, which may include a viewpoint of Willamette Falls on property owned by PGE.

H. On December 15, 2014, the Owner donated an easement to Metro, recorded in the Clackamas County Official Records as Document No. 2014-064826, to facilitate the design and construction of the Riverwalk on the Property (the “Easement”).

I. On December 29, 2014, the governor determined that the conditions of SB 5506 had been met, and the State of Oregon Parks and Recreation Department provided the \$5M of State Funds to Metro in accordance with an Intergovernmental Agreement between Metro and the State (Agreement No. 7554), dated June 1, 2015 ~~(the “\$5M IGA”)~~, which was amended by a First Amendment to Intergovernmental Agreement, dated May 26, 2017.

J. On May 29, 2015, Metro issued a Notice of Intent to Award for RFP 2903 selecting the design team of Mayer/Reed, Snøhetta, and DIALOG for design of the Willamette Falls Riverwalk, and has subsequently entered into two Professional Services Contracts with Snøhetta, the first dated February 11, 2016 and a second dated January 30, 2017, for the design of the Riverwalk.

K. On August 12, 2015, the governor signed House Bill 5030 and Senate Bill 5507 approving an additional \$7.5 million of State funding for the Riverwalk, and the State of Oregon Parks and Recreation Department is currently negotiating an agreement to transfer the \$7.5 million of State funds to Metro.

L. On September 24, 2015, ~~in recognition that the design of the Riverwalk must relate to the remainder of the Property to be successful,~~ the Metro Council awarded the City and the County a Community Planning and Development Grant (the “CPDG”) ~~in the amount of \$550,000, which was partially matched with \$450,000 in funds from the Owner and \$25,000 from each of the City and County, for the grant recipients to conduct development opportunity studies and create a refined master plan of on~~ the Property, including the Riverwalk.

M. With the award of the CPDG, the parties’ efforts now include more than the Riverwalk, working to address, among other things, potential future open space and connections to the Property and infrastructure and economic development needs for the Property (the “Willamette Falls Legacy Project” or simply, the “Legacy Project”).

N. On ~~December 22, 2015~~ May 20, 2016, the ~~State accepted Metro’s first progress report under federal Environmental Protection Agency awarded Metro, the \$5M IGA, which included an updated finance plan~~ County, and budgeted the City a \$600,000 Coalition Assessment Grant for the Riverwalk that is McLoughlin Corridor, which funds are to be used, in accordance part, to further assess the environmental condition of the Property.

O. On October 27, 2016, Metro and the City entered into an interim agreement with the Legacy Project Budget attached to Rediscover the Falls to assist the nonprofit “friends” group in building capacity to create enduring public interest in the Riverwalk, and since this IGA time, Rediscover the Falls has been actively and successfully fundraising on behalf of the Riverwalk.

O. For a project of this magnitude, the

P. On April 11, 2017, Metro submitted a request to the U.S. Army Corps of Engineers to initiate review under Section 106 of the National Historic Preservation Act of the Riverwalk.

Q. On May 17, 2017, the Partners approved the Riverwalk design and a phase one Riverwalk project that provides a prominent view of the falls from the southwest portion of the site as well as demolition and site preparation within portions of the Riverwalk (“Phase 1 Project”); and as depicted in the Riverwalk design presentation.

R. The parties recognize the need to create a decision-making and organizational structure among the public entities so that (a) the parties can deliver unified direction and messages to outside parties, (b) the Legacy Project is a model of fiscal discipline, efficiency and accountability, (c) the parties have clarity on scope, schedule and budget for all aspects of the Legacy Project, and (d) the parties can effectively collaborate with the Owner, PGE, and other third parties, and to this end, the parties entered into the first Intergovernmental Agreement on July 7, 2016 (the “Original Governance IGA”).

P. The parties acknowledge the great opportunity but also the risks of the Legacy Project, including the fact that design and construction of the Riverwalk is not fully funded, no future owner of the public Riverwalk has been identified, and future public and elected officials may have perspectives on the Legacy Project not accounted for in this Agreement.

Q.

S. Under the authority of ORS 190.010 and ORS 190.110, the parties now desire to enter into this Agreement to provide for the purpose of amending and restating the Original Governance IGA, in order to, among other things, update the governance structure needed for the Legacy Project during the next phase of work, or over approximately the next eighteen (18) months design and construction of the Phase 1 Project, on the terms and conditions set forth below.

NOW, THEREFORE, for and in consideration of the foregoing and the mutual covenants and agreements herein contained, the parties agree as follows:

AGREEMENTS

1. Restatement; Term. The Original Governance IGA is amended and restated as set forth in this Agreement. The term of this Agreement shall commence on the Effective Date and expire on June 30, 2017~~2023~~, unless amended and extended by written agreement of the parties.

2. Definitions. In addition to the definitions set forth in the Recitals, above, capitalized terms used in this Agreement shall have the definitions set forth in this Section 2, below.

~~2.1. — Economic Development Working Group. One of the Legacy Project's Working Groups, led by the Economic Development Project Manager, as further defined and described in Section , below.~~

~~2.2. — Infrastructure Working Group. One of the Legacy Project's Working Groups, led by the Infrastructure Project Manager, as further defined and described in Section , below.~~

2.32.1 Legacy Project. The Willamette Falls Legacy Project, which as of the Effective Date, includes ~~three~~the following sub-components or sub-projects: the Riverwalk, Phase 1 Project, and economic development~~, and infrastructure.~~

2.42.2 Legacy Project Budget. The budget for the Legacy Project compiled by the Legacy Project Manager and approved by the Partners Group showing sources and uses of all Legacy Project funds, to be updated from time to time. The Legacy Project Budget approved and authorized by the parties as of the Effective Date is attached as Exhibit A.

2.52.3 Legacy Project Milestones. Key decision points for the Legacy Project, as determined by the TAC, including design milestones for the Riverwalk.

2.62.4 Legacy Project Manager. Staff person employed by Metro to be the project manager for the Legacy Project.

~~2.7. — Partners Group.~~ The advisory governing body for the Legacy Project, comprised of two (2) elected officials and the chief administrator from each of Metro, the County and the City, and two (2) elected officials and high-level staff from the State, as set forth on the attached Exhibit

~~2.8. — Rediscover the Falls. A nonprofit "friends" group that supports the work of the Legacy Project with a focus on the Riverwalk by engaging and educating the public, collaborating with partners, and building sponsorship and enduring commitment to the public interest in the Riverwalk.~~

~~2.92.5 Riverwalk Working Group. One of the Legacy Project's Working Groups, led by the Riverwalk Project Manager, as further described in Section , below. B.~~

2.102.6 TAC. The Technical Advisory Committee for the Legacy Project, comprised of non-elected staff from each of the parties and that reports to the Partners Group, as described further in Section 1, below.

~~3.0. — Working Groups. Groups focused on the sub-components or sub-projects of the Legacy Project and which report to the TAC, including the Economic Development Working Group, the Riverwalk Working Group, and the Infrastructure Working Group.~~

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~~4.0. — Working Group Project Managers. The project managers of each the Working Groups.~~

~~5.3. —~~ **Authority**

~~5.3.1. Reservation of Regulatory and Legislative Authority.~~ Each party expressly reserves its regulatory and legislative authority with respect to the Legacy Project and the Property, including, for example, the City's regulatory authority over land use approvals, the State's authority over submerged lands, and each party's legislative authority to appropriate funds.

~~5.3.2. Legacy Project Budget; Appropriation of Funds.~~ As of the Effective Date, each party represents that it has appropriated or received the funds set forth on the Legacy Project Budget for such party, for the fiscal year(s) covered by such party's appropriation. Each party represents that it has authorized use during such fiscal year(s) of the appropriated funds in accordance with the Legacy Project Budget and this Agreement. The Legacy Project Budget may be revised from time to time by the Partners Group, within the amounts appropriated by the parties in their individual capacities. Spending in future fiscal years is subject to appropriation by each party's governing body, in such body's sole legislative discretion, and ~~at this Agreement~~ may be amended by the parties to reflect such future budget approvals. All spending under this Agreement is subject to audit.

~~5.3.3. Delegation of Administrative Authority.~~ The work of the Legacy Project and its participants is advisory, structured such that the Partners Group can make unified recommendations to each of the governing bodies of the parties. In addition, upon approval of this Agreement by a party, that party's staff and elected representatives that participate in the Legacy Project, including the Partners Group, ~~or the TAC, or on a Working Group,~~ shall have the authority to fully participate in the Legacy Project and to make non-legislative or administrative decisions on behalf of such party in accordance with this Agreement.

~~5.4.3.4. Staff Participation.~~ The parties intend that staff participating in the Legacy Project and the various project groups will work on behalf of the best interests of the Legacy Project, representing not only the best interests of their employer but also of the Legacy Project itself. In that manner, staff will freely communicate and share information with other agency staff and generally support each other with respect to the Legacy Project. Notwithstanding the foregoing, finance and legal staff participating in the Legacy Project and in the various project groups represent solely their employers, as they owe a professional duty of loyalty and a fiduciary duty solely to their respective agencies.

~~6. — Decision-Making and Governance. The Legacy Project's decision-making structure and general workflow is set forth in the organizational chart attached as Exhibit C (the "Org. Chart").~~

~~7.0. — Role of Working Groups.~~

~~8.0.0. — The Working Groups shall review Legacy Project information in detail and provide advice and recommendations to the TAC on those matters that are within the~~

subject matter of a particular Working Group. From time to time, the TAC shall revisit and determine the subject matter and work scope for each Working Group.

9.0.0.—Within each Working Group's subject area, the Working Group is charged with reviewing the following matters and recommending any necessary or desirable action to the TAC: individual contracts, scopes of work, requests for proposals or bids, budgets, contract modifications, Legacy Project Milestones, and responses to significant external opportunities or threats.

10.0.0. *De minimus* changes to scopes of work, as determined by the Legacy Project Manager, or spending within the Legacy Project Budget (including contingencies), may be made at the Working Group level, without the need for further consideration at the TAC or by the Partners Group, provided that the Legacy Project Manager shall keep the TAC apprised if multiple *de minimus* changes may have a cumulative impact on the Legacy Project.

11.0.0. The Working Groups shall coordinate and collaborate with PGE, the Owner, and other third parties, as applicable to each Working Group's subject area and its deliverables.

12.0.—*Role of the Working Group Project Managers:*

13.0.0.—Each Working Group Project Manager shall develop his or her Working Group's work plan scope, schedule and budget, in collaboration with the Legacy Project Manager and for approval by the TAC. The Working Group Project Manager shall be responsible for deliverables, schedule, and budget of his or her Working Group. The Working Group Project Manager shall also create milestones in the Working Group's scope of work and schedule in order to report back to the TAC and the Partners, as applicable, for review and approval. Other participants in the Working Group will accept the leadership of the Working Group Project Manager and coordinate any related activity with the overall direction and knowledge of the Working Group Project Manager.

14.0.0. Each Working Group Project Manager shall work with the Legacy Project Manager to ensure that Legacy Project decisions described in Section , above, are considered at the TAC and that any matters for which there is no consensus at the Working Group level are also considered by the TAC.

15.0.0. Each Working Group Project Manager shall compile and report expenditures for its Working Group to the Legacy Project Manager to ensure expenditures match the Legacy Project Budget approved by the Partners. Each party shall report all Legacy Project expenditures made by such party to the appropriate Working Group Project Manager.

16.0.0. Each Working Group Project Manager shall be responsible for understanding and considering the Owner and PGE's interests in the outcomes of the work of his or her Working Group, and shall promptly communicate with the Legacy Project Manager issues and opportunities as they arise.

~~17.0. Role of the TAC.~~

~~4. The TAC~~

~~4.1 Membership.~~ Each party shall designate two (2) representatives of such party to attend the TAC meetings and shall send alternate(s) if one or both designated representatives are unable to attend or participate by telephone.

~~17.14.2~~ **Meetings.** The TAC meets ~~weekly~~biweekly, or as otherwise agreed upon by the TAC, and shall keep minutes documenting its consideration and approval of any items. Items requiring TAC approval shall be emailed to the TAC at least two (2) business days in advance of the TAC meeting so that any party can be sure to send a representative or call into the meeting when that party desires to weigh in on a Legacy Project decision. Any member of the TAC can call an emergency meeting of the TAC by notification to the Legacy Project Manager, who will use best efforts to schedule a meeting as soon as practical. Parties shall use best efforts to participate in emergency meetings of the TAC.

~~17.1.1. A party may send as many representatives~~**Work.** ~~Except with regard to attend TAC meetings as such party deems necessary or desirable, provided that any members of the Phase 1 Project, as set forth in Section 1.1 Partners Group shall attend TAC meetings only in unusual circumstances at, below, the request of the Legacy Project Manager. It is expected that each party will send at least one (1) representative to each TAC meeting, or participate by telephone.~~

~~17.24.3~~The TAC shall consider for approval ~~all matters considered at the Working Group level (as set forth in Section , above), as well as individual contracts, scopes of work, requests for proposals or bids, budgets, contract modifications, Legacy Project Milestones, responses to significant external opportunities or threats, and~~ decisions whether to recommend future intergovernmental agreements among the parties to the Partners Group or to pursue grant or funding opportunities. The TAC shall prepare the agenda of the Partners Group. The specific work of the TAC and the party responsible for such work is set forth on Exhibit C. The TAC may created subcommittees to complete the work of the TAC, as the TAC deems necessary.

~~17.34.4~~**Decisions.** Decisions of the TAC will be noted in the minutes for the TAC meeting.~~Decisions of the TAC will be noted in the minutes for the TAC meeting.~~ Should a TAC member disagree with a TAC decision, he or she may express such disagreement at the TAC meeting. If the TAC is unable to resolve the issue, the TAC member may elect to put it on the agenda for consideration at the next Partners Group meeting (as further described in Section 7.2, below).

~~17.4.0. The TAC shall prepare the agenda of the Partners Group.~~

~~17.54.5~~**Communication.** Members of the TAC shall have the responsibility to communicate with their representatives on the Partners Group in between Partners Group meetings and with regard to agendas of the TAC and the Partners Group, to ensure each party is internally apprised of Legacy Project direction, as each party deems necessary.

4.6 Finance Oversight Subcommittee. The TAC shall create a Finance Oversight Subcommittee made up of at least one member from each party. The Finance Oversight Subcommittee shall provide advice and direction on the Legacy Project Budget and expenditures of the Legacy Project. The subcommittee will design a financial reporting format and meet with the Legacy Project Manager quarterly to review reports.

~~18.0.0. Any member of the TAC can call an emergency meeting of the TAC by notification to the Legacy Project Manager, who will use best efforts to schedule a meeting as soon as practical. Parties shall use best efforts to participate in emergency meetings of the TAC.~~

~~19.0.0. The TAC shall determine the subject matter and scope of work for each Working Group.~~

20.5. Role of Partners Group:

20.5.1 The Partners Group meets quarterly, or as otherwise agreed upon by the Partners Group or the TAC, and shall keep minutes. Without objection from any member of the Partners Group at a Partners Group meeting, matters considered by the Partners Group for approval will be deemed approved and so noted in the minutes. The Partners Group is considered a public body in accordance with Oregon Public Meeting Law, providing recommendations and advice to each of the parties' governing bodies. The Partners Group may adopt procedures, as deemed necessary by the Partners Group for orderly conduct of its meetings.

20.25.2 Except with regard to the Phase 1 Project, as set forth in Section 1.1~~The, below, the~~ Partners Group sets policy direction for the Legacy Project, approves Legacy Project Milestones and the Legacy Project Budget on a quarterly basis, sets direction in response to significant threats or opportunities (as determined by the TAC), recommends future intergovernmental agreements among the parties (to be approved by each party's governing body, if required), and makes recommendations that involve any material trade-offs among the Four Core Values. In addition, the Partners Group shall consider decisions that lack consensus at the TAC if added to the Partners Group agenda by a member of the TAC (as described in Section 4.4, above).

20.35.3 Members of the Partners Group shall communicate with their respective agency or government to ensure each party is apprised of Legacy Project direction and to ensure any decisions of the Legacy Project that require approval of such party's governing body are brought to the party's governing body for consideration.

6. Role of the Legacy Project Manager:

6.1 The Legacy Project Manager will manage the Legacy Project by, among other things, coordinating the work of the TAC, ~~the Working Groups, and the other entities on the Org. Chart.~~ and collaborating with PGE, the Owner, Rediscover the Falls, and other third parties. The Legacy Project Manager shall track the Legacy Project Budget and provide reporting

on the Legacy Project Budget to the TAC and the Partners Group. The Legacy Project Manager may request that a party lead a portion of the work of the TAC, with the approval of such party.

20.46.2 The Legacy Project Manager has day-to-day management authority of the Legacy Project in order to lead the Legacy Project forward consistent with the approvals provided by the Partners Group and the TAC, and consistent with the Legacy Project Budget. The Legacy Project Manager shall ~~have the authority to approve de minimus changes to scopes of work or spending within~~ the Legacy Project Budget ~~and provide reporting on the Legacy Project Budget to (including contingencies), without the need for further consideration at the TAC and/or by the Partners Group;~~ provided that the Legacy Project Manager shall keep the TAC apprised if multiple de minimus changes may have a cumulative impact on the Legacy Project.

7. Project Decision-making

20.57.1 **Consensus.** Decision-making for the Legacy Project ~~and at each level of at the Org. Chart~~ TAC and Partners Group shall be by consensus. Consensus is defined as the point where all parties agree on an option with which they are willing to move forward, and includes the opportunity for a party to express reservations or dissent while nevertheless agreeing to allow the Legacy Project to move forward. Each party, by signing onto this Agreement, commits its confidences to the Legacy Project's decision-making structure, recognizing this project structure and the collaboration it represents among the parties as the Legacy Project's best chance for success.

20.67.2 **Protocols for Disagreement.**

~~20.6.1.~~ If there is no consensus at the ~~Working Group-TAC~~ level, the majority decision ~~will of the TAC shall be considered at the next TAC meeting.~~

20.6.2.7.2.1. ~~If there is no consensus at deemed~~ the ~~TAC level decision~~ of the TAC, unless a member of the TAC ~~can elect~~ elects within three (3) days of the TAC meeting at which the decision was made, to place the decision on the next Partners Group meeting agenda. This will ensure that decisions made at the TAC level can be relied upon to move the Legacy Project forward.

20.6.3.7.2.2. If there is no consensus on a decision at the Partners Group (whether or not such decision is brought to the Partners Group by a member of the TAC, in accordance with Section 1.1.1, above), the Partners Group will provide direction and recommendations to the TAC for ~~further~~ discussion and consideration of the issue.

20.6.4.7.2.3. ~~If disagreement remains after further consideration by the TAC~~ After discussion of the issue at the TAC, taking into account the direction and recommendations of the Partners Group, the decision will be considered ~~again~~ at the next Partners Group meeting ~~where the~~. The members of the Partners Group shall strive to make a decision to keep the Legacy Project moving forward. At this stage of disagreement, on matters that are critical to long-term operations and maintenance of the Riverwalk, any parties that are identified as a future owner in accordance with Section 10, below, shall be given deference. Any

resolution or conclusion in this circumstance that lacks consensus at the Partners Group will not bind the dissenting party.

20.6.5.7.2.4. If the need for a decision is urgent, the Legacy Project Manager may set emergency meetings of both the TAC and the Partners Group. The parties shall use best efforts to attend any emergency meetings.

21.8. General Obligations the Parties Regarding the Legacy Project Work-

21.18.1 ***Reporting Expenditures.*** Parties shall report all expenditures to the ~~Working Group~~ Legacy Project ~~Managers~~ Manager, including copies of invoices and any reasonable supporting documentation. The Legacy Project Manager shall provide a quarterly report on the Legacy Project Budget and expenditures to the ~~Working TAC and the Partners Group Project Managers and solicit feedback~~ to ensure that the Project is remaining coordinated and on budget ~~as required by Section 2.~~

21.28.2 ***Contracts.*** Parties shall notify the Legacy Project Manager of all draft contracts that such party is considering entering into with third parties and that are related to the Legacy Project. If requested by the Legacy Project Manager, a party shall provide copies of the draft contract and scope of work to the ~~applicable Working Group Project Manager and to the~~ Legacy Project Manager, with reasonable opportunity for comment and review. If requested by the Legacy Project Manager, prior to executing a contract related to the Legacy Project, a party shall have obtained approval from the ~~applicable Working Group and the~~ TAC of the contract's scope, schedule, budget, workplan, and deliverables.

21.38.3 ***Participation.*** The parties shall participate meaningfully in all Legacy Project groups, and respect the roles and responsibilities assigned to each Partner in such participation.

21.48.4 ***Staff Contributions; Tracking of Staff Time Expenditures.*** The parties shall provide key contributions of staff to lead and/or participate in the work of the TAC ~~and the Working Groups~~, as set forth in the attached Exhibit D. Each party shall track staff ~~time expenditures~~ for match, and report staff ~~time spent expenditures~~ on the Legacy Project to the Legacy Project Manager, as requested by the Legacy Project Manager; provided, however, that it is understood and agreed that, unless otherwise specifically agreed to by the Partners Group, that staff resources, time and contributions shall be deemed "in-kind" contributions to the Project, and no party shall charge time or seek to recover expenses from the Project.

~~22.0. — ***Staff Leads.*** At the request of the Legacy Project Manager or a Working Group Project Manager, a party may agree to lead a portion of the work of the TAC or a portion of the work of a Working Group. Parties that agree to lead any portion of the work of the TAC or a Working Group will report back to the Legacy Project Manager or Working Group Project Manager, as applicable, on the status of the work and seek support of material decisions.~~

23.9. ***Future Riverwalk Owner.*** The parties understand and agree that work on the Riverwalk can progress only so far without identification of the entity or entities that will in fact own or operate the Riverwalk. The parties shall strive to identify the owner(s) and operator(s) of

the Riverwalk by completion of pre-concept design work (approximately June 2016), such that design decisions that affect future ownership and operation of the Riverwalk are made with the approval of the entity or entities that will own and operate the Riverwalk. If the entity or entities that will own or operate the Riverwalk are not a party to this Agreement, the parties will amend this Agreement appropriately and enter into a separate agreement with the owner or operator, as necessary. The prospective owner(s) will be considered “identified” when they have committed to the Partners Group to seek to construct the Riverwalk. The prospective operator(s) will be considered “identified” when they have committed to the Partners Group to take responsibility for future operations, maintenance and security of the Riverwalk. ~~An entity’s commitment to ownership and/or operation to the Partners Group should be in the form of a resolution adopted by the entity’s governing body.~~

~~23.1. — **Finance Oversight Subcommittee.** The parties shall create a finance oversight subcommittee of the TAC made up of at least one member from each party. The finance oversight subcommittee shall oversee the Legacy Project Budget and expenditures of the Legacy Project. The subcommittee will design a financial reporting format and meet with the Legacy Project Manager and Working Group Project Managers quarterly to review reports.~~

~~23. — **Work of the TAC.**~~

~~23.3. — **General.** The following subsections set forth roles and responsibilities regarding the work of the TAC, as of the Effective Date and may change from time to time upon approval of the TAC.~~

~~23.4. — **Project Administration.** Metro will lead and manage the overall administration of the TAC and coordination among the Working Groups. It will create TAC agendas and meeting notes, and coordinate the Partners Group meetings. Metro’s work will also include tracking the Legacy Project scope, schedule, Legacy Project Budget, and expenditures. The parties will strive to rotate the location of the TAC meetings to encourage broad participation.~~

~~23.5. — **Strategic Communications.** Except as related to tribal involvement in Section , Metro will lead the social media strategy, manage newsletters, provide coordination of public engagement with the Working Groups, and create materials needed for funding requests, among other things. Metro will closely coordinate this work with the TAC and with communications staff of each party.~~

~~23.6. — **Public Engagement.** Metro will lead the public engagement efforts in close coordination with the City. The City shall continue to update the Legacy Project website.~~

~~23.7. — **Funding Strategy.** Metro will lead a fundraising and finance strategy for the Legacy Project. This work will coordinate opportunities with Rediscover the Falls and the work of the Working Groups. For lobbying, the County will lead federal efforts, and Metro and the State’s Regional Solutions office will coordinate state efforts.~~

~~23.8. — **Private Parties.** In coordination with and with input from the TAC, Metro will lead negotiations with the Owner, PGE, and other third parties with respect to real property~~

issues and issues that have the potential to significantly impact all aspects of the Legacy Project. The parties shall refrain from communicating directly with the Owner, PGE, or other third parties on these issues without Metro's coordination and input in advance, except with respect to tours (see Section , below). The Working Group Project Managers may engage the Owner, PGE, and other third parties directly on Working Group level issues, and will report the content of such conversations back to the TAC.

~~23.9. **Tribal Involvement.** The State will take the lead to create a process for government to government tribal consultation about involvement in the Willamette Falls Legacy Project and interpretation of the Riverwalk. The parties will coordinate additional tribal involvement, as necessary.~~

~~23.10.2 **Coordination with State Agencies.** The State, through the Regional Solutions office, will lead communication, coordination, and involvement of State Parks and all other state agencies in the Legacy Project, especially with regard to required state permits for the Riverwalk and state funding.~~

~~23.11. **Site Access and Tours.** The City will manage all site access and site tours through the Owner and PGE, and will update the TAC regarding tours on a weekly basis.~~

~~23.12. **Implementation Strategies.** Metro will lead efforts to deliver key decisions and workplans associated with the work of the TAC for future phases of the Legacy Project, taking into account such things as governance, Riverwalk ownership, fundraising, and financing.~~

~~23. — Work of the Riverwalk Working Group.~~

~~23.14. **General.** The following subsections set forth roles and responsibilities regarding the Riverwalk Working Group, as of the Effective Date and may change from time to time upon approval of the TAC.~~

~~23.15. **Riverwalk Project Manager.** Metro will provide a staff person to manage and coordinate all of the scopes of work and consultant contracts related to the Riverwalk. The Riverwalk Project Manager, in coordination with the Infrastructure Project Manager and Economic Development Project Manager, will create a project management plan for all the Riverwalk work.~~

~~23. — Work of the Infrastructure Working Group.~~

~~23.17. **General.** The following subsections set forth roles and responsibilities regarding the Infrastructure Working Group, as of the Effective Date and may change from time to time upon approval of the TAC.~~

~~23.18. **Infrastructure Project Manager.** The City will provide a staff person to manage and coordinate all of the scopes of work and consultant contracts related to the Infrastructure Working Group. The Infrastructure Project Manager, in coordination with the Economic Development Project Manager, will create a project management plan for all the infrastructure work.~~

~~23.—Work of the Economic Development Working Group.~~

~~23.20. **General.** The following subsections set forth roles and responsibilities regarding the Economic Development Working Group, as of Effective Date and may change from time to time upon approval of the TAC.~~

~~23.21. **Economic Development Project Manager.** The County will lead the Economic Development Working Group. Representatives from the Clackamas County Business and Economic Development department and the Clackamas County Tourism and Cultural Affairs organization will convene the Economic Development Working Group to lead discussions about economic development. In addition the Working Group will review the work of the Infrastructure Working Group.~~

~~23.—Communication Protocols.~~

~~23.23.—~~ All publicity and strategic communications for the Legacy Project will be coordinated through the TAC, so that the parties can deliver unified direction and messages to outside parties.

23.24.3 Each party commits to working within Legacy Project channels and the structure set forth in this Agreement, especially with respect to any potential conflicts, disagreements, external events, or pressures. The parties shall consult with each other first, prior to outreach to third parties, at emergency TAC or Partners Group meetings, as necessary. The parties commit to attendance at emergency meetings.

24.10. Future Riverwalk Owner. The parties understand and agree that it is highly unusual to advance a project through construction without identifying the entity or entities that will own or operate the Riverwalk. The parties commit to developing and participating in a process to identify a future owner and shall strive to identify the owner(s) and operator(s) of the Riverwalk prior to submittal of application(s) for demolition or building permits, whichever is sooner. If the entity or entities that will own or operate the Riverwalk are not a party to this Agreement or if the future owner(s) desire additional decisionmaking rights regarding the Phase 1 Project, the parties will amend this Agreement appropriately and enter into a separate agreement with the owner or operator, as necessary. The prospective owner(s) will be considered “identified” when they have committed to the Partners Group to take responsibility for future operations, maintenance and security of the Riverwalk. An entity’s commitment to ownership and/or operation to the Partners Group should be in the form of a resolution adopted by the entity’s governing body.

24.1.—The Phase 1 Project. The parties acknowledge that Metro has voluntarily assumed the risk associated with constructing the Phase 1 Project. In acknowledgment of the financial, staffing, and scheduling complexity and risk that Metro is assuming, the parties agree that following the Partners Group’s approval of the Riverwalk design and the Phase 1 Project, Metro shall have sole authority and is granted discretion to implement the design and construct the Phase 1 Project, including project permitting, planning, construction contracting, and construction. In implementing the design, Metro is authorized to make all project related decisions, including those associated with value engineering, contracting, scheduling, budgeting,

project feasibility, staffing, collaboration with third parties (including the Owner and PGE), permitting, conditions of approval, and other decisions that may affect the design or construction of the Phase 1 Project. Metro's decisions regarding implementation of the design and construction of the Phase 1 Project are not subject to review under the terms of this Agreement, expressly reserving each parties' regulatory authority as set forth in Section 3.1, above. Metro agrees to use reasonable efforts to construct the Phase 1 Project, but Metro shall not be required to defend nor prosecute any appeals and shall use its sole discretion to determine whether construction of the Phase 1 Project is worth pursuing in the event of any appeals, permit denials, or the discovery of currently unknown conditions. Metro shall use its best efforts to inform the other parties of significant construction decisions, to obtain input from the TAC, the Partners Group, and any potential future owner on such matters, and to keep the parties updated and engaged on the Phase 1 Project. Future phases of the Riverwalk shall be subject to the terms and conditions of this Agreement and not this Section 1.1~~The parties commit to attendance at emergency meetings.~~

~~25.0. — The parties commit to communications with tribes consistent with Section ,above.~~

11.

26.12. Miscellaneous

26.12.1 **Waiver of Liability.** Each party assumes all risks arising out of such party's participation in the Legacy Project, including with respect to the condition of the Property, and no party shall be liable to another for such risks, except to the extent caused by a party's gross negligence or willful misconduct.

26.212.2 **Indemnity.** Each party shall hold harmless and indemnify the other parties, and their agents and employees, against any and all liability, settlements, loss, costs, and expenses in connection with any action, suit, or claim arising out of the indemnifying party's work and actions under this Agreement within the maximum liability limits set forth under the Oregon Tort Claims Act and Oregon Constitution.

26.312.3 **Termination.** A party may terminate this Agreement at any time as to such party with thirty (30) days prior written notice to the other parties, if the terminating party believes, or has reason to believe, that funding sufficient to comply with this Agreement will not be made available to the terminating party by the terminating party's governing body. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the parties prior to termination.

26.412.4 **Laws of Oregon; Compliance with Laws.** The laws of the State of Oregon shall govern this Agreement, and the parties agree to submit to the jurisdiction of the courts of the State of Oregon. All activities of a party under this Agreement shall be in compliance with all applicable laws, statutes, ordinances, rules, regulations, and requirements of any governmental authority, including all applicable provisions of ORS chapters 279A, 279B, and 279C.

~~26.5~~26.12.5 ***Maintenance of Records.*** The parties shall maintain all fiscal records relating to this Agreement in accordance with generally accepted accounting principles. In addition, the parties shall maintain any other records pertinent to this Agreement in such a manner as to clearly document their performance. Each party acknowledges and agrees that it shall retain such documents for a period of three (3) years after termination of this Agreement, or such longer period as may be required by applicable law. In the event of any audit, controversy, or litigation arising out of or related to this Agreement, the parties shall retain such documents until the conclusion thereof.

~~26.6~~26.12.6 ***Relationship of Parties.*** Each of the parties hereto is deemed an independent contractor for purposes of this Agreement. No representative, agent, employee, or contractor of one party shall be deemed to be an employee, agent or contractor of any other party for any purpose. Nothing herein is intended, nor may it be construed, to create among the parties any relationship of principal and agent, partnership, joint venture, or any similar relationship, and each party hereby disclaims any such relationship.

~~26.7~~26.12.7 ***Preservation of Privileges; Public Records.*** The parties acknowledge and agree that a primary purpose of this Agreement is to encourage frank communication and close collaboration among the parties for the maximum benefit of the Legacy Project, preliminary to any final action by the parties' governing bodies. The parties will disclose and transmit information to one another regarding possible direction for the Legacy Project and possible real estate transaction(s) with the Owner or third parties. The parties intend to preserve all rights under Oregon Public Records law, including, without limitation, exemptions related to internal advisory communications under ORS 192.502(1) and related to sharing of information regarding a potential real property negotiation under ORS 192.502(9)(a), the disclosure of which is restricted under ORS 192.660(2)(e). The parties intend by this section to protect from disclosure all Legacy Project information exchanged between any parties, or between any party and a consultant hired by a party for the Legacy Project, to the greatest extent permitted by law, regardless less whether the exchange occurred before execution of this Agreement and regardless of whether the writing or the document is marked "Confidential."

~~26.8~~26.12.8 ***No Third-Party Beneficiary.*** This Agreement is between the parties and creates no third-party beneficiaries. Nothing in this Agreement gives or will be construed to give or provide any benefit, direct, indirect, or otherwise to third parties unless third persons are expressly described as intended to be beneficiaries of its terms.

~~26.9~~26.12.9 ***Assignment.*** No party may assign this Agreement, in whole or in part, or any right or obligation hereunder, without the prior written approval of the other parties.

~~26.10~~26.12.10 ***Entire Agreement; Prior Agreements.*** This Agreement constitutes the entire agreement among the parties on the subject matter hereof and supersedes all prior or contemporaneous written or oral understandings, representations, or communications of every kind. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. To the extent this Agreement contradicts the MOU, this Agreement governs.

~~26.11~~12.11 **Modification; Waiver.** No course of dealing between the parties and no usage of trade will be relevant to supplement any term used in this Agreement. No waiver, consent, modification, or change of terms of this Agreement will bind any party unless in writing and signed by the parties. The failure of a party to enforce any provision of this Agreement will not constitute a waiver by a party of that or any other provision.

~~26.12~~12.12 **Authority.** The representatives signing on behalf of the parties certify they are duly authorized by the party for whom they sign to make this Agreement.

~~26.13~~12.13 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which will constitute one and the same instrument.

{Remainder of page blank; signatures on next page.}

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

CITY OF OREGON CITY

METRO

Name: _____
Title: _____
Date: _____

Name: _____
Title: _____
Date: _____

CLACKAMAS COUNTY

STATE OF OREGON, through its Parks
and Recreation Department

Name: _____
Title: _____
Date: _____

Name: _____
Title: _____
Date: _____

STATE OF OREGON, through its
Portland Metro Regional Solutions
Office

Name: _____
Title: _____
Date: _____

Exhibit A: Legacy Project Budget
Exhibit B: Partners Group
Exhibit C: ~~Org. Chart~~ TAC Work
Exhibit D: Staffing Commitments

Exhibit B

Partners Group

State

State Senator
State Representative
Regional Solutions
Oregon State Parks

Metro

Metro Council President
Metro Councilor
Metro Chief Operating Officer

Clackamas County

County Commissioner
County Commissioner
County Administrator

Oregon City

Mayor
City Commissioner
City Manager

Exhibit C

Work of the TAC

1. **General.** The following subsections set forth roles and responsibilities regarding the work of the TAC, as of the Effective Date of this Agreement and may change from time to time upon approval of the TAC.

1.1 **Project Administration.** Metro will lead and manage the overall administration of the TAC. It will create TAC agendas and meeting notes, and coordinate the Partners Group meetings. Metro's work will also include tracking the Legacy Project scope, schedule, Legacy Project Budget, and expenditures.

~~26.14~~1.2 **Strategic Communications.** Except as related to tribal involvement in Section 1.6, below, Metro will lead the social media strategy, manage newsletters, provide coordination of public engagement, and create materials needed for funding requests, among other things. Metro will closely coordinate this work with the TAC and with communications staff of each party.

1.3 **Public Engagement.** Metro will lead the public engagement efforts in close coordination with the City. Metro will update the Legacy Project website.

1.4 **Funding Strategy.** The parties, through the TAC, will collaborate on fundraising and financing of the Legacy Project and future phases of the Riverwalk. This work will coordinate opportunities with Rediscover the Falls and is supported by funding from Oregon City, Clackamas County, and Metro.

1.5 **Private Parties.** In coordination with and with input from the TAC, Metro will lead negotiations with the Owner, PGE, and other third parties with respect to issues that have the potential to significantly impact all aspects of the Legacy Project, including real property issues. The parties shall refrain from communicating directly with the Owner, PGE, or other third parties on these issues without Metro's coordination and input in advance.

1.6 **Tribal Involvement.** The State will take the lead in government to government tribal consultation about involvement in the Willamette Falls Legacy Project and interpretation of the Riverwalk. Metro will create a process for additional tribal involvement, as necessary.

~~26.15~~1.7 **Coordination with State Agencies.** The State, through the Regional Solutions office, will lead communication, coordination, and involvement of State Parks and all other state agencies in the Legacy Project, especially with regard to required state permits for the Riverwalk and state funding.

1.8 **Site Access and Tours.** Metro will coordinate scheduling of site access and site tours with the Owner and PGE, and will update the TAC regarding tours on a weekly basis. All parties shall help lead and facilitate the tours.

1.9 **Implementation Strategies.** Metro will lead efforts to deliver key decisions and workplans associated with the work of the TAC for future phases of the Legacy Project, taking into account such things as governance, Riverwalk ownership, fundraising, and financing. Metro awarded Oregon City a Community Planning and Development Grant (“CPDG”) for the purposes of reducing and removing barriers to private development. The TAC will continue to coordinate the scope of work for the CPDG as it relates to the Legacy Project.

1.10 **Riverwalk Project Manager.** Metro will provide a staff person to manage and coordinate all of the scopes of work and consultant contracts related to the Riverwalk. The Riverwalk Project Manager will create a project management plan for all the Riverwalk work.

1.11 **Economic Development Project Manager.** The City will take the lead on the creation and implementation of an economic development strategy for the Legacy Project.