

INTERGOVERNMENTAL AGREEMENT #6194
BETWEEN THE STATE OF OREGON AND DESCHUTES COUNTY

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This Agreement is between the State of Oregon acting by and through its Department of Corrections, hereafter called DEPARTMENT, and Deschutes County, hereafter called COUNTY.

Whereas, DEPARTMENT is an agency of the State of Oregon and COUNTY is a unit of local government of the State of Oregon and both parties desire to cooperate by agreement to provide correctional services in COUNTY within the requirements as authorized by ORS 423.475 to 423.565;

Whereas, the Legislative Assembly of Oregon enacted legislation establishing shared responsibility between county corrections programs and the DEPARTMENT on a continuing basis (ORS 423.475 to 423.565);

Whereas, ORS 144.106 provides "the supervisory authority shall use a continuum of administrative sanctions for violations of post-prison supervision";

Whereas, Oregon Laws 2008, chapter 14 (Measure 57) was passed by voters of the State of Oregon increasing sentences for certain drug trafficking and theft crimes, requiring addiction treatment for certain offenders at risk of reoffending, and authorizing DEPARTMENT to make grants to counties to provide supplemental funding;

Whereas, supplemental funds have been made available to counties for treatment of drug-addicted persons, in accordance to OAR Chapter 291, Division 31;

Whereas, supplemental funds are made available to counties based on a formula that matches the COUNTY's percentage share of community corrections grant-in-aid funds;

Whereas, the DEPARTMENT will administer distribution of grants to counties;

Now, therefore, THE PARTIES HERETO, in consideration of the mutual promises, terms and conditions hereinafter provided, agree to the following:

I DEFINITIONS

- A. Amendment: Any change to this Agreement that alters the terms and conditions of the Agreement. Plan Modifications are NOT Amendments.
- B. Budget Summary: A budget submitted by COUNTY and approved by DEPARTMENT which identifies personnel, materials, services and funding COUNTY will use to implement the Plan. COUNTY's Intervention Budget Summary is described in Exhibit A.
- C. Community Corrections Manager: Individual designated by COUNTY pursuant to ORS 423.525 as responsible for administration of the community corrections programs as set forth by the Plan.
- D. County Corrections: All COUNTY agencies and officials who carry out the responsibilities in ORS 423.478(2)(a)-(f) and the activities of carrying out those responsibilities.
- E. County Corrections Intervention Grant or Grant: Grant(s) made by DEPARTMENT to assist COUNTY in the implementation and operation of the Plan under this Agreement.

- F. County Intervention Plan or Plan: A document developed by the COUNTY and approved by the DEPARTMENT which describes COUNTY's approach to providing effective Interventions for drug addicted adults on supervision under COUNTY supervision. The County Intervention Plan is described in Exhibit A, County Intervention Plan and Budget Summary.
- G. Intervention: A response to Participant compliance of conditions of the Plan.
- H. Participant: An adult, under supervision of the COUNTY and enrolled in the Plan.
- I. Plan Modification: A written change or alteration to the Plan promulgated by COUNTY modifying the Plan.
- J. Sanctions or Structured Sanctions: A response to adult on supervision violation of conditions of supervision that uses custody units.
- K. Statewide Evaluation and Information System: The Corrections Information Systems (CIS) including the Offender Profile System (OPS), the Integrated Supervision Information System (ISIS), Case Management for Institutions (CMI), Offender Management System (OMS), Offender Information System (OIS), Interstate Compact Offender Tracking System (ICOTS), and related case management modules.
- L. Supervisory Authority: The local corrections official or officials designated in each COUNTY by that COUNTY's Board of County Commissioners or county court to operate corrections supervision services, custodial facilities or both.
- M. Texas Christian University (TCU) Assessment Tool: The Texas Christian University Assessment tool, to be used on Participants in COUNTY program, mandated by the DEPARTMENT.

II AUTHORITY AND DURATION

A. Authority

This Agreement is entered into pursuant to the provisions of ORS 423.520.

B. Duration

This Agreement will become effective on **July 1, 2021** and will remain in effect until **June 30, 2023** or until terminated according to Section XI (*Termination*).

III PLAN; PLAN MODIFICATIONS

- A. The Plan must be received and approved by DEPARTMENT before disbursements of Grant funds described in Section VIII can be made to COUNTY.
- B. Plan Modifications: COUNTY and DEPARTMENT agree that the Plan must remain a flexible instrument capable of responding to unforeseen needs and requirements. A copy of all Plan Modifications will be marked in sequence beginning with the designation "Plan Modification 1" and attached to the above-mentioned Plan.

DEPARTMENT will notify COUNTY of any concerns about the modification or the need for an amendment within a 30 calendar day period after DEPARTMENT receives the Plan Modification.

- C. Notice of Modification: DEPARTMENT shall provide to COUNTY an approved form for modifications as soon as practicable after execution of this Agreement.
- D. Plan Modifications shall become effective upon the date the Plan Modification is approved in writing by the DEPARTMENT.

IV AMENDMENTS GENERALLY

The terms of this Agreement shall not be waived, altered, modified, supplemented or amended, in any manner whatsoever, except by written Amendment signed by the parties. An Amendment shall become effective only after all parties have signed and all approvals have been obtained.

V DUTIES AND RESPONSIBILITIES OF COUNTY

- A. COUNTY shall assume administrative responsibility to provide services as outlined in the Plan.
- B. COUNTY shall incorporate the principles described below into the Plan:
 - 1. Treatment programs shall be evidence-based. Evidence-based programs are delivered consistent with the findings in research about what works best to reduce recidivism.
 - 2. Assessment which is standardized, objective, and comprehensive shall be used to prioritize treatment, determine criminal risk factors, and to determine the proper level of care. Assessments of risk shall be based on actuarial risk assessment tools.
 - 3. Rules, requirements and expectations for Participants, including consequences for success and for failure are made formal and clear by an authority figure.
 - 4. An individual case plan shall be developed for each Participant. The case plan shall include criminal risk factors in addition to addiction that will be addressed in treatment.
 - 5. Treatment program design shall address issues of motivation. Treatment options shall be available for Participants consistent with their assessed stage of change.
 - 6. Treatment shall be based on cognitive and behavioral interventions and social learning approaches. Treatment programs shall be of sufficient length and intensity to produce stable behavior changes based on replacing old patterns of thinking and behaving and learning and practicing new skills for avoiding drug use and criminal behavior.

7. The Plan shall utilize a system of graduated Sanctions and incentives which are swift and certain and which encourage recovery goals while holding Participants accountable for non-compliant behaviors.
8. Weekly random drug testing shall occur, however frequency may decrease as Participant progresses. There shall be a consequence for this or any other rule violation, but that consequence shall not automatically result in withdrawal from treatment. Sanctions shall be administered in a manner to assure longer stays in treatment which are associated with good outcomes.
9. Co-ed treatment shall be avoided if possible.
10. Programs shall include relapse prevention planning and comprehensive transition planning so that participants are more likely to adjust to the next level of care or change in living situation.
11. Addictions treatment programs must be licensed by the State of Oregon to provide addictions treatment.

C. COUNTY shall incorporate the following data requirements into the Plan:

1. COUNTY will identify Participants through the indicating 'Y' under the M57 Tx data field, located in the Treatment Module.
2. The start and stop date of the actual program participation, as well as program exit code, will be entered into the CIS Treatment Module.
3. Program Participants will be assessed for level of severity of addiction, using the Texas Christian University assessment tool (available at no cost), and enter corresponding data as determined by DEPARTMENT.

D. COUNTY will prepare and furnish such data, descriptive information and reports as may be requested by DEPARTMENT as needed to comply with ORS 423.520, which states in part, "The department shall require recipients of the grants to cooperate in the collection and sharing of data necessary to evaluate the effect of community corrections programs on future criminal conduct." COUNTY will enter data into the Statewide Evaluation and Information System in a complete, accurate, and timely manner. COUNTY acknowledges and agrees that DEPARTMENT has the right to reproduce, use and disclose all or any part of such reports, data and technical information furnished under this Agreement.

E. COUNTY will permit authorized representatives of DEPARTMENT to make such review of records of COUNTY as may be necessary to satisfy audit and/or program review purposes. A copy of any audit or monitoring report will be made available to COUNTY.

F. COUNTY will follow DEPARTMENT's prescribed allotment and expenditure reporting system in accordance with Exhibit A. This system will be used for controlling County Corrections Intervention Grant funds by DEPARTMENT and to provide suitable records for an audit.

- G. If funding from DEPARTMENT is reduced or discontinued by legislative action, COUNTY will not be required to increase use of COUNTY revenue for continuing or maintaining corrections services as set out in this Agreement.

VI DEPARTMENT RESPONSIBILITIES. The DEPARTMENT will:

- A. Participate according to this Agreement.
- B. Provide funding as described in Section VIII of this Agreement.
- C. Furnish COUNTY, in a timely manner, those rules, administrative directives and procedures required for COUNTY to meet its obligations described herein.
- D. Subject to system capacity and data processing capabilities, DEPARTMENT will furnish data, descriptive information and reports, available to DEPARTMENT and requested by COUNTY that will assist COUNTY in complying with DEPARTMENT requirements. DEPARTMENT hereby grants to COUNTY the right to reproduce, use, and disclose all or part of such reports, data, and technical information furnished under this Agreement.
- E. If by legislative action, funding from DEPARTMENT is reduced to COUNTY, DEPARTMENT agrees to provide reasonable notice and transition opportunity to COUNTY of changes that may significantly alter approved appropriations and programs.
- F. DEPARTMENT will provide technical assistance to COUNTY in implementing and evaluating COUNTY's Plan.

VII PERFORMANCE GOALS

Interventions funded under this Agreement will be evaluated by the DEPARTMENT for treatment effectiveness. Goals for the evaluation are to determine if:

- A. Treatment programs are evidence-based, as evaluated by the Corrections Program Checklist.
- B. Recidivism is reduced: Participants will recidivate at lower rates than similar untreated adults on supervision.
- C. Participants reduce drug use: Results of random urinalysis will be analyzed.
- D. Participants show evidence of improved community functioning: Improved community functioning will be measured by successful completion of the program and through the existing community corrections performance measures (successful completion of supervision, employment, payment of restitution and/or community service work).

VIII FUNDS

- A. Exhibit A identifies the County Corrections Intervention Grant funds authorized under this Agreement for the implementation of the Plan during the term of this Agreement.
- B. Payment to COUNTY will be made in two payments. One-half of the Grant funds will be disbursed to County within 15 days after execution of this Agreement. The second half of the Grant funds will be disbursed on July 1, 2022.
- C. Both parties agree that all reallocations of Grant funds within programs shall require a Plan Modification.
- D. Unexpended Funds: Grant fund balances remaining at the termination of this Agreement may be retained by the COUNTY, upon approval by DEPARTMENT, for the provision of on-going supervision, correctional services, and sanctions in accordance with the Plan.
- E. Unauthorized Expenditures: Any Grant funds disbursed to COUNTY that are expended for unauthorized purposes, or any Unexpended Funds not retained by COUNTY under Section VIII.E, will be deducted by DEPARTMENT from subsequent payments under this Agreement or refunded to DEPARTMENT promptly upon DEPARTMENT's written request and no later than 15 days after DEPARTMENT's written request.
- F. **Maximum Grant Amount.** Grant funds are based upon COUNTY's Application for Supplemental Funds. Unless amended, the maximum, not-to-exceed County Corrections Intervention Grant payable to COUNTY under this Agreement is \$489,211.00. The maximum Grant amount may be increased only by written amendment of this Agreement which is signed by all parties and with all required State approvals.
- G. Disbursement of Grant funds under this Agreement is contingent on DEPARTMENT receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow DEPARTMENT, in the exercise of its reasonable administrative discretion, to make the disbursement.

IX NONCOMPLIANCE

- A. The Assistant Director of Community Corrections or the Assistant Director's designee of the Community Corrections Division shall review COUNTY's compliance with this Agreement. COUNTY must substantially comply with the provisions of the Plan received by DEPARTMENT and this Agreement.

If, upon review, DEPARTMENT determines that there are reasonable grounds to believe that COUNTY is not in substantial compliance with the Agreement or Plan, including but not limited to COUNTY has failed to meet standards of evidence-based treatment programs as required in Section V.B.1, DEPARTMENT and COUNTY shall proceed in accordance with OAR Chapter 291-031, to reach compliance or, if compliance is not obtained, to suspend funding.

X INDEMNIFICATION. See Exhibit B.

XI TERMINATION

- A. Parties Right to Terminate at its Discretion. At its sole discretion, any party to this Agreement may terminate this Agreement for its convenience upon 30 days' prior written notice.
- B. Parties may terminate this Agreement immediately upon written notice if federal or state laws, regulations, or guidelines are modified or interpreted in such a way that DEPARTMENT or COUNTY cannot lawfully perform its obligations under this Agreement.
- C. It is understood and agreed by the parties hereto that this Agreement will remain in force only during its term and will not continue in force after its term. There will be no automatic extension. This Agreement may be extended only by written consent of the parties hereto.
- D. It is understood and agreed by the parties hereto that if any part, term or provision of this Agreement, including any part, term or provision of any appended material, is held by a court to be illegal or in conflict with any law of the State of Oregon or applicable administrative rule, that element of the contract including relevant appended materials will be void and without effect and will be treated by the parties as having been terminated as of the date of determination of the voidness.
- E. It is understood and agreed by the parties hereto that this Agreement will automatically terminate if the State of Oregon provides no funding. If there is reduced state funding, COUNTY may terminate the Agreement as described herein.

XII COMPLIANCE WITH APPLICABLE LAW

Both Parties shall comply with all federal, state and local laws, regulations, executive orders, and ordinances to which each is subject and which is applicable to this Agreement. Without limiting the generality of the foregoing, the parties expressly agree to comply with: (i) Title VI of the Civil Rights Act of 1964; (ii) Section V of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to those laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations. All employers, including COUNTY, that employ subject workers who work under this Agreement in the State of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage unless such employers are exempt under ORS 656.126. COUNTY shall ensure that each of its subcontractors complies with these requirements.

Nothing in this Agreement shall require COUNTY or DEPARTMENT to act in violation of state or federal law or the Constitution of the State of Oregon.

XIII ACCESS TO RECORDS

For not less than six (6) years after Agreement expiration, DEPARTMENT, the Secretary of State's Office of the State of Oregon, the federal government, and their duly authorized

representatives shall have access to the books, documents, papers and records of COUNTY which are directly pertinent to this specific Agreement for the purpose of making audit, examination, excerpts, and transcripts. COUNTY shall retain all pertinent records until the later of (i) the date that is not less than six (6) years following the Agreement expiration date or (ii) the date on which all litigation regarding this Agreement is resolved. COUNTY agrees full access to DEPARTMENT will be provided in preparation for and during litigation. Copies of applicable records shall be made available upon request. DEPARTMENT shall reimburse COUNTY for the cost of copies DEPARTMENT requests.

XIV SURVIVAL

All rights and obligations shall cease upon termination or expiration of this Agreement, except for the rights and obligations set forth in Sections IV, X, XI, XII, XIII, XIV, and XV.

XV GOVERNING LAW; JURISDICTION; VENUE

The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Agreement, including, without limitation, its validity, interpretation, construction, performance, and enforcement. Any party bringing a legal action or proceeding against any other party arising out of or relating to this Agreement shall bring the legal action or proceeding in the Circuit Court of the State of Oregon for Marion County. Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum.

XVI WAIVER

The failure of either party to enforce any provision of this Agreement will not constitute a waiver by that party of that or any other provision.

XVII EXECUTION AND COUNTERPARTS

This Agreement may be executed in several counterparts, each of which will be an original, all of which will constitute but one and the same instrument.

XVIII NOTICE

Except as otherwise expressly provided in this Agreement, any notices between the Parties to be given hereunder shall be given in writing by personal delivery, facsimile, electronic mail, or mailing the same, postage prepaid to COUNTY or DEPARTMENT at the address or number set forth below, or to such other addresses or numbers as any Party may indicate pursuant to this section. Any notice so addressed and mailed shall be effective five (5) days after mailing. Any notice delivered by facsimile shall be effective on the day the transmitting machine generates a receipt of the successful transmission, if transmission was during normal business hours of the recipient, or on the next business day, if transmission was outside normal business hours of the recipient. Any notice delivered by electronic mail shall be effective on the day of notification of delivery receipt, if delivery was during normal business hours of the recipient, or on the next business day, if delivery was outside normal business hours of the recipient. Any notice given by personal delivery shall be effective when actually delivered to the Authorized Representatives listed below:

To DEPARTMENT: Jeremiah Stromberg, Assistant Director
Community Corrections Division
Department of Corrections
2575 Center St. NE
Salem, OR 97301
Telephone: 503-945-8876
Fax: 503-373-7810
E-Mail: Jeremiah.P.Stromberg@doc.state.or.us

To COUNTY: Deschutes County Adult Parole and Probation
Ken Hales, Director
63360 Britta Street, Bldg 2
Bend, OR 97701
Telephone: 541-385-3246
Fax: 541-385-1804
Email: ken.hales@co.deschutes.or.us

The Parties may change the persons named in this section by notice to the other Parties as provided herein. No amendment to this Agreement is required to make such change.

XIX MERGER; INTEGRATION

This instrument contains the entire agreement between the parties and no statement made by any party hereto, or agent thereof, not contained or attached with reference thereto in this written Agreement will be valid or binding. This Agreement will supersede all previous communications, representations, wither verbal or written, between the parties hereto. This Agreement may not be enlarged, modified or altered except in writing, signed by the parties, and attached.

STATE OF OREGON
DEPT. OF CORRECTIONS

DESCHUTES COUNTY

Eric McDowell, Contracts Officer

Signature

Date

Title

Date

Reviewed by the
Oregon Attorney General's Office:

/s/ Sam Zeigler (by email dated 5/13/2021)
Assistant Attorney General

EXHIBIT A
COUNTY INTERVENTION PLAN and BUDGET SUMMARY
DESCHUTES COUNTY
(To be attached upon signature and return of Agreement by County)

Exhibit A

1. The population being served; again it would be helpful for you to indicate if these funds are being used solely for your drug court population:

In the 2021-2023 biennium, the Deschutes County M57 program will serve M57-eligible clients with drug and property offenses. The program does not support drug court clients, unless they are in need of additional housing resources. We anticipate few changes to the program from the prior biennium. M57 will support 1.5 PPO. Services that M57 will support include transitional housing, sober housing, transportation assistances, CBT, treatment, parenting, and other barrier reducing resources. M57 and JRP clients are provided with intensive and specialized services to reduce risk of incarceration and recidivism. All clients receive a criminogenic risk and needs assessment, supervised based on their risk level, and matched with services designed to focus on reducing barriers or addressing predominant criminogenic risk/need areas.

PPOs will provide intensive supervision when necessary and work to use core correctional practices during office visits while also connecting clients with appropriate resources. Recently we utilized M57 funding to bring the University of Cincinnati Corrections Institute to provide Core Correctional Practices training and technical assistance to Parole & Probation Officers (PPOs) and Supervisors. The division is continuing its work to ensure appropriate dosage is applied to this population through treatment, evidence based office visits and sanctions/reinforcements. With COVID 19 we have had to adapt services at various points including virtual/phone services. We currently are moving back to more in person services, but some office visits, many provider groups and our internal CBT services remain virtual.

2. The treatment programs being used and the intensity and duration that has been designed into your approach:

The division will contract with or provide an evidence-based program that:

- Has groups that are for medium and high risk only.
- Provides gender specific treatment.
- Uses cognitive based treatment.
- Follows manualized curricula.
- Applies the appropriate treatment services based on ASAM assessment.
- Will cooperate and pass a Correctional Program Checklist (CPC).
- We currently have one contracted provider who has successfully passed a CPC and have three other contracted providers who will be assessed or reassessed.
 - Pfeifer and Associated (Passed a CPC)
 - New Priorities
 - Drishti
 - Turning Point Recovery Services

3. The types of sanctions that are available and what you see being utilized as well as any existing rewards/reinforcers used to motivate the client to succeed:

Deschutes County will continue to use a variety of sanctions for this program, which include increased reporting, random UA program placement, electronic monitoring, work crew and jail sanctions. COVID 19 has impacted jail sanctioning practices, but we have made adaptations as necessary depending on jail requirements, including increased emphasis on Behavior Change Plan (BCP) case management. From 2020 to 2021 to date, PPO's more than doubled their BCP intervention, reinforcement, consequences and closure activity (3290 in 2020 and 11740 in 2021). The division is working on a structured decision making tool to support treatment and CBT referrals, supervision (including structured reinforcement and violation response) which would likely be implemented within the next year, aimed at providing consistent, equitable and effective supervision and outcomes.

4. What collaborations exist between you and your local criminal justice partners or what partnerships have been created since the original implementation of your M57 Supplemental Fund program.

The division continues to work with the District Attorney's Office, the Sheriff's Office and the Courts in the administration of supervision and treatment for the M57 population. The division works with local profit and non-profit housing programs to secure clean and sober housing options for the M57 population. The division has created and facilitates a community-based workgroup to identify and address racial and ethnic disparities in local criminal justice system outcomes.

5. Any anticipated changes to your program due to the impact of BM110

The division continues to see significant drops in the number of individuals on supervision for drug offenses; a trend likely impacted by the passage of BM 110. To ensure the correct case assignment, staff will continue to look for qualifying cases via police reports, treatment assessments, and behaviors in the community to identify those individuals who have a drug addiction and specifically who have associated property crime. Over the course of the next biennium the division will be diligent in its identification of qualifying cases.

**2021-2023 M57 Supplemental Funds
Intervention Program Budget Summary**

Program Expenses (please be detailed)	19-21 M57 Supplemental Funds Carryover	21-23 M57 Supplemental Funds	Other State Funds	County/Local Funds	Total
A. Supervision Related Personnel Costs 1.5 FTE Parole & Probation Officer including taxes and benefits	\$0	\$420,290.00			\$420,290.00
B. Materials and Services Deschutes County administrative, fiscal and IT services and Dashboard development	\$0	\$48,921.00			\$48,921.00
C. Treatment Provider and/or Contracted Professional Services Transitional Housing and Sober Housing	\$14,698.25	\$20,000.00			\$34,698.25
D. Sanction Costs (by type)	\$0.00	\$0.00			
E. Capital Outlay and Start- Up Costs	\$0.00	\$0.00			
Total	\$14,698.25	\$489,211.00			\$503,909.25

**EXHIBIT B
INDEMNIFICATION
DESCHUTES COUNTY**

Contribution

If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against a party (the "Notified Party") with respect to which the other party ("Other Party") may have liability, the Notified Party must promptly notify the Other Party in writing of the Third Party Claim and deliver to the Other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Either party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by the Other Party of the notice and copies required in this paragraph and meaningful opportunity for the Other Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to the Other Party's liability with respect to the Third Party Claim.

With respect to a Third Party Claim for which the Department is jointly liable with the County (or would be if joined in the Third Party Claim), the Department shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by the County in such proportion as is appropriate to reflect the relative fault of the Department on the one hand and of the County on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of the Department on the one hand and of the County on the other hand shall be determined by reference to, among other things, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. The Department's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if the Department had sole liability in the proceeding.

With respect to a Third Party Claim for which the County is jointly liable with the Department (or would be if joined in the Third Party Claim), the County shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by the Department in such proportion as is appropriate to reflect the relative fault of the County on the one hand and of the Department on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of the County on the one hand and of the Department on the other hand shall be determined by reference to, among other things, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. The County's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if it had sole liability in the proceeding.

Alternative Dispute Resolution

The parties should attempt in good faith to resolve any dispute arising out of this Agreement. This may be done at any management level, including at a level higher than persons directly responsible for administration of the Agreement. In addition, the parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.

Indemnification by Subcontractors

County shall take all reasonable steps to cause its contractor(s) that are not units of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless the State of Oregon and its officers, employees and agents ("Indemnatee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including attorneys' fees) arising from a tort (as now or hereafter defined in ORS 30.260) caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of County's contractor or any of the officers, agents, employees or subcontractors of the contractor ("Claims"). It is the specific intention of the parties that the Indemnatee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by the contractor from and against any and all Claims.

Subcontractor Insurance Requirements

GENERAL.

County shall require its first tier contractor(s) that are not units of local government as defined in ORS 190.003, if any, to: i) obtain insurance specified under TYPES AND AMOUNTS and meeting the requirements under, "TAIL" COVERAGE, NOTICE OF CANCELLATION OR CHANGE, and CERTIFICATES OF INSURANCE before the contractors perform under contracts between County and the contractors (the "Subcontracts"), and ii) maintain the insurance in full force throughout the duration of the Subcontracts. The insurance must be provided by insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to Department. County shall not authorize contractors to begin work under the Subcontracts until the insurance is in full force. Thereafter, County shall monitor continued compliance with the insurance requirements on an annual or more frequent basis. County shall incorporate appropriate provisions in the Subcontracts permitting it to enforce contractor compliance with the insurance requirements and shall take all reasonable steps to enforce such compliance. Examples of "reasonable steps" include issuing stop work orders (or the equivalent) until the insurance is in full force or terminating the Subcontracts as permitted by the Subcontracts, or pursuing legal action to enforce the insurance requirements. In no event shall County permit a contractor to work under a Subcontract when the County is aware that the contractor is not in compliance with the insurance requirements. As used in this section, a "first tier" contractor is a contractor with which the county directly enters into a contract. It does not include a subcontractor with which the contractor enters into a contract.

TYPES AND AMOUNTS.

PROFESSIONAL LIABILITY

Professional Liability Insurance covering any damages caused by an error, omission or negligent act related to the services to be provided under the Subcontract, with limits not less than \$2,000,000, as determined by the Department:

"TAIL" COVERAGE. If any of the required insurance policies is on a "claims made" basis, such as professional liability insurance, the contractor shall maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of the Subcontract, for a minimum of 24 months following the later of : (i) the contractor's completion and County 's acceptance of all Services

required under the Subcontract or, (ii) the expiration of all warranty periods provided under the Subcontract. Notwithstanding the foregoing 24-month requirement, if the contractor elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the 24-month period described above, then the contractor may request and Department may grant approval of the maximum "tail" coverage period reasonably available in the marketplace. If Department approval is granted, the contractor shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace.

NOTICE OF CANCELLATION OR CHANGE. The contractor or its insurer must provide 30 days' written notice to County before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

CERTIFICATE(S) OF INSURANCE. County shall obtain from the contractor a certificate(s) of insurance for all required insurance before the contractor performs under the Subcontract. The certificate(s) or an attached endorsement must specify: i) all entities and individuals who are endorsed on the policy as Additional Insured and ii) for insurance on a "claims made" basis, the extended reporting period applicable to "tail" or continuous "claims made" coverage.