

**CITY OF OREGON CITY**  
**Amendment No. 1 to Personal Services Agreement**

**HUNTER AVENUE BOOSTER PUMP STATION (PS 20-007)**

This is an Amendment to the Personal Services Agreement by and between the City of Oregon City (hereinafter City), and **RH2 ENGINEERING, INC.**, hereinafter called "PS Contractor," which was previously entered into on **February 20, 2020** ("Contract") for **HUNTER AVENUE BOOSTER PUMP STATION ELECTRICAL AND CONTROL UPGRADES** and  
Whereas, the parties wish to amend the Contract as set forth below:

WITNESSETH:

1. The **Scope of Work** is hereby amended as follows:

**See attached Scope of Work**

2. The **Duration of Contract** is hereby amended as follows:

**August 18, 2020 until February 28, 2021**

3. The **Payment Provisions** are hereby amended as follows:

Original Contract:	\$19,819.00
Amendment No.1:	<u>\$48,095.00</u>
Total Contract:	\$67,914.00

For provision of revision of fee schedule described above, the contract price shall be increased by an amount not to exceed **forty-eight thousand ninety-five and 00/100 dollars (\$48,095.00)**. The total not to exceed amount of the Agreement shall be **sixty-seven thousand, nine hundred fourteen and 00/100 dollars (\$67,914.00)**.

All other provisions of the Personal Services Agreement referenced above shall remain in full force and effect.

[Signature block on next page]

**RH2 ENGINEERING, INC.**

**CITY OF OREGON CITY**

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

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

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

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

\_\_\_\_\_

Tony Konkol  
City Manager

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

\_\_\_\_\_  
John M. Lewis, P.E.  
Public Works Director

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**EXHIBIT A**  
**Scope of Work**  
**Amendment No. 1**  
**City of Oregon City**  
**Hunter Avenue Booster Pump Station Electrical and Control Upgrades**  
August 2020

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## Background

The City of Oregon City (City) desires to upgrade electrical and control equipment at its Hunter Avenue Booster Pump Station (BPS). The Hunter Avenue BPS has begun experiencing electrical and control system faults that have resulted in pump station shutdowns. While the City has been able to implement a temporary solution, it has been determined that the existing control panel and pump motor starters have reached their reliable useful life and need replacement. The City previously requested that RH2 Engineering, Inc., (RH2) provide professional services to prepare plans, specifications, and an estimate (PSE) for bidding and construction of the improvements necessary to replace this equipment. RH2 is currently under contract to provide these design services.

The City has requested that RH2 prepare a contract amendment for additional services following the completion of design, including services during bidding and construction, as well as automatic control system software development for the modifications associated with this project to the City's Supervisory Control and Data Acquisition (SCADA) system.

## Task 3 – Services During Bidding and Construction

**Objective:** Provide bidding assistance, as requested by the City, to respond to bidder questions, prepare addenda, conduct bidder evaluations, and recommend award for the project. Provide construction contract administration services, as requested by the City, to respond to contractor questions or changes, review requests for payment, perform field observations, assist with startup and testing, and prepare record drawings.

### Approach:

- 3.1 Attend Pre-Bid Meeting, Respond to Bidder Questions and Prepare Addenda: Attend pre-bid meeting with the City and potential bidders. Respond to questions from bidders regarding construction plans, technical specifications, or construction contract conditions during the bidding process. Assist the City in preparing addenda for plan holders if determined necessary by the City and RH2 during the bidding process.
- 3.2 Assist with Bid Opening and Bidder Evaluation: Review subcontractors, suppliers, and others proposed by the prime contractor if required by the bidding documents. Develop bid tabulation and provide a letter of recommendation for award.
- 3.3 Attend Pre-Construction Conference: Prepare for and attend the pre-construction conference with the contractor, City, RH2, special inspector, and impacted or adjacent utilities. Prepare an agenda and meeting minutes for the pre-construction conference.

- 3.4 Perform Submittal Reviews: Review contractor submittals, shop drawings, and procedures per the project documents. Coordinate with the City regarding requests for substitute and “or-equal” items proposed for use by the contractor.
- 3.5 Provide On-Call Construction Technical Support Services: Provide up to twenty (20) hours of on-call technical support services including, but not limited to, construction meetings, on-site construction observation, responding to contractor’s technical questions and requests for information (RFIs), and reviewing change orders. *RH2 will coordinate with the contractor and City inspectors to provide construction observation at critical stages of construction and as requested by the City. The contractor will retain and coordinate with testing firm(s) for all special inspections.*
- 3.6 Assist with Startup, Testing, and Project Closeout: Review contractor’s testing and startup plan and observe testing and startup of the BPS facility with the City. *It is assumed that testing and startup will be conducted over a one (1)-day period.* Conduct final walkthrough with City staff and the contractor and prepare punch list. Prepare a letter recommending project acceptance following completion of construction.
- 3.7 Prepare Record Drawings: Provide record drawings representative of the as-constructed project. *Record drawings will be completed based upon contractor and inspector redlined markups to as-bid drawings.*

Assumptions:

- *It is assumed that up to one (1) addenda may be needed.*
- *It is assumed that no special prequalifications will be required of bidders or contractors.*
- *It is assumed that the City will take the lead in the bid and construction administration phase.*
- *RH2 will perform the services described up to the amounts included in the attached Fee Estimate. If additional effort is needed, that extra work will be mutually determined by the City and RH2.*

RH2 Deliverables:

- Attendance and pre-bid meeting.
- Assistance with one (1) addenda, as needed.
- Bid tabulation and letter of recommendation for award in electronic format (PDF).
- Submittal and shop drawing review and documentation in electronic format.
- Clarification and change order review and documentation, if required, in electronic format.
- Construction observation reports from site visits, if required, in electronic format (PDF).
- Review and recommendation of contractor requests for payment, as requested, in electronic format.
- Punch list following final walkthrough in electronic format (PDF).

- Letter recommending substantial completion and project acceptance in electronic format (PDF).
- Record drawings based on contractor redlines.

#### Task 4 – Telemetry and Control Software Development

Objective: Provide programmable logic controller (PLC), operator interface (OI), and human machine interface (HMI) software development, testing, and startup services to control and operate the BPS.

Approach:

- 4.1 Develop PLC Software: Perform PLC software development for the BPS telemetry panel. *The PLC will be an Allen-Bradley L3 Series CompactLogix controller.*
- 4.2 Develop OI and HMI Software: Perform OI and HMI software development for the BPS telemetry panel and the existing Wonderware In-Touch HMI software. Provide OI and HMI screen layouts to the City in the early phases of software development for review and comment by the City. *The OI will be an Allen-Bradley PanelView Plus 7, 10-inch Performance Version.*
- 4.3 Attend Control System Factory Testing: Perform control system factory testing of telemetry control panel hardware and software and the variable frequency drives in the control system integrator's panel shop. The City will be invited to attend a demonstration by RH2 of the control system software in the panel shop. Revise the PLC and OI software based on comments provided by the City at the factory testing demonstration.
- 4.4 Attend Control System Field Testing and Startup: Attend control system field testing and startup services for the PLC, OI, and HMI software.
- 4.5 Provide Training and Operations and Maintenance Documents: Provide software training and operations and maintenance (O&M) material for the PLC and OI software. PLC and OI code will be provided to the City on a CD-ROM or flash drive as part of the O&M material.

Assumptions:

- *The contractor assigned to construct the proposed BPS improvements will be responsible for providing the BPS telemetry panel, including PLC and OI.*

RH2 Deliverables:

- OI and HMI screen layouts.
- Attendance at control system factory testing, field testing, and startup.
- O&M material in electronic format.
- PLC and OI code on CD or flash drive.

**EXHIBIT B**

Fee Estimate

Amendment No. 1

City of Oregon City

Hunter Avenue Booster Pump Station Electrical and Control Upgrades

Aug-20

Description		Total	Total Labor	Total Expense	Total Cost
Classification		Hours			
<b>Task 3</b>	<b>Services During Bidding and Construction</b>	<b>74</b>	<b>\$ 13,082</b>	<b>\$ 1,820</b>	<b>\$ 14,902</b>
3.1	Attend Pre-Bid Meeting, Respond to Bidder Questions and Prepare Addenda	12	\$ 1,968	\$ 262	\$ 2,230
3.2	Assist with Bid Opening and Bidder Evaluation	4	\$ 696	\$ 26	\$ 722
3.3	Attend Pre-Construction Conference	10	\$ 2,016	\$ 233	\$ 2,249
3.4	Perform Submittal Reviews	12	\$ 2,192	\$ 332	\$ 2,524
3.5	Provide On-Call Construction Technical Support Services	20	\$ 3,464	\$ 564	\$ 4,028
3.6	Assist with Startup, Testing, and Project Closeout	8	\$ 1,332	\$ 189	\$ 1,521
3.7	Prepare Record Drawings	8	\$ 1,414	\$ 213	\$ 1,627
<b>Task 4</b>	<b>Telemetry and Control Software Development</b>	<b>154</b>	<b>\$ 32,076</b>	<b>\$ 1,117</b>	<b>\$ 33,193</b>
4.1	Develop PLC Software	48	\$ 9,840	\$ 246	\$ 10,086
4.2	Develop OI and HMI Software	48	\$ 10,440	\$ 261	\$ 10,701
4.3	Attend Control System Factory Testing	12	\$ 2,400	\$ 251	\$ 2,651
4.4	Attend Control System Field Testing and Startup	32	\$ 6,640	\$ 253	\$ 6,893
4.5	Provide Training and Operations and Maintenance Documents	14	\$ 2,756	\$ 107	\$ 2,863
<b>SUBTOTAL</b>		<b>228</b>	<b>\$ 45,158</b>	<b>\$ 2,937</b>	<b>\$ 48,095</b>
<b>Project Total</b>		<b>228</b>	<b>\$ 45,158</b>	<b>\$ 2,937</b>	<b>\$ 48,095</b>

**EXHIBIT C**  
**RH2 ENGINEERING, INC.**  
**2020 SCHEDULE OF RATES AND CHARGES**

<b>RATE LIST</b>	<b>RATE</b>	<b>UNIT</b>
Professional I	\$143	\$/hr
Professional II	\$159	\$/hr
Professional III	\$171	\$/hr
Professional IV	\$185	\$/hr
Professional V	\$200	\$/hr
Professional VI	\$212	\$/hr
Professional VII	\$230	\$/hr
Professional VIII	\$238	\$/hr
Professional IX	\$238	\$/hr
Control Specialist I	\$131	\$/hr
Control Specialist II	\$143	\$/hr
Control Specialist III	\$157	\$/hr
Control Specialist IV	\$169	\$/hr
Control Specialist V	\$180	\$/hr
Control Specialist VI	\$193	\$/hr
Control Specialist VII	\$208	\$/hr
Control Specialist VIII	\$216	\$/hr
Technician I	\$108	\$/hr
Technician II	\$118	\$/hr
Technician III	\$135	\$/hr
Technician IV	\$145	\$/hr
Technician V	\$158	\$/hr
Technician VI	\$174	\$/hr
Technician VII	\$189	\$/hr
Technician VIII	\$199	\$/hr
Administrative I	\$71	\$/hr
Administrative II	\$84	\$/hr
Administrative III	\$100	\$/hr
Administrative IV	\$118	\$/hr
Administrative V	\$136	\$/hr
CAD/GIS System	\$27.50	\$/hr
CAD Plots - Half Size	\$2.50	price per plot
CAD Plots - Full Size	\$10.00	price per plot
CAD Plots - Large	\$25.00	price per plot
Copies (bw) 8.5" X 11"	\$0.09	price per copy
Copies (bw) 8.5" X 14"	\$0.14	price per copy
Copies (bw) 11" X 17"	\$0.20	price per copy
Copies (color) 8.5" X 11"	\$0.90	price per copy
Copies (color) 8.5" X 14"	\$1.20	price per copy
Copies (color) 11" X 17"	\$2.00	price per copy
Technology Charge	2.50%	% of Direct Labor
Mileage	\$0.575	price per mile (or Current IRS Rate)
Subconsultants	15%	Cost +
Outside Services	at cost	

Rates listed are adjusted annually.

## STANDARD CONDITIONS TO OREGON CITY PERSONAL SERVICES AGREEMENT

1. Consultant Identification. Consultant shall furnish to City its taxpayer identification number, as designated by the Internal Revenue Service, or Consultant's social security number, as City deems applicable.

2. Payment.

(a) Invoices submitted in connection with this Agreement shall be properly documented and shall identify the pertinent agreement and/or purchase order numbers.

(b) City agrees to pay Consultant within thirty (30) days after receipt of Consultant's itemized statement. Amounts disputed by City may be withheld pending settlement.

(c) City certifies that sufficient funds are available and authorized for expenditure to finance the cost of the services to be provided pursuant to this Agreement.

(d) City shall not pay any amount in excess of the compensation amounts set forth in this Agreement, nor shall City pay Consultant any fees or costs that City reasonably disputes.

3. Independent Consultant Status.

(a) Consultant is an independent consultant and is free from direction and control over the means and manner of providing labor or services, subject only to the specifications of the desired results.

(b) Consultant represents that it is customarily engaged in an independently established business and is licensed under ORS chapter 671 or 701, if the services provided require such a license. Consultant maintains a business location that is separate from the offices of the City and bears the risk of loss related to the business as demonstrated by the fixed price nature of the contract, requirement to fix defective work, warranties provided and indemnification and insurance provisions of this Agreement. Consultant provides services for two or more persons within a 12-month period or routinely engages in advertising, solicitation or other marketing efforts. Consultant makes a significant investment in the business by purchasing tools or equipment, premises or licenses, certificates or specialized training and

Consultant has the authority to hire or fire persons to provide or assist in providing the services required under this Agreement.

(c) Consultant is responsible for obtaining all assumed business registrations or professional occupation licenses required by state or local law (including applicable City or Metro business licenses as per Oregon City Municipal Code Chapter 5.04). Consultant shall furnish the tools or equipment necessary for the contracted labor or services. Consultant agrees and certifies that:

(d) Consultant is not eligible for any federal social security or unemployment insurance payments. Consultant is not eligible for any PERS or workers' compensation benefits from compensation or payments made to Consultant under this Agreement.

(e) Consultant agrees and certifies that it is licensed to do business in the State of Oregon and that, if Consultant is a corporation, it is in good standing within the State of Oregon.

4. Early Termination.

(a) This Agreement may be terminated without cause prior to the expiration of the agreed-upon term by mutual written consent of the parties or by the City upon ten (10) days written notice to the Consultant, delivered by certified mail, email, or in person.

(b) Upon receipt of notice of early termination, Consultant shall immediately cease work and submit a final statement of services for all services performed and expenses incurred since the date of the last statement of services.

(c) Any early termination of this Agreement shall be without prejudice to any obligation or liabilities of either party already accrued prior to such termination.

(d) The rights and remedies of the City provided in this Agreement and relating to defaults by Consultant shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

5. No Third-Party Beneficiaries. City and



**STANDARD CONDITIONS TO OREGON CITY  
PERSONAL SERVICES AGREEMENT**

Consultant are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide, any benefit or right, whether directly or indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.

6. Payment of Laborers; Payment of Taxes.

(a) Consultant shall:

(i) Make payment promptly, as due, to all persons supplying to Consultant labor and materials for the prosecution of the services to be provided pursuant to this Agreement.

(ii) Pay all contributions or amounts due to the State Accident Insurance Fund incurred in the performance of this Agreement.

(iii) Not permit any lien or claim to be filed or prosecuted against the City on account of any labor or materials furnished.

(iv) Be responsible for all federal, state, and local taxes applicable to any compensation or payments paid to the Consultant under this Agreement and, unless Consultant is subject to back-up withholding, the City will not withhold from such compensation or payments any amount(s) to cover Consultant's federal or state tax obligation.

(v) Pay all employees at least time and one-half for all overtime worked in excess of forty (40) hours in any one week, except for individuals excluded under ORS 653.100 to 653.261 or under 29 U.S.C. §§ 201 to 209 from receiving overtime.

(b) If the Consultant fails, neglects or refuses to make prompt payment of any claim for labor or services furnished by any person in connection with this Agreement as such claim becomes due, the City may pay such claim to the person furnishing the labor or services and shall charge the amount of the payment against funds due or to become due to the Consultant by reason of this Agreement.

(c) The payment of a claim in this manner shall not relieve Consultant or Consultant's surety from obligation with respect to any unpaid claims.

(d) Consultant and subconsultants, if any, are subject employers under the Oregon workers' compensation law and shall comply with ORS 656.017, which requires provision of workers' compensation coverage for all workers.

7. Subconsultants and Assignment.

Consultant shall neither subcontract any of the work, nor assign any rights acquired hereunder, without obtaining prior written approval from the City. The City, by this Agreement, incurs no liability to third persons for payment of any compensation provided herein to the Consultant.

8. Access to Records. City shall have access to all books, documents, papers and records of Consultant that are pertinent to this Agreement for the purpose of making audits, examinations, excerpts and transcripts.

9. Ownership of Work Product; License. All work products of Consultant that result from this Agreement (the "Work Products") are the exclusive property of City. In addition, if any of the Work Products contain intellectual property of Consultant that is or could be protected by federal copyright, patent, or trademark laws, or state trade secret laws, Consultant hereby grants City a perpetual, royalty-free, fully paid, nonexclusive and irrevocable license to copy, reproduce, deliver, publish, perform, dispose of, use and re-use, in whole or in part (and to authorize others to do so), all such Work Products and any other information, designs, plans, or works provided or delivered to City or produced by Consultant under this Agreement. The parties expressly agree that all works produced (including, but not limited to, any taped or recorded items) pursuant to this Agreement are works specially commissioned by City, and that any and all such works shall be works made for hire in which all rights and copyrights belong exclusively to City. Consultant shall not publish, republish, display or otherwise use any work or Work Products resulting from this Agreement without the prior written agreement of City.

10. Compliance With Applicable Law.

## STANDARD CONDITIONS TO OREGON CITY PERSONAL SERVICES AGREEMENT

Consultant shall comply with all federal, state, and local laws and ordinances applicable to the services to be performed pursuant to this Agreement, including, without limitation, the provisions of ORS 279B.220, 279C.515, 279B.235, 279B.230 and 279B.270. Without limiting the generality of the foregoing, Consultant expressly agrees 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 (Pub. L No. 101-336), ORS 659.425, and all regulations and administrative rules established pursuant to those laws; and (iv) all other applicable requirements of federal and state civil rights and rehabilitation and other applicable statutes, rules and regulations.

11. Professional Standards. Consultant shall be responsible, to the level of competency presently maintained by others practicing in the same type of services in City's community, for the professional and technical soundness, accuracy and adequacy of all services and materials furnished under this authorization.

12. Modification, Supplements or Amendments. No modification, change, supplement or amendment of the provisions of this Agreement shall be valid unless it is in writing and signed by the parties hereto.

13. Indemnity and Insurance.

(a) Indemnity. Consultant acknowledges responsibility for liability arising out of Consultant's negligent performance of this Agreement and shall hold City, its officers, agents, Consultants, and employees harmless from, and indemnify them for, any and all liability, settlements, loss, costs, and expenses, including attorney fees, in connection with any action, suit, or claim caused or alleged to be caused by the negligent acts, omissions, activities or services by Consultant, or the agents, Consultants or employees of Consultant provided pursuant to this Agreement.

(b) Workers' Compensation Coverage. Consultant certifies that Consultant has qualified for workers' compensation as required by the State of Oregon. Consultant shall provide the Owner, within ten (10) days after execution of this Agreement, a certificate of insurance evidencing

coverage of all subject workers under Oregon's workers' compensation statutes. The insurance certificate and policy shall indicate that the policy shall not be terminated by the insurance carrier without thirty (30) days' advance written notice to City. All agents or Consultants of Consultant shall maintain such insurance.

(c) Comprehensive, General, and Automobile Insurance. Consultant shall maintain comprehensive general and automobile liability insurance for protection of Consultant and City and for their directors, officers, agents, and employees, insuring against liability for damages because of personal injury, bodily injury, death, and broad-form property damage, including loss of use, and occurring as a result of, or in any way related to, Consultant's operation, each in an amount not less than \$2,000,000 combined, single-limit, per-occurrence/\$4,000,000 annual aggregate. Such insurance shall name City as an additional insured, with the stipulation that this insurance, as to the interest of City, shall not be invalidated by any act or neglect or breach of this Agreement by Consultant.

(d) Errors and Omissions Insurance Consultant shall provide City with evidence of professional errors and omissions liability insurance for the protection of Consultant and its employees, insuring against bodily injury and property damage arising out of Consultant's negligent acts, omissions, activities or services in an amount not less than \$500,000 combined, single limit. Consultant shall maintain in force such coverage for not less than three (3) years following completion of the project. Such insurance shall include contractual liability.

Within ten (10) days after the execution of this Agreement, Consultant shall furnish City a certificate evidencing the dates, amounts, and types of insurance that have been procured pursuant to this Agreement. Consultant will provide for not less than thirty (30) days' written notice to City before the policies may be revised, canceled, or allowed to expire. Consultant shall not alter the terms of any policy without prior written authorization from City. The provisions of this subsection apply fully to Consultant and its Consultants and agents.

## STANDARD CONDITIONS TO OREGON CITY PERSONAL SERVICES AGREEMENT

14. Legal Expenses. In the event legal action is brought by City or Consultant against the other to enforce any of the obligations hereunder or arising out of any dispute concerning the terms and conditions hereby created, the losing party shall pay the prevailing party such reasonable amounts for attorney fees, costs, and expenses as may be set by a court. "Legal action" shall include matters subject to arbitration and appeals.

15. Severability. The parties agree that, if any term or provision of this Agreement is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected.

16. Number and Gender. In this Agreement, the masculine, feminine or neuter gender, and the singular or plural number, shall be deemed to include the others or other whenever the context so requires.

17. Captions and Headings. The captions and headings of this Agreement are for convenience only and shall not be construed or referred to in resolving questions of interpretation or construction.

18. Hierarchy. The conditions contained in this document are applicable to every Personal Services Agreement entered into by the City of Oregon City in the absence of contrary provisions. To the extent there is a conflict, the terms of the Personal Services Agreement will control over the terms of the standard conditions. To the extent there is a conflict between the terms of the standard conditions and any other document, including the scope of services, the terms of the standard conditions shall control those other terms.

19. Calculation of Time. All periods of time referred to herein shall include Saturdays, Sundays and legal holidays in the State of Oregon, except that, if the last day of any period falls on any Saturday, Sunday or legal holiday, the period shall be extended to include the next day that is not a Saturday, Sunday or legal holiday.

20. Notices. Any notices, bills, invoices, reports or other documents required by this Agreement shall be sent by the parties by United

States mail, postage prepaid, or personally delivered to the addresses listed in the Agreement attached hereto. All notices shall be in writing and shall be effective when delivered. If mailed, notices shall be deemed effective forty-eight (48) hours after mailing, unless sooner received.

21. Nonwaiver. The failure of City to insist upon or enforce strict performance by Consultant of any of the terms of this Agreement or to exercise any rights hereunder shall not be construed as a waiver or relinquishment to any extent of its rights to assert or rely upon such terms or rights of any future occasion.

22. Information and Reports. Consultant shall, at such time and in such form as City may require, furnish such periodic reports concerning the status of the project, such statements, certificates, approvals, and copies of proposed and executed plans and claims, and other information relative to the project as may be requested by City. Consultant shall furnish City, upon request, with copies of all documents and other materials prepared or developed in relation with or as a part of the project. Working papers prepared in conjunction with the project are the property of City, but shall remain with Consultant. Copies as requested shall be provided free of cost to City.

23. City's Responsibilities. City shall furnish Consultant with all available necessary information, data, and materials pertinent to the execution of this Agreement. City shall cooperate with Consultant in carrying out the work herein and shall provide adequate staff for liaison with Consultant.

24. Arbitration.

All disputes arising out of or under this Agreement shall be timely submitted to nonbinding mediation prior to commencement of any other legal proceedings. The subsequent measures apply if disputes cannot be settled in this manner.

(a) Any dispute arising out of or under this Agreement shall be determined by binding arbitration.

(b) The party desiring such arbitration shall give written notice to that effect to the other party

**STANDARD CONDITIONS TO OREGON CITY  
PERSONAL SERVICES AGREEMENT**

and shall in such notice appoint a disinterested person of recognized competence in the field as arbitrator on its behalf. Within fifteen (15) days thereafter, the other party may, by written notice to the original party, appoint a second disinterested person of recognized competence as arbitrator on its behalf. The arbitrators thus appointed shall appoint a third disinterested person of recognized competence, and the three arbitrators shall, as promptly as possible, determine such matter, provided, however, that:

(i) If the second arbitrator is not appointed as described above, then the first arbitrator shall proceed to determine such matter; and

(ii) If the two arbitrators appointed by the parties are unable to agree, within fifteen (15) days after the second arbitrator is appointed, on the appointment of a third arbitrator, they shall give written notice of such failure to agree to the parties and, if the parties fail to agree on the selection of the third arbitrator within fifteen (15) days after the arbitrators appointed by the parties give notice, then, within ten (10) days thereafter, either of the parties, on written notice to the other party, may request such appointment by the presiding judge of the Clackamas County Circuit Court.

(c) Each party shall each be entitled to present evidence and argument to the arbitrators. The determination of the majority of the arbitrators or the sole arbitrator, as the case may be, shall be conclusive on the parties, and judgment on the same may be entered in any court having jurisdiction over the parties. The arbitrators or the sole arbitrator, as the case may be, shall give written notice to the parties, stating the arbitration determination, and shall furnish to each party a

signed copy of such determination. Arbitration proceedings shall be conducted pursuant to ORS 33.210 et seq. and the rules of the American Arbitration Association, except as provided otherwise.

(d) Each party shall pay the fees and expenses of the arbitrator appointed by such party and one-half of the fees and expenses of the third arbitrator, if any.

25. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the state of Oregon without resort to any jurisdiction's conflicts of law, rules or doctrines.