

Council Communication

May 19, 2015, Business Meeting

Amendment to the Intergovernmental Agreement with Jackson County to lease the Ashland Library to the Jackson County Library District

FROM:

Ann Seltzer, management analyst seltzer@ashland.or.us
Dave Lohman, city attorney lohmand@ashland.or.us

SUMMARY

The Ashland branch library is owned by the City and operated by Jackson County under an intergovernmental agreement. This amendment to the IGA allows Jackson County to lease the Ashland Branch Library to the Jackson County Library District. The Jackson County Library District will assume governance of the libraries beginning July 1, 2015.

BACKGROUND AND POLICY IMPLICATIONS:

The City of Ashland first entered into a lease agreement with Jackson County in 1970 for the County operation of the City-owned library. This lease was replaced by an intergovernmental agreement for the same purpose in 2002. With last year's voter-approval of a countywide library district, the IGA must be amended to reflect the district's operational responsibility.

This amendment to the December 2002 IGA includes three changes:

- 1) The described property of the Ashland Branch Library,
- 2) Allows the County to lease the Ashland Branch Library to the Jackson County Library District for no more than one dollar (\$1.00) per year, in addition to the County's cost of maintaining, insuring, and repairing the Ashland Branch Library
- 3) The term of the IGA expires no later than July 30, 2020 or on the date any existing building on the premises is used by the County or its sublessee for any purpose other than to operate a free public library.

The history of library agreements with Jackson County is included in the recitals of the amendment.

The City anticipates entering into an IGA with Jackson County Library District in 2020.

COUNCIL GOALS SUPPORTED:

N/A

FISCAL IMPLICATIONS:

N/A



STAFF RECOMMENDATION AND REQUESTED ACTION:

Staff recommends approval of the amendment.

SUGGESTED MOTION:

I move to approve Amendment No. 2 to the Intergovernmental Agreement dated December 3, 2002, concerning lease and operations of the Ashland branch library with Jackson County.

ATTACHMENTS:

1. Amendment No. 2
2. IGA dated December 2002



**AMENDMENT NO. 2
TO INTERGOVERNMENTAL AGREEMENT
DATED DECEMBER 3, 2002
CONCERNING LEASE AND OPERATION OF ASHLAND BRANCH
LIBRARY**

This is Amendment No. 2 to an Intergovernmental Agreement dated December 3, 2002 (“Revised Lease IGA”) by and between JACKSON COUNTY, OREGON (“County”) and CITY OF ASHLAND, OREGON (“City”).

RECITALS

A. In accordance with and pursuant to the provisions of ORS Chapter 190, Entitled “INTERGOVERNMENTAL COOPERATION”, the County and the City are authorized to enter into a written agreement with any other unit of local government for the performance of any or all functions or activities that a party to the agreement has authority to perform.

B. The County entered into a May 22, 1970 lease with the City (“1970 Lease”) for a term of fifty (50) years at \$1.00 per year in order to allow the County to operate the Ashland Branch Library in a City-owned building. The 1970 Lease was amended in October 1977 to correct the legal description of the leasehold.

C. The City passed a bond measure in the amount of \$5.96 million in November, 1999 for capital construction and improvements to the Ashland Branch Library (“Ashland Library Project”).

D. The County and the City entered into a February 1, 2000 Intergovernmental Agreement (“2000 IGA for Library Improvements Funding”) pursuant to which it was agreed that upon voter passage of a May 2000 County bond measure for countywide library improvements (1) the County would transfer to the City a sum of money from the County bond proceeds sufficient to construct the Ashland Library Project, eliminating the need for Ashland to issue its own bonds; (2) the 1970 Lease would be terminated upon substantial completion of the Ashland Library Project and subsequently replaced by a new intergovernmental agreement; (3) the terms and conditions of the 2000 IGA for Library Improvements Funding would control until consummation of a new intergovernmental agreement.

E. The County passed a bond measure in the May 2000 primary election for capital construction and improvements of the County library system, including the Ashland Branch Library;

F. The Ashland Library Project was completed in 2002;

G. The County and the City entered into a December 3, 2002 Intergovernmental Agreement (“2002 Revised Lease IGA”), which replaced the lapsed 1970 Lease and the temporary terms and conditions in the 2000 IGA for Library Improvements Funding. In January 2003, Amendment No. 1 to the 2002 Revised Lease IGA changed its commencement date from December 3, 2002 to February 18, 2003.

H. The County and the City entered into a November 1, 2007 Intergovernmental Agreement for Library Services, which (1) provided for supplemental library services at the Ashland Library branch; (2) set an expiration date of June 30, 2009, with an option for a 12 month extension; and (3) erroneously purported to extend the provisions of the 2000 IGA for Library Improvements Funding, which had lapsed pursuant to its terms upon completion of the Ashland Library Project. Subsequent Amendments Nos. 2 and 3 to the 2007 Intergovernmental Agreement for Library Services changed the expiration date to September 30, 2014 and provided for additional hours of full library services and outreach activities.

I. In May of 2014, the voters of Jackson County approved the formation of the Jackson County Library District (“District”) as a special district under Chapters 198 and 357 to provide permanent, dedicated library funding for library services and self-governance.

J. The County desires to sublease the Ashland Branch Library to the District in order to allow the District to provide public library services in the Ashland Branch Library, and the City desires to allow the County to sublease the Ashland Branch Library to the District for the same purpose.

THEREFORE, in consideration of the mutual promises, terms and conditions below, the parties agree as follows:

AGREEMENT

1. The December 2002 Revised Lease IGA is hereby amended as follows:

- (a) After article 2 (Recital), add a new article entitled “2A Lease; Lease Rate” and the following language thereunder:

In consideration of the County’s promises, the City agrees to lease to the County for one dollar (\$1.00) per year the following described property:

Commencing at the Northwest corner of Lot 1 of Pracht’s Addition to the City of Ashland, Jackson County, Oregon, as now recorded; which point bears South 89°52’46” East (record East) 433.36 feet from the Southwest corner of D.L.C. No. 42, in Section 9, Township 39 South, Range 1 East of the Willamette Meridian, said point being on the Easterly right-of-way of Gresham Street; thence South 00°06’36” West (record South) along said Easterly right-of-way 148.90 feet; thence leaving said right-of-way South 56°07’36” East 21.97 feet; thence along the arc of a 35.10 foot radius curve to the left (the cord of which bears South 88°12’10” East, 37.28 feet) 39.30 feet; thence North 59°43’16” East, 23.98 feet; thence North

33°53'24" East, 100.74 feet to the Southerly right-of-way of Siskiyou Boulevard; thence North 56°07'36" West (record North 56°15' West) along said Southerly right-of-way 119.36 feet; thence North 89°52'46" West 33.00 feet to the point of beginning, containing 14,989.86 square feet, more or less

- (b) On page 2, after the first sentence of subsection 1 in article 3, section A (County's responsibilities), add the following:

The County may enter into an intergovernmental agreement or other contract to lease the Ashland Branch Library to the Jackson County Library District ("District"), a library district organized under Chapters 198 and 257, for the purposes of public library at a lease rate of no more than one dollar (\$1.00) per year, in addition to the County's costs in maintaining, insuring, and repairing the Ashland Branch Library..

- (c) In article 5, on page 5, delete this sentence, "The term of this agreement is 50 years beginning on the date first mentioned on page 1" and replace it with the following:

The term of this agreement ends on the earlier of July 30, 2020 or on the date the any building existing on the premises as of the effective date of this Amendment No. 2 is used by the County or its sublessee for any purpose other than to operate a free public library.

2. Except as expressly modified by this Amendment No. 2, and all prior Amendments, if any, all terms and conditions of the 2002 Revised Lease IGA remain in full force and effect.
3. This Amendment is effective the date on which this Amendment is fully executed by the parties and fully approved as required by applicable statutes and rules.

CITY OF ASHLAND

JACKSON COUNTY

By: _____
Date

By: _____
Danny Jordan Date
County Administrator

Title: _____

REVIEWED AS TO FORM:

REVIEWED AS TO FORM:

City Attorney

County Counsel

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**INTERGOVERNMENTAL AGREEMENT BETWEEN
JACKSON COUNTY AND THE CITY OF ASHLAND**

THIS IS AN AGREEMENT entered into this 3 day of December, ²⁰⁰²~~2003~~, by Jackson County ("County") and the City of Ashland ("Ashland").

1. STATUTORY AUTHORITY

- a. In accordance with and pursuant to the provisions of ORS Chapter 190, entitled "INTERGOVERNMENTAL COOPERATION", the County is authorized to enter into a written agreement with any other unit of local government for the performance of any or all functions or activities that a party to the agreement has authority to perform. By acceptance of this agreement Ashland certifies that it meets the above criteria for eligibility for such cooperation with the County.
- b. As a result of this Agreement and pursuant to ORS 190.030, any unit of local government, consolidated department, intergovernmental entity or administrative officers designated herein to perform specified functions or activities is vested with all powers, rights and duties relating to those functions and activities that are vested by law in each separate party to the Agreement, its officers and agencies.

2. RECITAL

WHEREAS,

A. County passed a bond measure in the May 2000 primary election for capital construction and improvements of the entire county library system, including the Ashland Branch Library. The Ashland Branch library is located on the following described property which is collectively and further referred to in this agreement as "the premises":

All of lots 1, 2, 3 and 4 of Pracht's Addition to the City of Ashland, Jackson County, Oregon.

B. Ashland passed a bond measure in the amount of \$5.96 million in November, 1999, for capital construction and improvements to the Ashland Branch of the Jackson County Library system ("Ashland Branch Library"), of which \$5.85 million would be allocated to construction costs; and

C. County transferred to Ashland a sum of money from the bond proceeds sufficient to construct the planned improvements to the Ashland Branch, thus eliminating the need for Ashland to issue its own bonds as memorialized in the Intergovernmental Agreement Between Jackson County and the City of Ashland, attached hereto as Exhibit A; and

D. The construction of new facilities and improvements to existing facilities at the Ashland Branch are now complete.

3. COOPERATION AND SERVICES TO BE PERFORMED

A. County's responsibilities:

1. County will maintain and operate a free public library for the benefit of, and uniformly available on the same terms to, all members of the public in Jackson County and is to use for these purposes the property and property interests furnished by Ashland.
2. All books, furniture, furnishings and equipment previously transferred to the County pursuant to the agreement dated May 22, 1970, between the County and Ashland regarding the Ashland Public Library, shall remain the property of the County, and the transferred Shakespearean Library shall remain the property of the Oregon Shakespeare Festival Association. All new facilities and improvements to existing facilities constructed on the premises shall be the property of Ashland.
 - 2.1. County will decide on level of service and budget allocations, in its total discretion.
 - 2.2. In the event the County, for any reason, should cease to operate a Countywide library system, or a library at this location, then, and in that event:
 - 2.2.1. All right, title, and interest in and to all of the books, furniture, furnishings and equipment previously transferred to the County under the 1970 agreement and which have not been discarded due to obsolescence, shall revert to Ashland.
 - 2.2.2. This agreement shall be null and void and Ashland shall have the right to immediate possession of the premises.
3. Except as provided in this subsection, upon substantial completion of the project, Ashland shall be under no obligation to make or perform any repairs, maintenance, replacements, alterations, or improvements on the premises. County, at its expense, shall keep the premises in good repair, operating condition, working order, and appearance, including, without limitation:
 - 3.1. Repairs and maintenance of the roof and gutters, exterior walls (including painting), bearing walls, structural members, floor slabs, and foundation.
 - 3.2. Repair and maintenance of exterior water, sewage, gas, and electrical services from the point of entry to the premises.
 - 3.3. Repair of the heating and air conditioning system including ordinary maintenance.
 - 3.4. Repair of interior walls, ceilings, doors, windows, and related hardware, light fixtures, switches, and wiring and plumbing.
4. County may make alterations to property to ensure patron safety and convenience, or to

facilitate efficient library operations subject to the following:

4.1. County shall make no improvements or alterations on the premises of any kind without first obtaining Ashland's written consent, which will not be unreasonably withheld. All alterations shall be made in a good and workmanlike manner, and in compliance with applicable laws and building codes.

4.2. All existing improvements and all improvements and alterations performed on the premises shall be the property of Ashland when installed.

5. Insurance.

5.1. Property Insurance. County shall obtain on or before the date of substantial completion, and thereafter maintain in full force and effect during the term of this Agreement, a property insurance policy or policies covering loss or damage to the premises, in the amount of the full replacement value thereof, as the same may exist from time to time and be established by Ashland, against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, flood (in the event the same is required by a lender having a lien on the premises), earthquake (in the event the same is required by a lender having a lien on the premises) and special extended perils ("all risk" as such term is used in the insurance industry). The insurance shall provide for payment of loss thereunder to Ashland or to the holders of mortgages or deeds of trust on the premises. If County shall fail to procure and maintain such insurance coverage as required, Ashland may, but shall not be required to, procure and maintain the same, but at the expense of County.

5.2. Liability Insurance. County shall, during the entire term and any extended term hereof, keep in full force and effect a policy or policies of public liability and property damage insurance (or in the alternative, provide evidence of a properly funded and administered self-insurance program acceptable to Ashland, acting reasonably, and the holder of any debt secured by the premises) with respect to the premises and activities conducted by County in the premises, with a combined single limit for personal or bodily injury and property damage of not less than \$1,000,000. In the event the statutory limit of liability of a public body for claims arising out of a single accident or occurrence is increased above the combined single limit coverage requirements specified, County shall increase the coverage to the statutory limit for such claims and increase the aggregate coverage to twice the amount of the statutory limit. The policy shall name Ashland and County as insureds, and shall contain a clause that the insurer will not cancel or change the insurance without first giving Ashland 30 days' written notice. The insurance shall be provided by an insurance company licensed to provide such coverage in the State of Oregon (or in the alternative, through a properly funded and administered self-insurance program), and a copy of the policy or a certificate of insurance (or written evidence of such self-insurance program) shall be delivered to Ashland. All such coverage shall be written to provide primary coverage, not secondary or supplemental to coverage which Ashland may carry. All such policies shall contain a provision that Ashland, whether or not named as an insured, shall be entitled to recover under the policies for any loss occasioned to it, its officials, agents, employees and representatives by reason of the negligence of County. All such insurance shall specifically

insure the performance of County of the indemnity agreement as to liability for injury to or death of persons or injury or damage to property contained in section 4.

5.3. Subrogation. County waives its rights of subrogation against Ashland for any reason whatsoever, and any insurance policies required to be procured by County shall contain an express waiver of any right of subrogation by the insurer against Ashland.

6. County shall be liable for, and shall pay or cause to be paid before any delinquency throughout the term of this Agreement, all charges for all utility services furnished to the premises, including but not limited to light, heat, electricity, gas, water, telephone and telecommunication service, sewage service, garbage disposal, hazardous waste disposal, and other public or private utilities of every kind furnished to the premises.

B. Ashland's Responsibilities:

Notwithstanding the above-listed obligations of County in this subsection, Ashland shall be responsible (a) to maintain in good, safe and presentable condition that part of the premises comprising the grounds and approaches to the library, including, sidewalks, driveways, curbs and parking areas located on the premises; (b) for the repairs and maintenance of any solar panels that may be installed in the future, (c) for the repairs and maintenance of any other improvements mutually identified by the County and Ashland as requiring extraordinary maintenance or repairs and which may be undertaken in the future to meet Ashland's environmentally responsible building standards. In the event Ashland elects to install solar panels or undertake repairs or maintenance to meet its environmentally responsible building standards, the parties shall enter into an amendment containing terms and conditions for such installation or undertaking.

C. Limitations of Use:

Both parties agree and promise that the Ashland Branch Library and the land it will occupy, including the existing building and land, will be used only for public library purposes for as long as indebtedness remains outstanding on any bonds sold pursuant to the countywide bond election for library capital improvements. Neither party shall allow any use of the premises for any purpose or action which compromises the tax-exempt status of those bonds; this promise shall be enforceable by injunctive, declaratory or other relief. In any event, if either party breaches this specific promise, it shall indemnify the other party and all bondholders from any resulting tax or financial impact.

4. LIMITATIONS OF LIABILITY/INDEMNIFICATION

A. This agreement is made upon the express condition that, except as set forth below, Ashland shall be free from all liabilities and claims for damages and/or suits for or by reason of any injury or injuries to any person or persons or property of any kind whatsoever, whether the person or property of County, its agents or employees, or third persons, from any cause or causes whatsoever while in or upon the premises or any part hereof during the term of this agreement or

occasioned by any occupancy or use of the premises or any activity carried on by County in connection therewith, and County hereby covenants and agrees to indemnify and save harmless Ashland from all liabilities, charges, expenses (including counsel fees) and costs on account of or by reason of any such injuries, liabilities, claims, suits or losses however occurring or damages growing out of same.

County shall be free from all liabilities and claims for damages and/or suits for or by reason of any injury or injuries to any person or persons or property of any kind whatsoever, whether the person or property of Ashland, its agents or employees, or third persons, from any cause or causes whatsoever while in or upon that portion of the premises comprising the grounds and approaches to the library, and Ashland hereby covenants and agrees to indemnify and save harmless County from all liabilities, charges, expenses (including counsel fees) and costs on account of or by reason of any such injuries, liabilities, claims, suits or losses however occurring or damages growing out of same.

B. Except as set forth below, County agrees to assume all risks of loss, injury or damages of any kind or nature whatsoever to any building or other structure on the premises, which may be now or hereafter placed upon the premises for library purposes, and all risks of loss, injury, or damage of any kind or nature whatsoever to the contents of any such building or structures, or to any goods, merchandise, chattels, or any other property now or that may hereafter be upon the premises, whether belonging to the county or others, and whether such loss, injury, or damage results from fire or other agency, and whether the same be caused by the negligence of Ashland, or any of its employees or agents, or otherwise, and to save and keep harmless Ashland from all claims and suits growing out of any such loss, injury or damage.

C. Despite the terms of sections A and B, above, County does not indemnify Ashland or any other person or entity from any risk, loss or liability due to defective design or negligent construction of the building. In the event of loss or litigation arising from the design or construction of the building, there is no agreement between the parties as to indemnity or contribution.

5. TERM OF AGREEMENT

The term of this agreement is 50 years beginning on the date first mentioned on page one.

6. APPROPRIATION FOR FUNDING

Notwithstanding any other provision of the agreement to the contrary, in the event insufficient funds are appropriated for performing this agreement, and the County has no other lawfully available funds, County may terminate this agreement at the end of its current fiscal year with no further liability or penalty to Ashland. County shall deliver written notice to Ashland of such termination pursuant to the terms set forth in section 7.

7. TERMINATION

7.1. Mutual Consent. This contract may be terminated at any time by mutual consent of both parties.

7.2. For Cause. County may terminate or modify this contract, in whole or in part, effective upon delivery of written notice to Ashland or at such later date as may be established by County, under any of the following conditions:

1. If County funding from federal, state, or other sources is not obtained and continued at minimum levels of service;
2. As provided in section 6.

7.3. For Default or Breach.

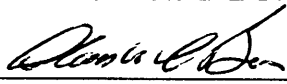
Either County or Ashland may terminate this contract in the event of a breach of the contract by the other. Prior to such termination the party seeking termination shall give to the other party written notice of the breach and intent to terminate. If the party committing the breach has not entirely cured the breach within 15 days of the date of the notice, or within such other period as the party giving the notice may authorize or require, then the contract may be terminated at any time thereafter by a written notice of termination by the party giving notice.

8. CONSTRUCTION/MODIFICATION

This agreement may not be amended, changed or modified in any way, except by written agreement signed by all parties. This agreement constitutes the entire agreement between the parties and supersedes any and all prior oral or written express and/or implied statements, negotiations or agreements between the parties, except as otherwise noted herein. This agreement shall become effective only upon the signatures of all parties.

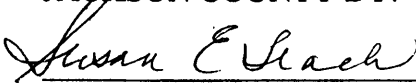
Each party, by signature below of its authorized representative, hereby acknowledges that it has read this agreement, understands it and agrees to be bound by it. Each person signing this agreement represents and warrants she or he has the authority to execute it.

CITY OF ASHLAND BY:

 12-04-02
(Date)

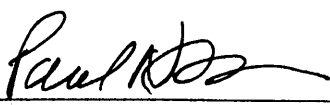
Title: MAYOR

JACKSON COUNTY BY:

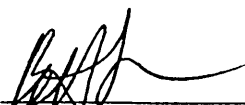
 12/18/02
(Date)

Susan E. Slack
Jackson County Administrator

REVIEWED AS TO FORM:


City Attorney

REVIEWED AS TO FORM:

 11/20/02
County Counsel

INTERGOVERNMENTAL AGREEMENT
BETWEEN
JACKSON COUNTY AND THE CITY OF ASHLAND

THIS AGREEMENT is entered into this 1st day of February, by Jackson County ("County") and the City of Ashland ("Ashland").

WHEREAS,

A. County intends to pass a bond measure in the May 2000 primary election for capital construction and improvements of the entire county library system, including the Ashland Branch Library. The Ashland Branch library is located on the following described property which is further referred to in this agreement as "the premises":

All of lots 1, 2, 3 and 4 of Pracht's Addition to the City of Ashland, Jackson County, Oregon.

B. Ashland passed a bond measure in the amount of \$5.96 million in November, 1999 for capital construction and improvements to the Ashland Branch of the Jackson County Library system ("Ashland Branch"), of which \$5.85 million would be allocated to construction costs; and

C. The parties wish to avoid unnecessary expense and duplication and to coordinate the expenditure of public funds on the Ashland Branch such that if the countywide measure passes, it will eliminate the need for sale of the Ashland bonds,

THEREFORE, the parties, in consideration of the mutual promises, terms and conditions provided below, agree to the following:

1. If the bond election is held on May 16, 2000, Ashland will delay sale of the bonds authorized in the November 1999 election until the result of the May 2000 election is known.
2. If the countywide bond measure passes on May 16, 2000, Ashland will not sell its previously authorized bonds and County will provide a grant to Ashland in the amount of \$5.85 million for purposes authorized in the County's bond measure. Those purposes are capital construction and improvements associated with the expansion and renovation of Ashland's city-owned library building, including furniture and equipment (the "Library Project").
3. The County will provide the grant funds to Ashland by September 17, 2000, or within 30 days of the County bond sale, whichever date is sooner. The grant funds will be provided upon the terms and conditions specified in this agreement, there being no further requirement that the parties enter into a separate grant agreement. Ashland covenants to use those funds in accordance with the County ballot title. Ashland may invest the funds and keep the earnings, so long as such investment is pursuant to County investment policy and County's tax certificate.

EXHIBIT A

4. If the countywide library bond measure does not pass, this agreement is void in its entirety.

5. Ashland shall construct and complete the Library Project. Ashland shall consult with the Library Improvement Committee and the County Library Director and County Facility Director as to design elements of the Library Project which may affect County's costs in the operation and maintenance of the library. Ashland will adopt and utilize their recommendations that address operation and maintenance to the extent such recommendations are practicable, within the Library Project budget and do not otherwise increase costs so as to exceed the amount of grant funds.

In any event, for purposes of compatibility only, County has final decision on design and purchase of telecommunications, wiring, equipment, and all computer hardware and software issues.

6. If the amount of the grant is exceeded for the construction and completion of the Library Project, Ashland shall be responsible for any such excess costs.

6.1. If the Library Project is constructed and completed for less than the grant amount, any remaining principal amounts shall be paid over to the County immediately upon substantial completion. County will use these funds in its discretion for other purposes authorized by the bond election.

6.2. The County shall be responsible for all bond issuance costs.

7. Ashland will own the real property improvements and fixtures. County will own furniture and equipment constructed or purchased for the Library Project. County will manage those assets and is free to maintain, repair or replace furniture and equipment in its sole discretion.

7.1. Upon substantial completion of the Library Project, the agreement dated May 22, 1970, between the County and Ashland regarding the Ashland Public Library (the "1970 agreement") shall terminate and the parties shall enter into a new intergovernmental agreement regarding their roles and responsibilities. Until such time as the new intergovernmental agreement is consummated, the terms and conditions of this intergovernmental agreement shall control.

7.2. County will maintain and operate a free public library for the benefit of, and uniformly available on the same terms to all members of the public in Jackson County and to use for these purposes the property and property interests furnished by Ashland.

All books, furniture, furnishings and equipment previously transferred to the County pursuant to the 1970 agreement shall remain the property of the County, and the transferred Shakespearean Library shall remain the property of the Oregon Shakespeare Festival Association.

7.3. County will decide on level of service and budget allocations, in its total discretion.

7.4. In the event the County, for any reason, should cease to operate a County-wide library system, or a library at this location, then, and in that event:

7.4.1. All the right, title, and interest in and to all of the ~~County's~~ furniture,

EXHIBIT

A

furnishings and equipment previously transferred to the County under the 1970 agreement and which has not been discarded due to obsolescence, shall revert to Ashland .

7.4.2. This agreement shall be null and void and Ashland shall have the right to immediate possession of the premises.

7.5 Both parties agree and promise that the Ashland Branch library and the land it will occupy, including the existing building and land, will be used only for public library purposes for as long as indebtedness remains outstanding on any bonds sold pursuant to the countywide bond election for library capital improvements. Neither party shall allow any use of the premises for any private purpose, nor take any other action which compromises the tax-exempt status of those bonds; this promise shall be enforceable by injunctive, declaratory or other relief. In any event, if either party breaches this specific promise, it shall indemnify the other party and all bondholders from any resulting tax or financial impact.

7.6. Except as provided in this subsection, upon substantial completion of the project, Ashland shall be under no obligation to make or perform any repairs, maintenance, replacements, alterations, or improvements on the premises. County, at its expense, shall keep the premises in good repair, operating condition, working order, and appearance, including, without limitation:

7.6.1. Repairs and maintenance of the roof and gutters, exterior walls (including painting), bearing walls, structural members, floor slabs, and foundation.

7.6.2. Repair and maintenance of exterior water, sewage, gas, and electrical services from the point of entry to the premises.

7.6.3. Repair of the heating and air conditioning system including ordinary maintenance.

7.6.4. Repair of interior walls, ceilings, doors, windows, and related hardware, light fixtures, switches, and wiring and plumbing.

Notwithstanding the above-listed obligations of County in this subsection, Ashland shall be responsible (a) for the repairs and maintenance of any installed solar panels, (b) for the repairs and maintenance of any other improvements mutually identified by the County and Ashland as requiring extraordinary maintenance or repairs and which were installed to meet Ashland's environmentally responsible building standards, and (c) to maintain in good, safe and presentable condition that part of the premises comprising the grounds and approaches to the library, including sidewalks, driveways, curbs and parking areas located on the premises.

8. This agreement is made upon the express condition that, except as set forth below, Ashland shall be free from all liabilities and claims for damages and/or suits for or by reason of any injury or injuries to any person or persons or property of any kind whatsoever, whether the person or property of County, its agents or employees, or third persons, from any cause or causes whatsoever while in or upon the premises or any part thereof during the term of this agreement or occasioned by any occupancy or use of the premises or any activity carried on by County in connection therewith, and County hereby covenants and agrees to indemnify and save harmless Ashland from all liabilities, charges, expenses (including counsel fees) and costs on account of or by reason of any such injuries, liabilities, claims, suits or losses however occurring or damages growing out of same.

EXHIBIT

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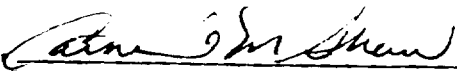
County shall be free from all liabilities and claims for damages and/or suits for or by reason of any injury or injuries to any person or persons or property of any kind whatsoever, whether the person or property of Ashland, its agents or employees, or third persons, from any cause or causes whatsoever while in or upon that portion of the premises comprising the grounds and approaches to the library, and Ashland hereby covenants and agrees to indemnify and save harmless County from all liabilities, charges, expenses (including counsel fees) and costs on account of or by reason of any such injuries, liabilities, claims, suits or losses however occurring or damages growing out of same.

9. Except as set forth below, County agrees to assume all risks of loss, injury or damages of any kind or nature whatsoever to any building or other structure on the premises, which may be now or hereafter placed upon the premises, and all risks of loss, injury, or damage of any kind or nature whatsoever to the contents of any such building or structures, or to any goods, merchandise, chattels, or any other property now or that may hereafter be upon the premises, whether belonging to the County or others, and whether such loss, injury, or damage results from fire or other agency, and whether the same be caused by the negligence of Ashland, or any of its employees or agents, or otherwise, and to save and keep harmless Ashland from all claims and suits growing out of any such loss, injury or damage.

10. Despite the terms of paragraphs 8 and 9, County does not indemnify Ashland or any other person or entity from any risk, loss or liability due to defective design or negligent construction of the building. In the event of loss or litigation arising from the design or construction of the building, there is no agreement between the parties as to indemnity or contribution.


11. The term of this agreement is 50 years beginning on the date first mentioned on page one.

CITY OF ASHLAND,

BY 
Title

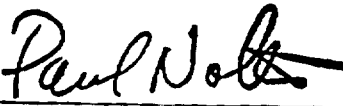
Date: 2-2-00

JACKSON COUNTY

BY 
Title

Date: 2/29/00

REVIEWED AS TO FORM:


City Attorney

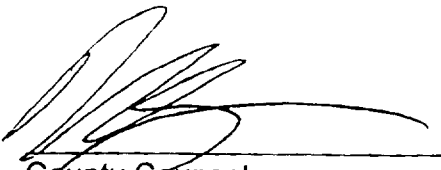
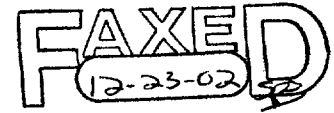

County Counsel

EXHIBIT A

PAGE 4 OF 4



Fax

TO: Beth Lori, Jackson County Counsel
FAX: (541) 774-6722
FROM: Sharlene P. Stephens, Legal Assistant
RE: IGA Between Jackson County and the City of Ashland
DATE: December 23, 2002

Attached is page one of the IGA involving the Ashland Branch Library. We received a signed original of this agreement from the county last week. As you will see in the first sentence, the year should read "2002" not "2003." Paul Nolte asks that you correct your original(s) as he has done on ours.

This fax consists of **two** pages, INCLUDING this cover sheet. If you experience problems with the transmission of this document, including needing to have any pages sent again, please contact the sender at (541) 488-5350. Thank you.

The information contained in this fax is confidential and/or privileged. This fax is intended to be reviewed only by the individual named above. If the reader of this cover sheet is not the intended recipient, you are notified that any review, dissemination, or copying of this fax or the information contained is prohibited. If you have received this fax in error, please immediately notify the sender by telephone and return this fax to the sender at the above address. Thank you.

- No original documents will follow unless requested.
 Original documents will follow by mail.



April 30, 2003

Susan E. Slack
Jackson County Administrator
10 South Oakdale, Room 214
Medford, OR 97501

RE: IGA Between Jackson County and City of Ashland - Amendment No. 1

Attached are two originals of Amendment No. 1 to the 2002 Intergovernmental Agreement Between Jackson County and the City of Ashland regarding the Ashland Branch Library. Signatures on this amendment were completed in February 2003, and this should have been mailed to you long before now; my apologies. As you know, all this amendment did was to move the beginning date of the agreement to February 18, 2003. We have retained the third original for our records.



Sharlene P. Stephens
Legal Assistant

Attachments (2)

G:\legal\sharlene\Slack Sue Library IGA ltr 0403.wpd




AMENDMENT NO. 1 TO 2002 INTERGOVERNMENTAL AGREEMENT BETWEEN JACKSON COUNTY AND THE CITY OF ASHLAND


This is Amendment No. 1 of the Intergovernmental Agreement entered into December 3, 2002 by Jackson County ("County") and the City of Ashland ("Ashland"). County and City have agreed to amend the commencement of the Intergovernmental Agreement from December 3, 2002 to February 18, 2003.

All other terms and conditions of the 2002 Intergovernmental Agreement remain in full force and effect.

CITY OF ASHLAND:

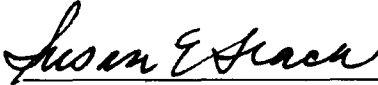


Alan DeBoer
Mayor

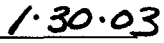


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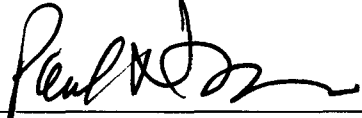


Susan E. Slack
County Administrator

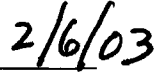


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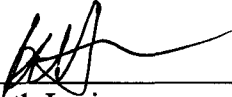


Paul Nolte
City Attorney

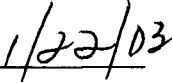


Date

APPROVED AS TO FORM:



Beth Lori
Assistant County Counsel



Date