



BOARD OF COMMISSIONERS
Agenda Item Summary

Agenda Category: Agreements

Item No:

Date: July 7, 2020

Originating Department: Public Works

Issue: In the matter of a Memorandum of Understanding between Sky Lakes Medical Center, Inc, the City of Klamath Falls and Klamath County.

Background: Construction of a new Health Center by Sky Lakes has triggered the need for traffic mitigation at the intersection of Campus Drive and Daggett Avenue. The parties would like to construct a roundabout at this intersection. Anticipated costs are approximately \$2,700,000.00, with Sky Lakes contributing \$700,000 and the City of Klamath Falls \$2,000,000.00. In the event the project exceeds the \$2,700,000.00, Klamath County will cover additional expenses up to a maximum of \$240,000.00.

Fiscal Impact: Expense not to exceed \$240,000.00 to the Road Department Operating Budget.

Recommended Motion: Board to approve the Memorandum of Understanding between Sky Lakes Medical Center, Inc, the City of Klamath Falls and Klamath County and authorize Chair to sign. Fiscal Impact not to exceed \$240,000.00 expense to the Road Department Operating Budget.

DONE AND DATED this _____ day of _____, 20__.

Chair

Approved

Denied

Vice-Chair

Approved

Denied

Commissioner

Approved

Denied

MEMORANDUM OF UNDERSTANDING
BETWEEN SKY LAKES MEDICAL CENTER, INC., THE CITY OF KLAMATH
FALLS, AND KLAMATH COUNTY
FOR THE COMMITMENT OF FUNDS FOR INTERSECTION IMPROVEMENTS AT
CAMPUS AND DAGGETT

This Memorandum of Understanding (MOU) is entered into this ___ day of _____ 2020, by and between Sky Lakes Medical Center, Inc. (Sky Lakes), the City of Klamath Falls (the "City"), and Klamath County (the "County") under the authority granted to the parties by their respective governing bodies. Sky Lakes, City, and County may be referred to individually as "Party" or collectively as the "Parties" from time to time herein.

A. Purpose.

The City believes that construction of the new Collaborative Health Center ("CHC") by Sky Lakes has triggered the need for traffic mitigation at the intersection of Campus Drive and Daggett Avenue. The Parties agree in principle that a roundabout, or traffic circle, is safer, moves traffic more efficiently, and is visually more appealing as an alternative to a traffic signal in that location. Therefore, the Parties desire to construct a roundabout at the intersection of Campus Drive and Daggett Avenue ("Project"). The Parties anticipate that the Project will cost approximately \$2.7 million. The project is currently programmed for \$2.4 million in engineering fees and construction costs with a 10 percent contingency for a project total of \$2.7 million.

Indemnification. Parties agree to defend, indemnify and save each other, their agents, officers and employees harmless from any and all losses, claims, actions, costs, expenses, judgments, subrogation or other damages resulting from injury to any person (including injury resulting in death), or damage (including loss or destruction) to property, arising or resulting from the fault, negligence, wrongful act or wrongful omission of the other, their agents or employees.

Notices: Any notice required to be given pursuant to this MOU shall be in writing and may be given by personal delivery or by certified or registered mail, addressed to the County or the Contractor at the address set forth below, or to either of them in any other manner prescribed by law.

B. Roles and Responsibilities.

1. Sky Lakes agrees that:
 - a. Sky Lakes shall contribute \$700,000 (seven hundred thousand dollars) for the design and construction of the Project.
 - b. Sky Lakes shall donate that portion of the right-of-way necessary to complete the Project that it currently owns.

c. In the event that total costs of the Project exceed \$2.94 million, Sky Lakes shall be responsible for the remainder of expenses, after the City and the County have made their full contributions as described below, necessary to complete the Project.

2. City agrees that:

a. The City shall utilize Congestion Mitigation and Air Quality (CMAQ) funds to contribute \$2 million to the Project.

b. The City shall administer the Project, including securing a design consultant and overseeing construction.

c. The City shall be responsible for acquiring and dedicating the right-of-way necessary to complete the Project.

3. County agrees that:

a. In the event costs for the Project exceed \$2.7 million, the County will cover the additional expenses up to a maximum contribution of \$240 thousand toward the completion of the Project. The phrase "costs of the Project" as used in this section excludes any art installations.

Sky Lakes Medical Center, Inc.

Klamath County

Signature

Signature

Printed Name / Title

Printed Name / Title

Date

Date

Address

Address

City of Klamath Falls

Signature

Printed Name / Title

Date

Address

**Next page has signature*

Nathan Cherpski
Nathan Cherpski / City Manager
4-15-2020
500 Klamath Avenue / KFO 97601

c. In the event that total costs of the Project exceed \$2.94 million, Sky Lakes shall be responsible for the remainder of expenses, after the City and the County have made their full contributions as described below, necessary to complete the Project.

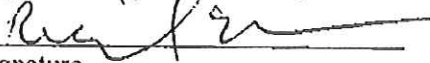
2. City agrees that:

- a. The City shall utilize Congestion Mitigation and Air Quality (CMAQ) funds to contribute \$2 million to the Project.
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3. County agrees that:

- a. In the event costs for the Project exceed \$2.7 million, the County will cover the additional expenses up to a maximum contribution of \$240 thousand toward the completion of the Project. The phrase "costs of the Project" as used in this section excludes any art installations.

Sky Lakes Medical Center, Inc.


Signature

Richard E. Rio CFO
Printed Name / Title

6/1/2020
Date

2865 Daggett Ave.
Address

Klamath County

Signature

Printed Name / Title

Date

Address

City of Klamath Falls

Signature

Printed Name / Title

Date

Address