

**AGREEMENT FOR
SILVERTON ROAD NE IMPROVEMENTS PROJECT**

THIS AGREEMENT FOR SILVERTON ROAD NE IMPROVEMENTS PROJECT (this “**Agreement**”) is made on this ___ day of _____, 2025, by and among the City of Salem, an Oregon municipal corporation (“**City**”), the State of Oregon, acting by and through the Oregon Department of Administrative Services (“**State**”) and the Oregon State Fair Council, a State of Oregon public corporation (“**OSF Council**”). City, State, and OSF Council are each a “**Party**” and together the “**Parties**.”

RECITALS

A. Fairgrounds. This Agreement concerns certain areas within the boundaries of the Oregon State Fairgrounds (the “**Fairgrounds**”), as shown on Exhibit A. The Fairgrounds are the location of the Oregon State Fair.

B. Fairgrounds Lease. State leases the Fairgrounds to OSF Council pursuant to that certain Lease dated April 3, 2014 and amended January 1, 2024 (as so amended, the “**Fairgrounds Lease**”). Pursuant to the Fairgrounds Lease, OSF Council operates and maintains the Fairgrounds.

C. Silverton Road Project. The transactions contemplated by this Agreement relate to work within the Fairgrounds for City’s Silverton Road NE Pavement Rehabilitation Project (the “**Silverton Road Project**”).

D. Silverton Road ROW Area.

(1) A portion of the Fairgrounds is the “**Silverton Road ROW Area**,” as shown on Exhibit B. The Silverton Road ROW Area is approximately 7,100 square feet.

(2) 17th Street is a City street (“**17th Street**”), a portion of which runs through the Fairgrounds.

E. Sewer Bypass Area.

(1) A portion of the Fairgrounds is the “**Sewer Bypass Area**,” as shown on Exhibit C. The Sewer Bypass Area is approximately 62,500 square feet.

(2) As part of the Silverton Road Project, City is repairing certain sewer infrastructure, and wishes to use the Sewer Bypass Area for the location of an above-ground sewer line to be a temporary replacement of an outdated sewer line (the “**Outdated Sewer Line**”);

F. 17th Street Crossing Area. A portion of 17th Street running through the Fairgrounds is the “**17th Street Crossing Area**,” as shown on Exhibit D. As part of the Silverton Road Project,

City intends to construct certain improvements on and generally upgrade the 17th Street Crossing Area.

G. Transactions between Parties. This Agreement contemplates certain transactions between the Parties concerning the Silverton Road ROW Area, the Sewer Bypass Area and the 17th Street Crossing Area.

AGREEMENTS

For good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Transactions between the Parties. On the terms and conditions set forth herein, this Agreement contemplates certain transactions between the Parties, generally described as follows:

- 1.1 State's dedication to City of the Silverton Road ROW Area, as part of 17th Street;
- 1.2 State's grant to City of a temporary sewer easement over the Sewer Bypass Area; and
- 1.3 City's improvement of the 17th Street Crossing Area.

2. Silverton Road ROW Dedication

2.1 Generally. As set forth in this Section 2, State shall dedicate to City the Silverton Road ROW Area as part of 17th Street.

2.2 ROW Dedication Action.

(a) State's dedication of the Silverton Road ROW Area will be accomplished by a right-of-way dedication action pursuant to the City of Salem's land use ordinances and requirement (the "**ROW Dedication Action**").

(b) City shall, at City's sole cost and expense, promptly undertake and diligently pursue the ROW Dedication Action, including, without limitation, completing all necessary surveys, reports, drawings, analyses and application materials required; and completing all applicable land use processes and requirements. City shall deliver to State copies of all materials that City submits or intends to submit as part of the ROW Dedication Action, including CAD and PDF formats as appropriate.

(c) State shall, at no cost or expense to State, cooperate with City in connection with the ROW Dedication Action, which cooperation shall include, without limitation, the execution of City's application for the ROW Dedication Action and any other documents that are reasonably necessary for the ROW Dedication Action.

2.3 Valuation. City shall deliver to State and OSF an estimate of the fair market value of the Silverton Road ROW Area (the "**ROW Estimated Value**"). The Parties shall not use the ROW

Estimated Value for any purpose other than determining the allocation of costs for the Crossing Improvements (as defined in and set forth in Section 4 below). If either State or OSF Council objects to the ROW Estimated Value, the Parties shall use their best efforts to work together agree on the ROW Estimated Value.

3. Sewer Easement

3.1 Generally. As set forth in this Section 3, State shall grant to City a temporary, nonexclusive easement over the Sewer Bypass Area (the “**Sewer Easement**”).

3.2 Sewer Easement Materials. City shall, at City’s sole cost and expense, conduct and obtain all surveys, reports, drawings and other materials necessary to accomplish the grant of the Sewer Easement (the “**Sewer Easement Materials**”). City shall promptly deliver to State copies of all Sewer Easement Materials, including CAD and PDF formats as appropriate.

3.3 Sewer Easement Agreement.

(a) As part of City’s obligations under Section 3.2 above, City shall prepare the “**Sewer Easement Agreement**” that will accomplish State’s grant of the Sewer Easement to City. The Sewer Easement Agreement will contain standard terms and conditions in addition to the following:

- (i) City’s temporary, nonexclusive use on and over the Sewer Bypass Area for the construction, operation and decommissioning of a temporary sewer line, and as a general staging area;
- (ii) a term commencing after the last day of the Oregon State Fair and continuing through the earlier of City’s completion of its work on the Outdated Sewer Line or a date agreed upon by the Parties and set forth in the Sewer Easement Agreement;
- (iii) City’s obligation to restore the Sewer Bypass Area to similar or better condition than at the commencement of the Sewer Easement term; and
- (iv) City’s agreement to hold State and OSF Council harmless from any liability arising from City’s use of the Sewer Bypass Area, or any portion thereof, during the Sewer Easement term.

(b) City shall deliver a draft Sewer Easement Agreement to State and OSF Council. State and OSF Council may reasonably object to any provision in the Sewer Easement Agreement, and the Parties shall in good faith revise and finalize the Sewer Easement Agreement.

3.4 Valuation. City shall deliver to State and OSF Council an estimate of the fair market value of the Sewer Easement (the “**Easement Estimated Value**”). The Parties shall not use the Easement Estimated Value for any purpose other than determining the allocation of costs for the Crossing Improvements. If either State or OSF Council objects to the Easement Estimated Value, the Parties shall use their best efforts to work together agree on the Easement Estimated

Value.

4. 17th Street Crossing Area

4.1 Generally. City shall, as set forth in this Section 4, make certain improvements to the 17th Street Crossing Area (the “**Crossing Improvements**”).

4.2 Crossing Improvements. In addition to the improvements shown on Exhibit D, which include street lights on each side of crossing, a new pedestrian crossing with ADA-compliant ramps, and pavement markings, the Crossing Improvements will include any other work as agreed upon by the Parties pursuant to Section 4.3 below, including, as applicable, the relocation of existing street furniture, a pedestrian refuge island and lighted signage.

4.3 Crossing Plans and Crossing Budget. City shall deliver to State and OSF Council its proposed plans for the Crossing Improvements (the “**Crossing Plans**”), with an accompanying budget (the “**Crossing Budget**”). State and OSF Council shall either approve same or request modifications thereto; and City shall deliver the revised Crossing Plans and Crossing Budget to State; and the Parties shall continue such process until the Parties have agreed upon the final Crossing Plans and Crossing Budget.

4.4 Costs. If the Crossing Budget exceeds the sum of the ROW Estimated Value and the Easement Estimated Value, OSF Council shall bear such excess amounts. In such case, within sixty (60) days after City’s completion of the Crossing Improvements, City shall deliver to OSF Council an accounting of the actual cost of the Crossing Improvements, including invoices and other reasonable documentation to substantiate same; and OSF Council shall pay City the excess within sixty (60) days after delivery of the accounting; provided, however, that such 60-day period will be tolled for City’s payment of any disputed amount in the accounting that OSF Council disputes in good faith.

4.5 Timeframe. City shall complete the Crossing Improvements within two (2) years after dedication of the Silverton Road ROW Area to City pursuant to the ROW Dedication Action.

4.6 Alternative to Crossing Improvements. Any Party may, in its sole discretion, and with notice to the other Parties, determine that it does not wish for City to construct the Crossing Improvements. In such event, City shall have no obligation to construct the Crossing Improvements and shall obtain and deliver to State and OSF Council appraisals for the fair market value of the Silverton Road ROW Area (the “**ROW Appraised Value**”) and the Sewer Easement (the “**Easement Appraised Value**”); and City shall pay State the ROW Appraised Value for the Silverton Road ROW Area and pay OSF Council the Easement Appraised Value for the Sewer Easement. Notwithstanding the foregoing, either State or OSF Council may object to the ROW Appraised Value or the Easement Appraised Value, in which case the Parties shall use their best efforts to work together agree on the fair market value for the Silverton Road ROW Area or the Sewer Easement, as the case may be.

5. Amendment of Fairgrounds Lease. State and OSF Council shall promptly amend the Fairgrounds Lease as may be necessary to memorialize any matters related to the Fairgrounds

that relate to or arise from this Agreement

6. Chronology. The Parties shall use their best efforts to establish and adhere to a chronology to effectuate the transactions contemplated in this Agreement.

7. Notices

7.1 Addresses. An “**Address**” means the address set forth beneath a Party’s signature on this Agreement. Any notices, demands, deliveries or other communications required under this Agreement shall be made in writing and delivered by one of the methods set forth in Section 7.2 below to the other Parties’ Address, unless one Party modifies its Address by notice to the other Parties, given in accordance with Section 7.2 below.

7.2 Delivery.

Method of delivery	When notice deemed delivered
In person (including by messenger service)	the day delivered, as evidenced by signed receipt
Email (email to all listed email addresses)	the day sent (unless sent after 5:00 p.m., P.T., in which case the email shall be deemed sent the following business day)
US Mail (postage prepaid, registered or certified, return receipt requested)	the day received, as evidenced by signed return receipt
Courier delivery (by reputable commercial courier)	the day received, as evidenced by signed receipt

If the deadline under this Agreement for delivery of a notice is a Saturday, Sunday or federal or State of Oregon holiday, such deadline shall be deemed extended to the next business day.

8. Miscellaneous

8.1 Time is of the Essence. Time is of the essence in relation to the Parties’ performance of any and all of their obligations under this Agreement.

8.2 Calculation of Days. Any reference in this Agreement to “days” shall mean calendar days, unless specified as “business days.” A business day is any day that is not a Saturday, Sunday or a federal or State of Oregon holiday.

8.3 Integration. This Agreement constitutes the entire agreement between the Parties on the subject matter hereof. The Parties have no understandings, agreements or representations, oral or written, regarding this Agreement that are not specified herein.

8.4 Amendments. This Agreement may be amended or modified only by a written instrument signed by all of the Parties.

8.5 No Waiver of Performance. No waiver by a Party of performance of any provision of this Agreement by the other Parties shall be deemed a waiver of nor prejudice the other Parties' right to otherwise require performance of the same provision, or any other provision.

8.6 Severability. If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be invalid.

8.7 Counterparts. This Agreement and any amendments hereto may be executed in two or more counterparts, each of which is an original, and all of which together are deemed one and the same document, notwithstanding that all of the Parties are not signatories to the same counterpart.

8.8 Governing Law; Consent to Jurisdiction. This Agreement is governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim between State (or any other agency or department of the State of Oregon) and City that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the jurisdiction of the Circuit Court of Marion County in the State of Oregon. In no event shall this Section 8.8 be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court. 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.

8.9 No Presumption against Drafter. No inference, presumption or conclusion shall be drawn against any Party by virtue of that Party having drafted this Agreement or any portion thereof.

8.10 Exhibits. The Exhibits listed below are incorporated as part of this Agreement:

- Exhibit A: Fairgrounds
- Exhibit B: Silverton Road ROW Area
- Exhibit C: Sewer Bypass Area
- Exhibit D: 17th Street Crossing Area

[remainder of page intentionally left blank]

Each person signing this Agreement below on behalf of a Party represents and warrants that he or she is duly authorized by such Party and has legal capacity to do so.

CITY:

The City of Salem, an Oregon municipal corporation

By: _____

Date: _____

Name: Krishna Namburi

Its: Acting City Manager

Address:	PO Box 14300
City, State, ZIP:	Salem, OR 97309-1457
ATTN:	Aaron Edelman
Phone Number:	503-588-6211
Email Address:	aedelman@cityofsalem.net

STATE:

The State of Oregon, by and through its Department of Administrative Services

By: _____ Date: _____

Name: Shannon Ryan

Its: Enterprise Asset Management Division Administrator

Address: 1225 Ferry Street SE, U-100
City, State, ZIP: Salem, OR 97301
ATTN: Robert Underwood, Real Estate Services
Phone Number: 971-707-3178
Email Addresses: res.info@oregon.gov

OSF COUNCIL:

The Oregon State Fair Council, a State of Oregon public corporation

By: _____

Date: _____

Name: Kim Grewe-Powell

Its: Chief Executive Officer

Address: 2230 17th Street NE

City, State, ZIP: Salem, OR 97301

ATTN: _____

Phone Number: _____

Email Addresses: _____

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