

CROOK COUNTY WORK SESSION

**Administration Conference Room
203 NE Court Street, Prineville, OR**

Wednesday May 31, 2023 at 9 a.m.

**Members of the public and media are welcome to attend
in person or via Zoom 1-253-215-8782; Meeting ID: 962 4214 4333
Meeting Passcode: 970900**

| Requester | Discussion Matter | Packet Docs |
|------------------|---|--------------------|
| 1 | Public Comment | |
| 2 | Stacy Bernard Auction to be held for tax-foreclosed properties | ✓ |
| 3 | James Staniford No littering road sign policy, court order | ✓ |
| 4 | Andy Parks Tuition Reimbursement Policy | ✓ |
| 5 | Will VanVactor Community Development Activity | ✓ |
| 6 | John Eisler Airport Non-Commercial Lease Policy | ✓ |
| 7 | Eric Blaine Renewal of discretionary workers compensation insurance coverage | ✓ |
| 8 | Katie Plumb Youth Liaison Project Reports | ✓ |
| 9 | Katie Plumb Staff member introduction | ✓ |

*Requests to be placed on the Work Session agenda are due end of day **the Wednesday** before the Work Session*

May 31, 2023 Work Session Agenda

| | | | |
|----|------------|--|---|
| 10 | Kim Barber | Wage adjustment recommendation for elected officials from Compensation Committee | ✓ |
| 11 | Andy Parks | Purchase of surplus airport property by the County | ✓ |
| 12 | Andy Parks | Personnel policies; ½ step increase; use of vacation | ✓ |
| 13 | Andy Parks | COLA wage adjustment July 1, 2023 | ✓ |
| 14 | Kim Barber | Consider professional services agreement with Vance Jacobson for comprehensive compensation study update | ✓ |

Requester

Executive Discussion Matter

Packet Docs

| | | | |
|---------|--|--|---|
| Exec #1 | | ORS 192.660(2)(d) To conduct deliberations with persons designated by the governing body to carry on labor negotiations. | |
| Exec #2 | | ORS 192.660(2)(a) To consider the employment of a public officer, employee, staff member or individual agent. | ✓ |

Items placed on the Work Session agenda are intended for discussion only, without making decisions or finalizing documents unless an emergency exists.

**The Court may add additional items arising too late to be part of this Agenda. Agenda items may be rearranged to make the best use of time.*

**The meeting location is accessible to persons with disabilities. If additional accommodations are required, please submit your request 48 hours prior to the meeting by contacting County Administration at 541-447-6555.*

*Requests to be placed on the Work Session agenda are due end of day **the Wednesday** before the Work Session*

May 31, 2023 Work Session Agenda

AGENDA ITEM REQUEST**Date:**

May 16, 2023

Meeting date desired:

*May 31, 2023 **Work Session***

Subject:

Auction to be held for tax-foreclosed properties.

Background and policy implications:

Review and discuss minimum bids provided by Mike Warren of Crook County Properties for tax-foreclosed properties.

Budget/fiscal impacts:

None.

Requested by:

Stacy Bernard, Tax Collector

Stacy.Bernard@crookcountyor.gov

541.447.6554

Presenters:

Stacy Bernard

Legal review (only if requested):

None.

Elected official sponsor (if applicable):

N/A

CROOK County Assessor's Summary Report

Real Property Assessment Report

FOR ASSESSMENT YEAR 2022

May 4, 2023 12:41:57 pm

| | |
|--|---|
| Account # 1772 Map # 1517330001900 Code - Tax # 0021-1772 Legal Descr OCHOCO LAND & LIVESTOCK Block - 0 Lot - 0 Mailing Name CROOK COUNTY Agent In Care Of C/O CROOK COUNTY TAX COLLECTOR Mailing Address 200 NE 2ND ST PRINEVILLE, OR 97754-1911 Prop Class 950 MA SA NH Unit RMV Class 950 05 00 146 1772-1 | Tax Status NONASSESSABLE Acct Status ACTIVE Subtype NORMAL Deed Reference # See Record Sales Date/Price See Record Appraiser UNKNOWN |
|--|---|

| Situs Address(s) | Situs City |
|------------------|-------------------|
| ID# T15 R17 S33 | UNDETERMINED CITY |

| Code Area | RMV | MAV | Value Summary AV | RMV Exception | CPR % |
|------------------------|---------------|--------------|------------------|---------------|----------|
| 0021 Land | 21,150 | 2,280 | 2,280 | Land | 0 |
| Impr. | 0 | 0 | 0 | Impr. | 0 |
| Code Area Total | 21,150 | 2,280 | 2,280 | | 0 |
| Grand Total | 21,150 | 2,280 | 2,280 | | 0 |

| Land Breakdown | | | | | | | | | | |
|--------------------|-----|------|-------------------------------------|-----------|--------------|-----|----|-------------|------------|---------------|
| Code Area | ID# | RFPD | Ex | Plan Zone | Value Source | TD% | LS | Size | Land Class | Trended RMV |
| 0021 | 1 | | <input checked="" type="checkbox"/> | RRM5 | Market | 185 | A | 5.00 | Mrkt | 21,150 |
| Grand Total | | | | | | | | 5.00 | | 21,150 |

| Improvement Breakdown | | | | | | | | | |
|-----------------------|-----|----------|------------|-------------|-----|---------------|-----|-----------|-------------|
| Code Area | ID# | Yr Built | Stat Class | Description | TD% | Total Sq. Ft. | Ex% | MS Acct # | Trended RMV |
| Grand Total | | | | | | | | | 0 |

| Exemptions / Special Assessments / Potential Liability | | | | | | | | | |
|--|------|--|--|--|--------|---|--|-------------|------|
| Code Area | 0021 | | | | | | | | |
| EXEMPTIONS (AV): | | | | | | | | | |
| ■ County owned properties - O.R.S. 307.090 | | | | | Amount | 0 | | Letter Year | 2022 |
| NOTATIONS: | | | | | | | | | |
| ■ TAX NOTATION FORECLOSURE | | | | | | | | | |

Appr Maint: 2022 - TAX STATUS CHANGE TO NON-ASSESSABLE

Values peeked in 2022 and have since declined so the \$21,150 is extremely high in this current Market. This may be zoned RRM5 and buildable but far from being convenient to access. I would place this at an auction price in a range between \$11K-\$13K
 My suggestion: \$11,900

CROOK County Assessor's Summary Report Real Property Assessment Report FOR ASSESSMENT YEAR 2022

May 4, 2023 12:41:27 pm

| | |
|--|---|
| Account # 5718 Map # 171805C000700 Code - Tax # 0001-5718 Legal Descr RIVERSIDE RANCH UNIT 2 Block - 0 Lot - 41 Mailing Name CROOK COUNTY Agent In Care Of C/O CROOK COUNTY TAX COLLECTOR Mailing Address 200 NE 2ND ST PRINEVILLE, OR 97754-1911 Prop Class 950 MA SA NH Unit RMV Class 950 06 00 176 5718-1 | Tax Status NONASSESSABLE Acct Status ACTIVE Subtype NORMAL Deed Reference # See Record Sales Date/Price See Record Appraiser UNKNOWN |
|--|---|

| Situs Address(s) | | Situs City | | | | |
|------------------------|-------|---------------|--------------|------------------|---------------|----------|
| Code Area | | RMV | MAV | Value Summary AV | RMV Exception | CPR % |
| 0001 | Land | 19,480 | 8,820 | 8,820 | Land | 0 |
| | Impr. | 0 | 0 | 0 | Impr. | 0 |
| Code Area Total | | 19,480 | 8,820 | 8,820 | | 0 |
| Grand Total | | 19,480 | 8,820 | 8,820 | | 0 |

| Code Area | ID# | RFPD | Ex | Plan Zone | Value Source | Land Breakdown | | | Trended RMV | |
|--------------------|-----|-------------------------------------|----|-----------|--------------|----------------|----|-------------|-------------|---------------|
| | | | | | | TD% | LS | Size | | |
| 0001 | 1 | <input checked="" type="checkbox"/> | | EFU1 | Market | 170 | A | 5.85 | Mrkt | 19,480 |
| Grand Total | | | | | | | | 5.85 | | 19,480 |

| Code Area | ID# | Yr Built | Stat Class | Description | Improvement Breakdown | | | Trended RMV |
|--------------------|-----|----------|------------|-------------|-----------------------|---------------|---------------|-------------|
| | | | | | TD% | Total Sq. Ft. | Ex% MS Acct # | |
| Grand Total | | | | | | | | 0 |

| Exemptions / Special Assessments / Potential Liability | |
|---|--------------------------------------|
| Code Area 0001 EXEMPTIONS (AV): ■ County owned properties - O.R.S. 307.090 | Amount 0 Letter Year 2022 |
| NOTATIONS: ■ TAX NOTATION FORECLOSURE | |

Appr Maint: 2022 - TAX STATUS CHANGE TO NON-ASSESSABLE

Again, Values peaked in 2022 and have since declined so the \$19,480 is high in this current Market. This is not a buildable parcel as it sits, a 20 acre minimum is required in Riverside Ranch. I would place this at an auction price in a range between \$14K-\$16K
 My suggestion: \$15,500

CROOK County Assessor's Summary Report
Real Property Assessment Report
 FOR ASSESSMENT YEAR 2022

May 4, 2023 12:40:20 pm

| | | | |
|------------------------|---|-------------------------|-----------------|
| Account # | 10230 | Tax Status | NONASSESSABLE |
| Map # | 151605CB02100 | Acct Status | ACTIVE |
| Code - Tax # | 0005-10230 | Subtype | NORMAL |
| Legal Descr | FIRST FAIRVIEW SUBDIVISION Block - 4 Lot - 8 | | |
| Mailing Name | CROOK COUNTY | Deed Reference # | See Record |
| Agent | | Sales Date/Price | See Record |
| In Care Of | C/O CROOK COUNTY TAX COLLECTOR | Appraiser | SHANNON ALLEMAN |
| Mailing Address | 200 NE 2ND ST PRINEVILLE, OR 97754-1911 | | |
| Prop Class | 951 | MA | SA |
| RMV Class | 951 | 01 | 00 |
| | | NH | 005 |
| | | Unit | 10230-1 |

| | |
|--------------------------|-------------------|
| Situs Address(es) | Situs City |
| ID# 750 SE DUNHAM ST | PRINEVILLE |

| Code Area | | RMV | MAV | Value Summary AV | RMV Exception | CPR % |
|------------------------|-------|----------------|---------------|------------------|---------------|----------|
| 0005 | Land | 75,420 | 38,480 | 38,480 | Land | 0 |
| | Impr. | 123,450 | 58,460 | 58,460 | Impr. | 0 |
| Code Area Total | | 198,870 | 96,940 | 96,940 | | 0 |
| Grand Total | | 198,870 | 96,940 | 96,940 | | 0 |

| Code Area | ID# | RFPD | Ex | Plan Zone | Value Source | Land Breakdown | | | Trended RMV | |
|--------------------|-----|-------------------------------------|----|-----------|----------------|----------------|----|-------------|-------------|---------------|
| | | | | | | TD% | LS | Size | | |
| 0005 | | | | | CONVERSION OSD | 100 | | | 15,000 | |
| 0005 | 1 | <input checked="" type="checkbox"/> | | R2 | Market | 152 | A | 0.00 | Mrkt | 58,920 |
| 0005 | | | | | YARD - FAIR | 100 | | | | 1,500 |
| Grand Total | | | | | | | | 0.00 | | 75,420 |

| Code Area | Yr | Stat | Improvement Breakdown | | | TD% | Total Sq. Ft. | Ex% MS Acct # | Trended RMV |
|--------------------|-----|-------|-----------------------|---------------|--|-----|---------------|---------------|----------------|
| Area | ID# | Built | Class | Description | | | | | |
| 0005 | 1 | 1969 | 131 | RES One story | | 136 | 1,872 | | 123,450 |
| Grand Total | | | | | | | 1,872 | | 123,450 |

| Exemptions / Special Assessments / Potential Liability | | | | | | | | | |
|--|--|--------|---|-------------|------|--|--|--|--|
| Code Area | 0005 | | | | | | | | |
| EXEMPTIONS (AV): | | | | | | | | | |
| ■ | County owned properties - O.R.S. 307.090 | Amount | 0 | Letter Year | 2022 | | | | |
| NOTATIONS: | | | | | | | | | |
| ■ | TAX NOTATION FORECLOSURE | | | | | | | | |

Appr Maint: 2022 - REVIEW - REQUESTED, 2022 - TAX STATUS CHANGE TO NON-ASSESSABLE, 2023 - NEW CONSTRUCTION, 2024 - NEW CONSTRUCTION

*House removed
750 SE Dunham St.*

This one we had listed at \$77,900, which is above the RMV, so I would put this at an auction price of \$75,420 which is at the RMV value.

AGENDA ITEM REQUEST**Date:**

5/18/2023

Meeting date desired:

5/31/2023

Subject:

No littering road sign policy, court order

Background and policy implications:

The Crook County Road Department is requesting Crook County Commissioners/ court discuss policy "no littering signs". Who purchases, installs, maintains. What parameters are needed.

Budget/fiscal impacts:**Requested by:**

James Staniford | Road Superintendent Crook County Road Department
james.staniford@co.crook.or.us | 541-447-4644

Presenters:

James Staniford | Road Superintendent Crook County Road Department

Legal review (only if requested):

We will work with legal office to ensure information is documented and filed appropriately.

Elected official sponsor (if applicable):

N/A

AGENDA ITEM REQUEST



Date:
May 22, 2023

Meeting date desired:
May 31, 2023

Subject:
Tuition Reimbursement Policy

Background and policy implications:
Implement a new tuition reimbursement policy.

Budget/fiscal impacts:
N/A

Requested by:
Andy Parks

Presenters:
Andy Parks

Legal review (only if requested):
N/A

Elected official sponsor (if applicable):
N/A



Crook County

Mailing: 300 NE 3rd Street • Prineville, Oregon 97754
 Physical: 203 NE Court Street • Prineville, Oregon 97754
 Phone (541) 447-6555

Tuition Reimbursement:

The County encourages employees to seek continued education and training to expand their knowledge base and acquire new skill sets, thereby enhancing their subject-matter expertise and value to the County. Tuition reimbursement will be considered on a case-by-case basis. The following program parameters will govern the consideration of employee requests:

- Employees must secure the approval of their department head, the Finance Director, and the Human Resources Director before the coursework begins. Final approval is at the County designee or County Court's discretion.
- The County will award tuition reimbursement by evaluating the benefit of the course/s, certification, and degree to the County's needs and the availability of adequate funding.
- The employee must submit a completed Tuition Reimbursement Application (TRA) to their department head to detail the coursework's benefits, costs, schedule, etc. The department head will review and complete the portion of the TRA for department head information. The TRA will be submitted to the Finance Director and sent to the Human Resources Director upon approval. If the TRA is not approved, the TRA will be returned to the employee, with copies to all parties that have previously authorized the TRA.
- The employee and the County must sign a Memorandum of Agreement before starting coursework, and an updated agreement must be signed by both parties each calendar year.
- By accepting tuition reimbursement, an employee commits to continued employment with the County according to the amount awarded. To participate in the program, an employee must be in good standing, and continued eligibility requires the employee to remain in an excellent place and receive "Meets Standards" or better performance reviews.

Employment Commitment for Tuition Reimbursement

| Tuition Reimbursement | Employment Commitment |
|---------------------------|-----------------------|
| \$5,000 | 12 months |
| \$5,001 - \$10,000 | 24 months |
| \$10,001 – 15,000 Maximum | 36 months |

** Timing of required employment period - begins upon completion of prior coursework reimbursed by County. Accepting tuition reimbursement does not guarantee continued employment.*

- The employee must complete coursework to receive reimbursement. Successful completion requires that the employee maintain a 3.0-grade point average or above.
- The employee must provide a statement of course credit and a tuition receipt to the County. If the employee fails to complete the course, the County will not offer to reimburse the employee.

Seth Crawford, Judge • Jerry Brummer, Commissioner • Brian Barney, Commissioner

- If the employee receives financial assistance for education from sources other than the County, those funds will be applied first to eligible reimbursement amounts. The employee will provide the County with an accounting of these funds.
- If the employee leaves County employment for performance or disciplinary reasons within the specified employment requirement, the employee must repay 50% of the total tuition reimbursement received, regardless of the length of employment or amount reimbursed.
- If the employee voluntarily leaves the County before the employment requirement is fulfilled, they must repay the County for reimbursement received. The amount of repayment will be prorated based on the amount of employment requirement fulfilled.

| Tuition Reimbursement | Employment Commitment | Prorated Repayment |
|---------------------------|-----------------------|--------------------|
| \$5,000 | 12 months | 25% |
| \$5,001 - \$10,000 | 24 months | 33% |
| \$10,001 – 15,000 Maximum | 36 months | 50% |

AGENDA ITEM REQUEST



Date:

5/24/2023

Meeting date desired:

5/31/2023

Subject:

Monthly Memo RE: Community Development Activity

Background and policy implications:

Budget/fiscal impacts:

Requested by:

Will Van Vactor, Crook County Community Development Director, and Randy Davis, Crook County Building Official

Presenters:

Will Van Vactor, Crook County Community Development Director, and Randy Davis, Crook County Building Official

Legal review (only if requested):

Elected official sponsor (if applicable):

/





Community Development Department

Mailing: 300 NE Third St. RM 12, Prineville, OR 97754 ☐ Phone: 541-447-3211

MEMO

TO: Crook County Court

FROM: Will Van Vactor, Director
Randy Davis, Building Official

DATE: May 24, 2023

SUBJECT: Community Development Activity Update

Below is a summary of building, planning and onsite activity for the last month.

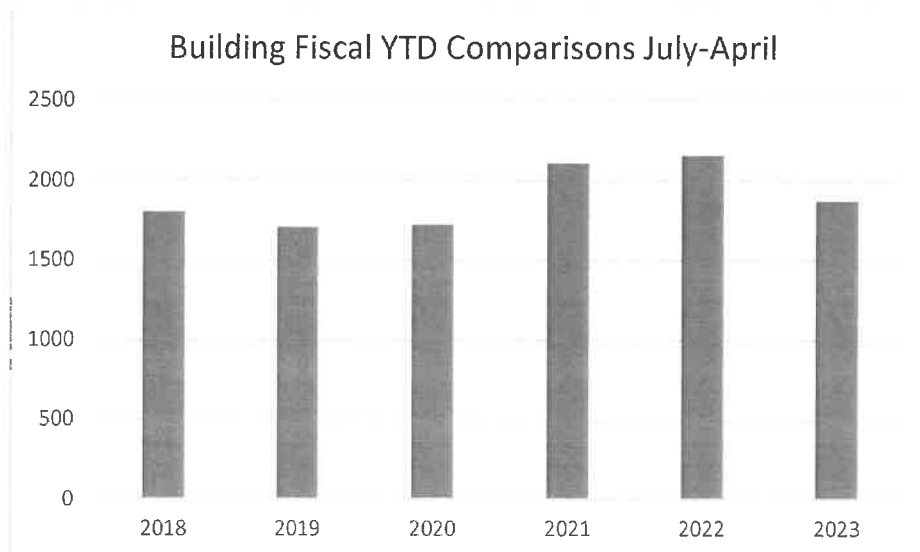
Building:

Permits issued summary (April):

| Permit Type | Number of Permits |
|---|-------------------|
| New Residential Dwellings (Site Built or Manufactured) | 30 |
| Commercial (plumbing, electrical, structural, etc.) | 49 |
| Residential Permits (plumbing, electrical, mechanical etc.) | 174 |
| Residential Structural (shops, etc.) | 51 |
| Other (e.g. demo) | 0 |
| TOTAL | 304 |

Comparisons:

| Time Frame | Permits |
|----------------------------|---------|
| April 2023 | 304 |
| April 2022 | 273 |
| YTD 2023 | 675 |
| YTD Comparison 2022 | 838 |
| Fiscal YTD | 1,872 |
| Fiscal YTD Comparison 2022 | 2,160 |



Active Permits:

| Permit Type | Amount Still Active as of end of April |
|--|--|
| Dwellings (Site Built or Manufactured) | 227 |
| Other Residential Permits | 778 |
| Commercial Permits | 311 |

Daily Inspections:

| Inspection Type | Amount this month |
|-----------------|-------------------|
| Residential | 811 |
| Commercial | 207 |
| All | 1,018 |

Larger Projects Under Construction:

| |
|--|
| Justice Center |
| CCO3 Data Center |
| CCO5&6 Data Center |
| Apple Data Center |
| Multiple Commercial Structures at Tom McCall Industrial Park |
| Mid Oregon Credit Union Tenant Improvement |
| 7,500 sq' office/warehouse for Rosendin Electric. |
| Walgreens |
| 10,311 sq' remodel, IBEW Local 280 training facility. |
| Liquor Store on N. Main |
| Hangers at Airport |

Larger Projects Under Review or Incoming:

| |
|---------------------------------|
| Apple Revisions |
| Area H & I of Prineville Campus |
| Museum |
| Sherptek (Prineville Campus) |
| Food Bank (Prineville Campus) |
| Revisions for Justice Center |
| Grizzly Pavilion at Fairgrounds |

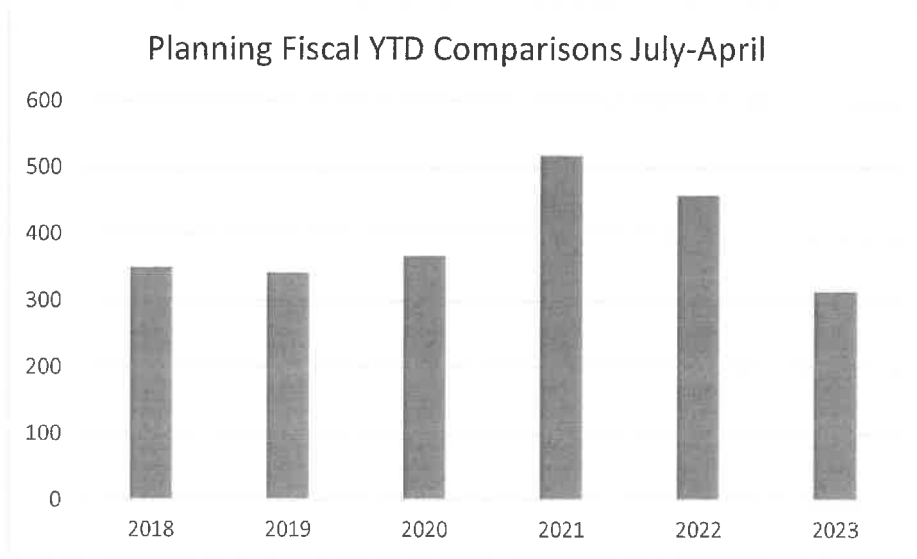
Planning:

Applications received (April):

| Application Type | # of Applications (April 2023) | YTD |
|---|--------------------------------|------------|
| Appeals | 0 | 0 |
| Variance | 1 | 1 |
| Site Plan Review | 31 | 98 |
| Land Partition | 0 | 1 |
| Combine/Un-Combine Lots | 0 | 0 |
| Road Approach | 2 | 10 |
| Boundary Line Adjustment | 0 | 3 |
| Destination Resort | 0 | 0 |
| Conditional Use | 2 | 4 |
| Miscellaneous (Temporary Hardship Two-year renewals) | 1 | 23 |
| Road Name/Rename | 0 | 1 |
| Extension | 1 | 3 |
| Amendment | 0 | 3 |
| TOTAL | 38 | 147 |

Comparisons:

| Time Frame | Permits |
|----------------------|---------|
| April 2023 | 38 |
| April 2022 | 47 |
| YTD 2023 | 147 |
| YTD Comparison 2022 | 174 |
| Fiscal YTD | 315 |
| Fiscal YTD Comp 2022 | 459 |



Notable Land Use Applications:

| Request | Status |
|---|--|
| Agri-Tourism – O Neil Arena | Going before Planning Commission May 24 |
| Comp Plan & Text Amendment – RMG Destinations LLC | Being reviewed by staff for completeness, to go before County Court June 7 |

Notable City Land Use Applications:

| Request | Status |
|--|--|
| 136 NE 3 rd St. New 1,920 sq. ft. commercial building on the site that will function as additional exhibit hall space for adjacent bowman museum. | Under Notice of Land Use Application review to neighbors |

Code Compliance:

| Year | Building | Land Use | Waste | Septic |
|----------|----------|----------|-------|--------|
| YTD 2023 | 24 | 23 | 13 | 7 |

On-Site:

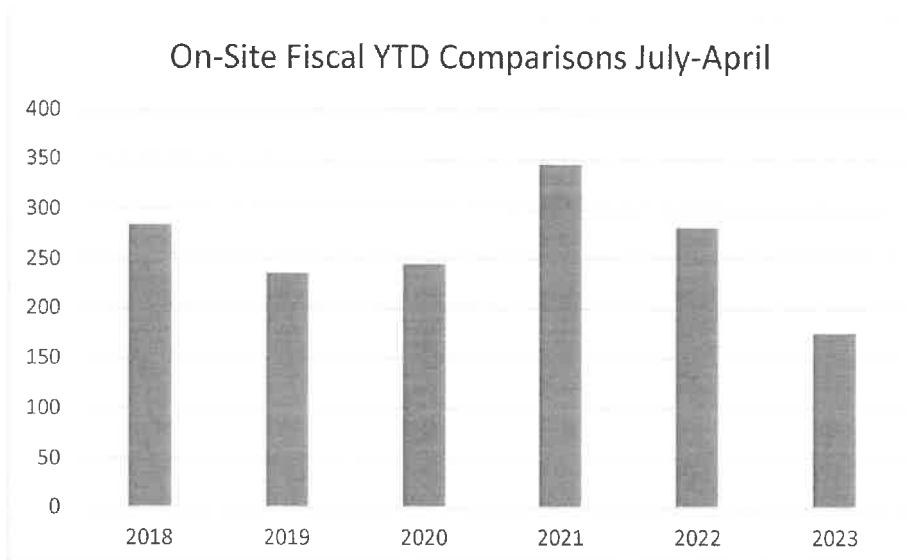
Applications (April 2023):

| Application Type | Number of Applications |
|---------------------------|------------------------|
| Residential Authorization | 1 |
| Commercial Authorization | 0 |

| | |
|-----------------------------------|-----------|
| Construction Permit (Residential) | 7 |
| Construction Permit (Commercial) | 2 |
| Repair (Major) - Residential | 1 |
| Repair (Minor) - Residential | 2 |
| Repair (Major) - Commercial | 0 |
| Repair (Minor) - Commercial | 0 |
| Residential Site Evaluation | 5 |
| Commercial Site Evaluation | 0 |
| Alteration (Minor) – Residential | 2 |
| Alteration (Major) – Residential | 1 |
| Alteration (Minor) - Commercial | 0 |
| TOTAL | 21 |

Comparisons:

| Time Frame | Permits |
|----------------------------|---------|
| April 2023 | 21 |
| April 2022 | 23 |
| YTD 2023 | 63 |
| YTD Comparison 2022 | 98 |
| Fiscal YTD | 176 |
| Fiscal YTD Comparison 2022 | 282 |



AGENDA ITEM REQUEST**Date:**

May 24, 2023

Meeting date desired:

May 31, 2023 - WS

Subject:

Airport Non-Commercial Lease Policy

Background and policy implications:

As part of an update on the County's Airport Lease template, we have created a lease policy which will apply to all new non-commercial airport leases and can be updated as needed and update the terms and conditions to which the lessees will be held. One of the main changes with this new lease policy as well as all future leases is that rent will include the lease premises as well as an "Impact Area" which covers all setbacks from the hangars and goes to the centerline of the taxiways.

Budget/fiscal impacts:

Undetermined at this time but should result in revenue for the Airport.

Requested by:

John Eisler, Assistant County Counsel

541.416.3919

John.Eisler@crookcountyor.gov

Presenters:

John Eisler, County Counsel

Andy Parks, County Administrator

Legal review (only if requested):

Legal has reviewed/drafted.

Elected official sponsor (if applicable):

N/A

Crook County/Prineville Airport
Lease Policy for
Non-Commercial Aeronautical Activities

June 2023

DRAFT

Contents

| | |
|--|----|
| 1. General..... | 4 |
| 2. Leases (General)..... | 4 |
| 2.01. Non-Commercial Leases..... | 4 |
| 2.02. Leased Premises | 5 |
| 2.03. Condition of Leased Premises | 5 |
| 2.04. Lease Term and Extensions | 5 |
| 3. Construction and Improvements | 6 |
| 3.01. Mandatory Improvements | 6 |
| 3.02. Survey..... | 6 |
| 3.03. Authorization for Discretionary Improvements | 6 |
| 3.04. Process for Approval of Plans | 6 |
| 3.05. Title to Improvements | 6 |
| 3.06. County Cooperation | 7 |
| 4. Utilities and Maintenance | 7 |
| 4.01. Utilities..... | 7 |
| 4.02. Maintenance and Repairs by Lessee..... | 7 |
| 4.03. Access | 8 |
| 4.04. Inspections and Repairs | 8 |
| 4.05. County May Perform Required Repairs..... | 8 |
| 5. Rights and Reserved Powers of County | 8 |
| 5.01. Hazards..... | 8 |
| 5.02. Development | 9 |
| 5.03. Sponsor Assurances..... | 9 |
| 5.04. Easements | 9 |
| 5.05. Relocation of a Hangar and Leased Premises..... | 9 |
| 6. Sub-leasing and Transfers..... | 9 |
| 6.01. Limitations on Transfers..... | 9 |
| 6.02. Assignments Prohibited | 10 |
| 6.03. Subletting..... | 10 |
| 7. Encumbrances and Leasehold Mortgages..... | 11 |

| | | |
|-----------|---|----|
| 7.01. | Liens Granted to County | 11 |
| 7.02. | Defined Terms for Leasehold Mortgages..... | 11 |
| 7.03. | Right to Mortgage Leasehold | 11 |
| 7.04. | Lender Protections..... | 11 |
| 7.04.01. | No Modifications or Terminations | 12 |
| 7.04.02. | Notice to Permitted Leasehold Mortgages | 12 |
| 7.04.03. | Right to Cure | 12 |
| 7.04.04. | Right to a New Lease | 12 |
| 7.04.05. | Bankruptcy of Lessee | 13 |
| 7.04.06. | Insurance Policies | 13 |
| 8. | Termination and Ownership of Improvements | 13 |
| 8.01. | Selling the Improvements during the Term of the Lease | 13 |
| 8.02. | Ownership of Improvements at the End of the Lease | 13 |
| 8.03. | No Holdover Period..... | 14 |
| 9. | FAA Required Provisions..... | 14 |
| 9.01. | Non-Discrimination | 14 |
| 9.02. | Subordination | 15 |
| 9.03. | Aviation Easement..... | 15 |
| 9.04. | Indemnification | 15 |
| 10. | Rentals, Rates, Fees, and Charges | 16 |
| 10.01. | Rent | 16 |
| 10.01.01. | Initial Rent | 16 |
| 10.01.02. | Impact Area | 16 |
| 10.01.03. | Maintenance Fee | 16 |
| 10.02. | Adjustment of Rent | 17 |
| 10.03. | Taxes and Assessments | 17 |
| 11. | Insurance | 17 |
| 12. | Hazardous Substances | 18 |

Lease Policy

for Non-Commercial Aeronautical Activities

1. GENERAL

Crook County is the owner and sponsor of the Prineville/Crook County Airport (the “Airport”) and the City of Prineville manages the Airport through an intergovernmental agreement. The Airport is a recipient of FAA Airport Improvement Program (AIP) grants, and thus the Airport must comply with numerous federal laws and sponsor assurances. Primarily, the County is obligated to operate the Airport for the use and benefit of the public, available for all types, kinds, and classes of aeronautical activities on fair and reasonable terms and without unlawful discrimination. This obligation is balanced against the Airport’s objective of economic self-sufficiency.

This Lease Policy is designed to establish a standardized, efficient, and fair system to govern the leasing of Airport property for non-commercial aeronautical activities. All non-commercial lessees at the Airport will be subject to this Lease Policy and the Policy will be updated at the discretion of the Crook County Court as conditions warrant.

2. LEASES (GENERAL)

The primary purpose of non-commercial Airport leases is for a lessee to store aircraft in a hangar on the Leased Premises to enable aeronautical operations.

2.01. Non-Commercial Leases

The following non-commercial aeronautical uses are permitted:

- Storage of aircraft;
- Shelter for maintenance, repair, or refurbishment of aircraft, but not the indefinite storage of non-operational aircraft;
- Storage of aircraft handling equipment, e.g., tow bar, glider tow equipment, workbenches, and tools and materials used to service, maintain, repair or outfit aircraft; items related to ancillary or incidental uses that do not affect the hangar’s primary use;
- Storage of materials related to an aeronautical activity, e.g., balloon and skydiving equipment, office equipment, teaching tools, and materials related to ancillary or incidental uses that do not affect the hangar’s primary use;
- Storage of non-aeronautical items that do not interfere with the primary aeronautical purpose of the hangar, e.g., furniture or televisions;
- Construction of amateur-built or kit-built aircraft, provided that activities are conducted safely; and
- Storage of a vehicle parked at the hangar while the aircraft usually stored in that hangar is flying, subject to Airport rules and regulations as currently in effect or may hereinafter be implemented.

Prohibited uses include, but are not limited to the following:

- Use as a residence;
- Operation of commercial activities;
- Activities which impede the movement of the aircraft in and out of the hangar or other aeronautical contents of the hangar;
- Activities which displace the aeronautical contents of the hangar or impede access to aircraft or other aeronautical contents of the hangar;
- Storage of household items that could be stored in commercial storage facilities;
- Long-term storage of derelict aircraft and parts;
- Storage of items or activities prohibited by local or state law;
- Fuel, and other dangerous and Hazmat materials;
- Storage of inventory or equipment supporting a municipal agency function unrelated to the aeronautical use; and
- Commercial activity, not including duly registered non-profit flight clubs and subletting the Leased Premises.

2.02. Leased Premises

The Leased Premises encompasses the area in which a lessee will have a property interest. Typically, the Leased Premises is the footprint of a present or planned hangar.

2.03. Condition of Leased Premises

All lessees warrant and represent that they have carefully and completely examined and inspected the Leased Premises and the lessee fully understands its responsibilities and obligations with respect to the Leased Premises and the Lease. Each lessee accepts the Leased Premises in an “AS IS”, “WHERE IS” condition without representation or warranties from the County as to the condition, suitability, environmental condition, or sufficiency of the Leased Premises for engaging in the non-commercial aeronautical activity described or contemplated by the Lease. Each lessee, at its sole cost and expense, agrees that it shall be fully responsible for the remediation of any violation of any applicable federal, state, or local environmental regulations or standards on the Leased Premises.

2.04. Lease Term and Extensions

The lease’s term and extensions will depend upon a number of factors. All Airport leases must terminate prior to the end of the useful life of any improvements. Generally, the County offers a 20-year fixed term for leases that involve the construction of new hangars. Lessees are generally also offered two 10-year extension options following an inspection showing a useful life of at least 15 years for the structure. Leases for an existing hangar will be offered a lease term ending on the same date as the pre-existing lease, unless an inspection demonstrates a useful life of the hangar of at least 30 years.

3. CONSTRUCTION AND IMPROVEMENTS

The following chapter applies to all leases of bare land without an existing hangar and all discretionary improvements to an existing structure.

3.01. Mandatory Improvements

Lessees covenant and agree that they shall construct a hangar and related improvements (collectively the "Project") on the Leased Premises. The Project and any future alterations, additions, replacements, or modifications to the Project are referred to as the "Improvements." Completion of the Project in a good and workmanlike manner is required as a condition of the Lease within twelve months of the Commencement Date. Lessees shall construct the Project in accordance with final plans and specification approved by the County in writing. Lessees are solely responsible for the required building permits. Construction of the outside of the hangar building above the concrete slab shall be completely finished 90 days following commencement of framing the hangar.

3.02. Survey.

The lessee, at the lessee's sole expense, will have a legal survey of the Leased Premises completed by a licensed surveyor. The lessee will provide copies of the survey to the County.

3.03. Authorization for Discretionary Improvements

Following completion of the Project, a lessee may, at its sole discretion, perform modifications, renovations, improvements, or other construction work on or to the Leased Premises so long as it first submits all plans, specifications and estimates for the costs of the proposed work in writing and also requests and receives in writing approval from the County. The County agrees to respond in writing to the lessee's requests for approval within 30 calendar days of receipt of such requests.

3.04. Process for Approval of Plans

Lessees must receive written approval, where required by law, from the FAA and local planning and building authorities. All plans, specifications, and work shall conform to all federal, state, and local laws, ordinances, rules, and regulations in force at the time the plans are presented for review. Lessee shall supply the Manager with comprehensive sets of documentation relative to the Project and any Improvements, including at a minimum, as-built drawings of each project in computer format, if possible. The County will submit notice for the Project and any Improvements to the FAA as required by FAA rules.

3.05. Title to Improvements

Title to the Project and all Improvements constructed by a lessee during the Term will be and will remain the private property of the lessee during the Term of the Lease. During the Term, a lessee is entitled, for all taxation purposes, to claim cost-recovery deductions and the like on all Improvements constructed by the lessee. Following the expiration of the Term or earlier termination of this Lease, title to the Improvements will pass pursuant to section 8 below.

3.06. County Cooperation

The County, through the Manager, agrees to cooperate with lessees in all respects in connection with a lessee's construction of the Project and any Improvements, provided that the County will not be required to pay any application fees or incur any other costs or liabilities in connection with the Improvements. The Airport Manager will appear as a witness in any legal or administrative proceedings to the extent reasonably necessary to construct the Project and Improvements.

4. UTILITIES AND MAINTENANCE

4.01. Utilities

Lessees, at their sole cost and expense, shall be responsible for the installation and use of all utility services to all portions of the Leased Premises and for all other related utility expenses, including but not limited to deposits and expenses required for the installation of meters, if necessary. Lessees further covenant and agree to pay all costs and expenses for any extension, maintenance, or repair of any and all utilities serving the Leased Premises. In addition, lessees agree that all utilities, air conditioning and heating equipment, and other electrically operated equipment which may be used on the Leased Premises shall fully comply with all applicable Mechanical, Electrical, Plumbing, Building, and Fire Codes, as they exist or may hereafter be amended. Lessees expressly waive any and all claims, including a claim of County's default of the Lease, against County for compensation for any and all loss or damage sustained by reason of any defect, deficiency, interruption, or impairment of any water supply system, drainage or sewer system, gas supply system, telephone system, electrical supply system, or electrical apparatus or wires serving the Leased Premises.

4.02. Maintenance and Repairs by Lessee

Airport leases are term leases and lessees agree to keep and maintain the Leased Premises in a good, clean and sanitary condition at all times, reasonable wear and tear excepted. Lessees covenant and agree that they will not make or suffer any waste of the Leased Premises. Lessees, at their sole cost and expense, will make all repairs or replacements necessary to prevent the deterioration in condition or value of the Premises, including, but not limited to, the maintenance of and repairs to all hangars and other structures, doors, windows and roofs, and all fixtures, equipment, utilities, hangar modifications and pavement connecting taxiway to the hangar foundation of the Leased Premises. Lessees must paint the exterior of the hangar, as needed and reasonably directed by County, with specifications and color to be approved in writing by the Airport Manager. Lessees shall be responsible for all damages caused by them, their agents, servants, employees, contractors, subcontractors, licensees or invitees, and lessees agree to fully repair or otherwise cure all such damages at their sole cost and expense.

Lessees agree that all improvements, trade fixtures, furnishings, equipment and other personal property of every kind or description which may at any time be on the Leased Premises shall be at the lessee's sole risk or at the sole risk of those claiming under the lessee. Neither the County nor the Airport shall be liable for any damage to such property or loss suffered by a lessee which may be caused by the bursting, overflowing or leaking of sewer or steam pipes, from water from any source

whatsoever, or from any heating fixtures, plumbing fixtures, electric wires, noise, gas or odors, or from causes of any other matter.

4.03. Access

The County shall have the right and privilege, through its officers, agents, servants or employees, to inspect the Leased Premises. Except in the event of an emergency, the County shall conduct such inspections during customary working hours and shall use its best efforts to provide the lessee at least twenty-four hours' notice prior to any inspection. Lessees will permit the Crook County Fire and Rescue (CCFR) Fire Marshal or his or her authorized agents to inspect the Leased Premises, and lessees will comply with all requirements of the Fire Marshal or his or her authorized agents that are necessary to bring the Leased Premises into compliance with all applicable fire and building code requirements regarding fire safety, as such provisions exist or may hereafter be amended. Lessees shall maintain in proper condition accessible fire extinguishers of a number and type approved by the Fire Marshal or his or her authorized agents for the particular hazard involved.

4.04. Inspections and Repairs

If the County determines during an inspection of the Leased Premises that a lessee is responsible under the Lease for any maintenance or repairs, the County shall notify the lessee in writing. Lessees agree to begin such maintenance or repair work diligently within 30 calendar days following receipt of such notice and to then complete such maintenance or repair work within a reasonable time, considering the nature of the work to be done. If a lessee fails to begin the recommended maintenance or repairs within such time or fails to complete the maintenance or repairs within a reasonable time, County may, in its discretion, perform such maintenance or repairs on behalf of said lessee. In this event, the lessee will reimburse the County for the cost of the maintenance or repairs, and such reimbursement will be due upon receipt of the County's billing.

4.05. County May Perform Required Repairs

During any inspection, the County may perform any obligations that County is authorized or required to perform under the terms of the Lease or pursuant to its governmental duties under federal, state, or local laws, rules, or regulations.

5. RIGHTS AND RESERVED POWERS OF COUNTY

5.01. Hazards

The County reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, including, but not limited to, the right to prevent a lessee from erecting or permitting to be erected any building or other structure which, in the opinion of the County, would limit the usefulness of the Airport, constitute a hazard to aircraft or diminish the capability of existing or future avigational or navigational aids used at the Airport.

5.02. Development

Lessor reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance by or on behalf of Lessee. Accordingly, nothing contained in this Lease shall be construed to obligate Lessor to relocate Lessee as a result of any such Airport developments or improvements.

5.03. Sponsor Assurances

The County covenants and agrees that during all required periods the County will operate and maintain the Airport and its facilities as a public airport consistent with and pursuant to the Sponsor's Assurances given by the County to the United States Government through the Federal Airport Act; and each lessee agrees that the Lease and lessee's rights and privileges thereunder shall be subordinate to the Sponsor's Assurances.

5.04. Easements

A lessee's rights shall be subject to all existing and future utility and drainage easements and rights-of-way granted by the County for the installation, maintenance, inspection, repair or removal of facilities owned or operated by electric, gas, water, sewer, communication or other utility companies. A lessee's rights shall additionally be subject to all rights granted by any ordinance or statute which allows utility companies to use publicly owned property for the provision of utility services.

5.05. Relocation of a Hangar and Leased Premises

The precise location of the Premises where the Hangar is located is subject to County's discretion and modification. The County may compel relocation of the Hangar at any time, in which case County will be responsible for all reasonable relocation costs. The lessee will be responsible for all Hangar relocation/reassembly costs when the relocation/reconstruction is at the request and sole benefit of the lessee, or if relocation is due to termination of the Lease.

6. SUB-LEASING AND TRANSFERS

6.01. Limitations on Transfers

Except as permitted in this section, lessees must not, voluntarily or by operation of law, sell or transfer the Lease or any interest therein, sublet the Leased Premises or any part thereof, or grant any right to use the Leased Premises, the improvements, or any respective part thereof (each a "Transfer") without the prior written consent of the County, which must not be unreasonably withheld. Any attempted Transfer without such prior written consent will be void. County's consent to a Transfer will in no event release lessee, any assignee, sublessee, or any guarantor from their respective liabilities or obligations under the Lease or any guaranty of the Lease (including any liabilities or obligations arising during the Extended Term), nor relieve the lessee from the requirement of obtaining the County's prior written consent to any further Transfer. The County's acceptance of Rent from any other person will not be deemed to be a waiver by the County of any provision of the Lease or consent to any Transfer. The failure or refusal of the County to approve a requested Transfer shall not relieve the lessee of its obligations hereunder, including payment of Rent.

If the lessee is a corporation, partnership, limited liability company, or other entity or unincorporated association, then any Transfer of the Lease by merger, consolidation, liquidation, or change in the ownership of or power to vote the majority of the ownership interest of Lessee, will constitute a Transfer for the purposes of this section.

6.02. Assignments Prohibited

Except in the case of an assignment pursuant to a probate proceeding or for estate planning purposes, all assignments of this Agreement are prohibited. An assignment prohibited within the meaning of this section includes, without limitation, one or more sales or transfers, direct or indirect, by operation of law or otherwise, or the creation of new stock or ownership interests, by which ownership or control of an aggregate of more than 50 percent of a lessee's stock or ownership interests must vest in a party or parties who are non-stockholders, partners, or members, as applicable, as of the Commencement Date.

6.03. Subletting

Lessees have the right to sublet portions of the Leased Premises or the improvements only for a term or terms that will expire before the expiration of the Term. It is the responsibility of each lessee to provide the Airport Manager with a completed information for each subtenant, with their name, contact information, and tail number. Additionally, each sublease must contain the following terms and conditions:

- (a) The sublease will incorporate the terms, conditions, and covenants set forth in, and state that it is subject and subordinate to, the Lease, this Lease Policy, and to any extensions, modifications, or amendments of the Lease;
- (b) That rents due under the sublease (i) have been assigned to the County (and the lessee hereby assigns the rents to the County), to support performance of the lessee's covenants under the Lease, which assignment will be effective only on the occurrence of any event of default by the lessee under the Lease; and (ii) will, on receipt of written notification from the County that an event of default has occurred under the Lease, be paid by the subtenant directly to the County, subject to section 7 of this Lease Policy, until the subtenant receives written notice from the County that the lessee has cured the event of default or is in the process of curing the event of default in a manner reasonably satisfactory to the County;
- (c) If any act or omission of the lessee would give a subtenant the right, immediately or after lapse of a period of time, to cancel or terminate the sublease, or to claim a partial or total eviction, subtenant will not exercise that right: (i) until it has given written notice of the act or omission to the County; and (ii) until a reasonable period of time for the County to cure the condition has passed.

7. ENCUMBRANCES AND LEASEHOLD MORTGAGES

7.01. Liens Granted to County

Lessees grant the County a lien against the Improvements, aircraft, and all personal property that lessees store in the hangar. This lien exists and continues for all unpaid amounts that a lessee may owe the County, from time to time, and the County's assertion of the lien does not relieve a lessee from the obligation to pay the monthly rent as provided in the Lease. In the event a lessee does not fully and immediately discharge all unpaid amounts, the County has the right to take and recover possession of the Improvements and satisfy its lien in accordance with Oregon law. The County may also take and recover possession of the stored aircraft and personal property, without notice or other action, exercise its lien against the same, and have and recover all costs and expenses including attorney's fees in connection with the repossession of said hangar, Improvements, aircraft, or personal property and assertion of the lien.

7.02. Defined Terms for Leasehold Mortgages

Any mortgage, deed of trust, financing statement, security agreement, or other financing instrument granted by lessee pursuant to this section 7 is referred to as a "Permitted Leasehold Mortgage," and the holder of or secured party under a Permitted Leasehold Mortgage is referred to as a "Permitted Leasehold Mortgagee." The term "Lending Institution" means any commercial, national, or savings bank, savings and loan association, trust company, pension trust, foundation, or insurance company, and any other entity, person, corporation, partnership, or otherwise making a loan on the security of lessee's interest in the Lease or any portion of the Leased Premises or the Improvements.

7.03. Right to Mortgage Leasehold

Notwithstanding any other provision to the contrary, in addition to any other rights granted and without any requirement to obtain County's consent, lessees have the right to mortgage or grant a security interest in lessee's interest in their lease, the Leased Premises, and the Improvements under one or more leasehold mortgages to one or more Lending Institutions, and to assign their Lease as collateral security for a Permitted Leasehold Mortgage, on the condition that all rights acquired under the leasehold mortgages are subject to every term, covenant, condition, and restriction set forth in the Lease, and to all rights and interests of the County, none of which covenants, conditions, restrictions, rights, or interests is or may be waived by the County by reason of the right given to mortgage or grant a security interest in lessee's interest in the Lease and the Premises and the Improvements, except as expressly provided otherwise.

7.04. Lender Protections

If a Permitted Leasehold Mortgagee sends to the County a true copy of its Permitted Leasehold Mortgage, together with written notice specifying the name and address of the Permitted Leasehold Mortgagee, then as long as the Permitted Leasehold Mortgage remains unsatisfied of record or until written notice of satisfaction is given by the holder to the County, the following provisions will apply:

7.04.01. No Modifications or Terminations

The Lease may not be (a) amended or modified, or (b) terminated or canceled by reason of the exercise of any option or election by the lessee, or by the giving of any notice by the lessee, unless such amendment, modification, termination, or cancellation by the lessee is assented to in writing by the Permitted Leasehold Mortgagee. Any such attempted amendment or modification, termination, or cancellation by lessee without the Permitted Leasehold Mortgagee's assent is void.

7.04.02. Notice to Permitted Leasehold Mortgages

Upon serving the lessee with any notice under the Lease, whether of default or any other matter, the County will simultaneously serve a copy of the notice on the Permitted Leasehold Mortgagee, and no notice to lessee will be deemed given unless a copy is so served on the Permitted Leasehold Mortgagee in the manner provided in this Lease for giving notices.

7.04.03. Right to Cure

In the event of any default by lessee under the Lease, each Permitted Leasehold Mortgagee has the same period as the lessee has, plus 30 days, after service of notice on it of the default, to remedy or cause to be remedied or commence to remedy and complete the remedy of the default complained of, and the County must accept that performance by or at the instigation of the Permitted Leasehold Mortgagee as if the same had been done by the lessee. Each notice of default given by the County must state the amount of any Rent that is then claimed to be in default.

7.04.04. Right to a New Lease

The County agrees that if this Lease is terminated by reason of any default by the lessee, other than for nonpayment of the Rent and other payments herein provided for, the County will enter into a new lease for the Premises and the Improvements with the holder of the then First Leasehold Mortgage on the Lease, or with its nominee or designee, for the remainder of the original Term, effective as of the date of the termination, at the Rent and on the other terms and provisions as herein contained and subject only to the same conditions of title as this Lease was subject on the date of the execution hereof, and to the rights, if any, of any parties then in possession of the Leased Premises or any portion thereof, provided as follows:

- a. The holder will request the new lease within 30 days after the date of termination of the Lease;
- b. The holder will pay to the County at the time of execution and delivery of the new lease all sums as to which the First Leasehold Mortgagee will have been provided with prior notice and which would at the time of execution and delivery thereof be due under the Lease had it not terminated, together with any expenses, including reasonable attorney fees, to which the County will have been entitled to by reason of the default;
- c. The County will not warrant possession of the Premises to the lessee under the new lease;
- d. The new lease will be expressly made subject to the rights, if any, of lessee under the terminated Lease; and

- e. The tenant under the new lease will have the same right, title, and interest in and to the Premises as the lessee had under the original Lease (except as otherwise provided herein).

7.04.05. Bankruptcy of Lessee

Nothing herein contained will require any holder of a Permitted Leasehold Mortgage or its nominee or designee to cure any default of Lessee arising out of its bankruptcy, insolvency, reorganization, or other proceeding under the bankruptcy or insolvency laws of the United States or the State of Oregon or otherwise.

7.04.06. Insurance Policies

The County agrees that the name of the Permitted Leasehold Mortgagee may be added to the “loss payable endorsement” of any or all insurance policies required to be carried by lessee.

8. TERMINATION AND OWNERSHIP OF IMPROVEMENTS

8.01. Selling the Improvements during the Term of the Lease

If at any time during the Term or at the expiration of the Term, a lessee intends to sell the Improvements on the Leased Premises, each lessee hereby grants the County a right of first offer to purchase on the terms and conditions at which the lessee proposes to sell the property to a third party. The lessee shall give the County written notice of its intent to sell and shall indicate the terms and conditions (including the sale price) upon which the lessee intends to sell the Improvements to a third party. The County shall thereafter have sixty days to elect in writing to purchase the Improvements. If the County declines to elect in writing to purchase the Improvements, the lessee may elect to sell to any third party upon the advance written approval of the Manager, which will not be unreasonably withheld. The lessee’s notice of intent to sell must include the name and contact information of the prospective buyer and the sale price. Provided, however, if the price at which the lessee intends to sell the Improvements is less than 90% of the price set forth in the notice of right of first offer to purchase, then the lessee shall again offer Lessor the right to acquire the Improvements upon the same terms and conditions available to the third party. In which case the County shall have thirty days to elect in writing to purchase the Improvements.

Should the County decline to purchase the Improvements and instead authorizes the sale of the Improvements to a third party, the County will provide either an assignment of the current Lease or terminate the Lease and provide the third party with a new Lease with the same Term as the existing Lease.

8.02. Ownership of Improvements at the End of the Lease

A lessee’s right to enter upon the Leased Premises expires on the final day of the Term. Before such expiration of the Term, lessees will, at their cost and expense: (a) perform all property, hangar, and leasehold improvement maintenance and repairs for which the lessee is obligated under the Lease; (b) remove any personal property and improvements, including without limitation a hangar, all aircraft, vehicles, furnishings and furniture, equipment and tools, trade fixtures, and waste and debris

and (c) surrender the Leased Premises, hangar, and leasehold improvements to the County in good condition and free of waste and debris. With the consent of the County, at the termination of a Lease's term, lessees may transfer ownership of a hangar, leasehold improvements, and alterations on the Leased Premises to the County, at no cost to the County. Said transfer must be free from all claims, rights, encumbrances, and interests of the lessee or a third party without the need for a conveyance document, unless requested by the County.

8.03. No Holdover Period

There shall be no holdover period of any Lease. Should a lessee remain in possession after the expiration of the Term, the Lessee will be considered a tenant at sufferance, which the County may consider as triggering the termination, remedy, and surrender provisions at any time without notice and the lessee will be liable for any and all damages resulting from such unauthorized holdover, including but not limited to any and all damages that the County is required to pay a new tenant for failing to timely deliver any portion of the Leased Premises or the Improvements.

9. FAA REQUIRED PROVISIONS

9.01. Non-Discrimination

All Leases will contain language substantially similar to the following:

The Lessee and all heirs, successors, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this lease for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

The Lessee and all heirs, successors, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that:

- (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities;
- (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and
- (3) that the Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination

in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

9.02. Subordination

The Airport may not take or permit any action which would operate to deprive the Airport of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances to the Airport's grant agreements with the FAA. As such, every Airport Lease will reserve all necessary powers in favor of Crook County and subordinate lessee's leasehold interest to the provisions of any existing or future agreement between the County and the United States Government, which relates to the operation or maintenance of the Airport and is required as a condition for the expenditure of federal funds for the development, maintenance or repair of Airport infrastructure. Additionally, during any war or national emergency, the County shall have the right to lease any part of the Airport, including its landing area, to the United States Government. In this event, any provisions of a Lease which are inconsistent with the provisions of the lease to the Government shall be suspended. The County shall not be liable for any loss or damages alleged by a lessee as a result of this action. However, nothing in the Lease shall prevent a lessee from pursuing any rights it may have for reimbursement from the United States Government.

9.03. Aviation Easement

The County reserves for itself and for the public a right of flight for the passage of aircraft in the airspace above the Airport and improvements together with the right to cause noise, vibration, dust, fumes, smoke, vapor, and other effects inherent in the navigation or flight of aircraft and/or operation of the Airport. Each tenant will protect the Airport and Airport property for aeronautical and related uses, will not interfere or impede, and will conduct all activities in a manner that will not adversely affect or interfere with the Airport's operations and those of other lessees and authorized users of the Airport or the general public. Any lessee activities that the Airport Manager determines interfere with or impede the operation, use, or maintenance of the Airport or aeronautical activities are specifically prohibited and will constitute an event of default under the lease.

9.04. Indemnification

Lessees assume all liability and responsibility for property loss, property damage, and/or personal injury of any kind, including death, to any and all persons, of any kind or character, whether real or asserted, arising out of or in connection with its use of the Airport under the lease or with the leasing, maintenance, use, occupancy, existence, or location of the Leased Premises, except to the extent caused by the gross negligence or willful misconduct of the County or Airport Manager, its officers, agents, servants, or employees.

Lessees covenant and agree to, and do to the extent allowed by law, without waiving any defenses provided by law, hereby indemnify, hold harmless, and defend the County, City of Prineville and Airport Manager, their officers, agents, servants, and employees from and against any and all claims or lawsuits for either property damage or loss and/or personal injury, including death, to any and all persons, of any kind or character, whether real or asserted, arising out of or in connection with

lessee's use of the Airport under the Lease or with the use, leasing, maintenance, occupancy, existence, or location of the Leased Premises, except to the extent caused by the gross negligence or willful misconduct of Lessor or Manager, its officers, agents, servants, or employees.

Lessees assume all responsibility and agrees to pay County, City of Prineville and Airport Manager for any and all injuries or damages to the County's property which arise out of or in connection with any and all acts or omissions of the lessee, its officers, agents, employees, contractors, subcontractors, licensees or invitees, except to the extent caused by the gross negligence or willful misconduct of County, City of Prineville and Airport Manager, their officers, agents, servants, or employees.

County, City of Prineville and Airport Manager do not guarantee police protection to lessees, and sublessees or their property. The Airport is obligated only to provide security adequate to maintain the County's certification under FAA regulations. Lessees shall comply with all applicable regulations of the FAA relating to airport security. Lessees shall pay all fines imposed by the FAA on the County, Airport Manager or the lessee resulting from lessee's or any sublessees' failure to comply with such FAA regulations or to prevent unauthorized persons or parties from their obtaining access to the air operations area of the Airport from the Leased Premises.

10. RENTALS, RATES, FEES, AND CHARGES

10.01. Rent

Rent for all leases is based upon a Fair Market Rent value derived from a Title XI compliant appraisal report and adjusted yearly for inflation. Total Rent is based on the square footage of the Leased Premises and the surrounding Impacted Area.

10.01.01. Initial Rent

Leases for undeveloped lots must pay "Initial Rent," which is an amount calculated to re-coup the County's infrastructure costs. Initial Rent is a one-time fee, for only those lots that are undeveloped at the execution of the Lease.

10.01.02. Impact Area

Other than Initial Rent, total Rent is the sum of the current Fair Market rent multiplied by the sum of the square footage of the Leased Premises, defined in section 2.02, and the "Impact Area." The Impact Area is measured from the boundary line of the Leased Premises to the midpoint of the centerline of the taxiway and the length of all setbacks.

10.01.03. Maintenance Fee

The County, in its sole discretion and at any time, reserves the right to institute a Maintenance Fee or other operational charges in addition to Rent. The fee will be based on the Airport's reasonable

and necessary expenses for safe and proper maintenance of the Airport common areas. There is currently no such fee.

10.02. Adjustment of Rent

Rent will be adjusted annually effective on July 1st (the "Adjustment Date"). The County will deliver notice to lessee of the amount of the adjustment and the new Rent not less than 30 days before Rent is due each year, calculated pursuant to the provisions below. In no event will annual adjustment operate to decrease Rent.

- **Annual Adjustment:** For the duration of the Term, before each annual due date for Rent except for those years subject to an Appraisal Adjustment, the County will adjust the rent in the same percentage as the increase, if any, in the Consumer Price Index (the "Index") published by the United States Department of Labor, Bureau of Labor Statistics. The increase will be computed by comparing the schedule entitled "U.S. City Average, All Items, All Urban Consumers, 1982-84=100" for the month of April in the year of the Commencement Date or the prior year's Rent, as applicable, and April's figures for the current year of the Adjustment Date. All comparisons will be made using Index figures derived from the same base period. If the Index cited above is revised or discontinued during the Term, then the Index that is designated to replace it by BOMA Oregon will be used.
- **Appraisal Adjustment:** At five-year intervals, beginning for the fiscal year 2020/21, Lessor will procure an Appraisal Report, consistent with Title XI of the Financial Institutions Reform, Recover, and Enforcement Act of 1989 (FIRREA) and the Uniform Standards of Professional Appraisal Practice (USPAP) to ascertain Fair Market Rent for all leased space at the Airport, which will form the basis for the adjustment of Rent in that fiscal year.

10.03. Taxes and Assessments

Lessees agree to timely pay any and all federal, state, or local taxes or assessments which may lawfully be levied against a lessee due to a lessee's use or occupancy of the Leased Premises or any improvements or property placed on the premises by a lessee as a result of its occupancy.

11. INSURANCE

Lessees shall be responsible for any and all property damage insurance for each lessee's hangar, aircraft, and other property on the Leased Premises. Additionally, lessees, at their sole cost and expense, shall procure and maintain at all times, in full force and effect during the Term of the Lease, a policy or policies of insurance, naming Crook County and the City of Prineville as additional insureds and covering all risks arising directly or indirectly out of the lessee's activities at the Leased Premises, including but not limited to (1) coverage for hangar premises liability of others; (2) aircraft liability; and (3) if the lessee or any occupant of the Leased Premises has property of others, including aircraft, in their care, custody, or control then they shall maintain hangar keeper's liability coverage with limits adequate to cover the potential damage. The limits for all such policies shall be at minimum the current statutory limits of liability for the County under the Oregon Tort

Claims Act or \$1,000,000 per occurrence and \$2,000,000 in the aggregate, whichever is higher. Evidence of the required insurance coverages issued by an insurance company satisfactory to the County shall be provided to the County by way of a County-approved certificate of insurance upon execution of a Lease and each time Rent is due. The certificate of insurance shall contain a requirement that the insurance company notify the County 30 days prior to any cancellation or material change in coverage. If the approved insurance company will not provide this 30-day notice, a lessee shall provide written notice to the County within two calendar days after the lessee becomes aware that its coverage has been cancelled or has been materially changed. Regardless of what circumstances caused the lessee's insurance coverage to cease or be modified, it is the lessee's responsibility to notify the County.

12. HAZARDOUS SUBSTANCES

Hazardous materials stored in a hangar must be stored in Department of Transportation and OSHA approved containers and disposed of per hazardous waste requirements, as required by law. The total volume of stored hazardous materials may not exceed 5 US gallons. The storage of engine oil, in the manufacturer's original containers, will not be included in the calculation of the total allowable storage volume. To minimize fire hazard and hazardous waste contamination issues, the following actions are prohibited in a hangar: using combustible chemicals or cleaning solvents, fuel system draining, fuel system repair (except where the fuel system has been drained), chemical stripping, chemical washing, and painting (except as described elsewhere in this Lease Policy). Any hot work (i.e., cutting, welding, brazing, soldering, and grinding) may not be performed inside a hangar; any such work performed in the hangar itself must be done by a person properly licensed to perform such work. A lessee, and all persons performing work on a lessee's behalf, must at all times comply with all applicable current state and local laws, ordinances, regulations, and fire prevention codes.

AGENDA ITEM REQUEST



Date:

May 24, 2023

Meeting date desired:

May 31, 2023

Subject:

Renewal of discretionary workers compensation insurance coverage

Background and policy implications:

The County provides workers comp insurance coverage for a variety of volunteer roles, and to jail inmates acting on the work crew. WHA Insurance has posed the question of whether these particular coverages should continue. These roles are not legally required to be subject to such insurance, but an employer may choose to include them in its discretion.

The coverages include:

- Inmates/Adults in Custody
- County Search And Rescue- Volunteer
- Volunteer Board Members
- Volunteer Office Clerical
- Volunteer Police Dispatchers
- Volunteer Librarians
- Volunteer Attorney Assistant
- Volunteer Health Care Workers
- Volunteer Fairgrounds Maintenance Worker
- Volunteer Police (Reserve)

The advantage of such coverage is that if there are claims, they would be handled by the no-fault workers comp system, rather than having the matter resolved in a tort lawsuit. The disadvantage is that the no-fault system severely restricts the ability to contest meritless claims.

WHA Insurance has stated that any of these coverages can be dropped at any time, including mid-term.

Budget/fiscal impacts:

To be determined – Jennifer at WHA is compiling some information, which we hope to receive before May 31.

Requested by:

*Eric Blaine, Crook County Counsel
Eric.blaine@crookcountyor.gov
541-416-3919*

Presenters:

Eric Blaine & Christina Haron

Legal review (only if requested):

N/A

Elected official sponsor (if applicable):

N/A

AGENDA ITEM REQUEST

**Date:**

5/24/2023

Meeting date desired:

5/31

Subject:

Youth Liaison Project Reports

Background and policy implications:

Ana Jacuinde Caballero and Cecily Cooper are Seniors at Crook County High School who also work for the County as Youth Liaisons at the Health Department. Youth Liaisons provide valuable insight and expertise when planning and implementing prevention and health promotion activities that effect young people. Ana and Cecily would like to share with County leadership about their experiences and what they have accomplished this year.

Budget/fiscal impacts:

n/a

Requested by:

Katie Plumb, Director Health & Human Services
kplumb@crookpublichealthor.gov 541-447-5165

Presenters:

Katie Plumb, Director Health & Human Services
Ana Jacuinde Caballero
Cecily Cooper

Legal review (only if requested):

n/a

Elected official sponsor (if applicable):

n/a

AGENDA ITEM REQUEST**Date:**

5/24/2023

Meeting date desired:

5/31

Subject:

Staff member introduction

Background and policy implications:

Angela Pomerleau, new Crook County VSO Lead

Budget/fiscal impacts:

n/a

Requested by:Katie Plumb, Director Health & Human Services
kplumb@crookpublichealthor.gov 541-447-5165**Presenters:**

Katie Plumb, Director Health & Human Services

Legal review (only if requested):

n/a

Elected official sponsor (if applicable):

n/a



Agenda Item Request

Date:

May 24, 2023

Meeting date desired:

May 31, 2023 work session and June 7, 2023 Court meeting

Subject:

Elected Officials Compensation Committee recommendation – elected officials compensation

Background and policy implications:

ORS 204.112 sets for the requirement for each Oregon county to have a compensation board to review and recommend compensation of elected officials. The County Court recently appointed a three-member committee. The committee met and reviewed materials with the Human Resources Director and several of the County's elected officials. The committee recommendation for each elected position is presented on the attached minutes of the committee meeting.

Budget/fiscal impacts:

The recommended compensation is within the budgeted amounts for fiscal year 2024.

Requested by:

Kim Barber, Human Resources Director

Presenters:

Kim Barber, Human Resources Director

Attachment

Minutes of Compensation Committee meeting May 24, 2023



Crook County

Mailing: 300 NE 3rd Street

Physical: 301 NE 3rd Street, Ste.200

Phone (541) 416-3802

• Prineville, Oregon 97754

• Prineville, Oregon 97754

Pursuant to Oregon law, every year, the County appoints a volunteer committee to review the rates at which Crook County compensates its elected officials. This year's committee members are William Anderson, Darla Rhoden, and Liz Schuette; they were appointed on May 3, 2023, via Order 2023-20. The Compensation Committee met on May 24, 2023, at 5:30 pm.

In attendance were elected officials Sheriff John Gautney, Clerk Cheryl Seely, Assessor Jon Soliz, and Treasurer Galan Carter. Members of the Human Resources department in attendance included Kim Barber and Amy Albert; Andy Parks and Linda Pepper were also in attendance.

Materials presented to the committee for consideration are the Elected Official's salary for the last three years, comparison salaries for Elected Officials from other jurisdictions, the committee meeting minutes from April 6, 2022, and the current salary scale for Crook County employees.

The discussion covered all materials provided; the elected officials participated fully and were deeply engaged in the conversation and process. Numerous questions regarding salary structure and job duties were explored. At the close of the discussion, a request for public comments was made; there were none. The committee then made motions concerning each elected position and voted on them. Those results are outlined below.

The Compensation Committee made the following recommendations to be presented to the Crook County Court:

MOTION for a one-step increase, 4.91% COLA and for the current stipend to remain as is for the County Judge. Motion seconded. No further discussion. Motion carried 3-0.

MOTION for a one-step increase, 4.91% COLA and for the current stipend to remain as is for the County Commissioners. Motion seconded. No further discussion. Motion carried 3-0.

MOTION for a one-step increase, 4.91% COLA and a \$250 per month stipend for the County Assessor. Motion seconded. No further discussion. Motion carried 3-0.

MOTION for a one-step increase, 4.91% COLA and a \$250 per month stipend for the County Clerk. Motion seconded. No further discussion. Motion carried 3-0.

MOTION for a one-step increase, 4.91% COLA and a \$250 per month stipend for the County District Attorney. Motion seconded. No further discussion. Motion carried 3-0.

MOTION for a one-step increase, 4.91% COLA and a \$650 per month stipend for the County Sheriff. Motion seconded. No further discussion. Motion carried 3-0.

MOTION to increase the County Treasurers stipend by \$500. Motion seconded. No further discussion. Motion carried 3-0.

MOTION leave the compensation rate as is for the County Surveyor. Motion seconded. No further discussion. Motion carried 3-0.

The Compensation Committee stated the \$250 per month stipend recommendation for the Assessor, Clerk and District Attorney is because these positions do not receive sick, or vacation pay and are not eligible for longevity pay. The \$650 per month stipend for the Sheriff is due to the fact that the Sheriff does not receive certification pay but is required to maintain the highest certification. Certification pay for Deputies ranges from \$200 per month for the lowest certification to \$400 per month for a mid-range certification. The \$500 compensation increase for the Treasurer would equate to the 5% COLA which may be received by County employees.

No further recommendations from the Compensation Committee were made. The meeting was adjourned at 6:58 pm.

Respectfully submitted,

Amy Albert



Agenda Item Request

Date:

May 24, 2023

Meeting date desired:

May 31, 2023 work session and June 7, 2023 Court meeting

Subject:

"Purchase" of surplus airport property by the County

Background and policy implications:

The Airport Master Plan shows the property owned by the County Airport south of Highway 126 as unnecessary for airport purposes, approximately 80 acres. The FAA has indicated that the land is surplus and may be sold. The fiscal year 2023 budget includes \$2.5 million from the County Capital Asset Reserve Fund paid to the Airport Fund consistent with grant assurances to release the property from any potential encumbrances by the FAA. The land then may be sold by the County for other purposes or retained by the County for other County operations.

Budget/fiscal impacts:

The fiscal year 2023 budget includes the "sale" of approximately 80 acres for \$2.5 million by the Airport to the County, with funding from the County's Capital Asset Fund. The fiscal year 2024 budget, approved May 24, 2023, includes the \$2.5 million funding taking place in fiscal year 2023. Without the funding, the Airport Fund will need a loan from the County to retain a positive fund balance and fund capital improvements approved in the fiscal year 2024 budget.

Requested by:

Andy Parks

Presenters:

Andy Parks

Legal review (only if requested):

NA



Agenda Item Request

Date:

May 24, 2023

Meeting date desired:

May 31, 2023 work session and June 7, 2023 Court meeting

Subject:

Personnel policies; ½ step increases, use of vacation

Background and policy implications:

Attached are separate memos on each of the personnel policies noted above. In summary, we recommend updating the tuition policy, eliminating the use of ½ step pay adjustments, and eliminating the requirement to work six months after hiring to use earned vacation.

Budget/fiscal impacts:

The tuition policy clarifies the existing policy, establishing maximums and reimbursement should employees leave prior to satisfying retention requirements. The cost of eliminating ½ step increases is under evaluation and will be presented at the work session. The immediate use of accrued vacation will not have any fiscal impact.

Requested by:

Andy Parks, Administration

Presenters:

Andy Parks

Kim Barber, Human Resources Director

Legal review (only if requested):

NA



Agenda Item Request

Date:

May 24, 2023

Meeting date desired:

May 31, 2023 work session and June 7, 2023 Court meeting

Subject:

Annual COLA wage adjustment for non-represented and Road Department employees.

Background and policy implications:

Annually the County Court adjusts the pay schedules effective July 1. This year the County Court adopted a goal to keep compensation levels current with present inflation trends within available resources where possible. The approved budget includes an estimated five percent (5.0%) inflation rate (COLA) for wages. The actual annual inflation rate as measured by the CPI-U as of the end of April 2023 is 4.91%.

Staff requests approval for a 4.91% COLA wage increase consistent with the County Court goal and within the available budgeted resources.

Budget/fiscal impacts:

The approved budget includes a five percent COLA wage adjustment. The proposed COLA of 4.91% is within the budgeted amount.

Requested by:

Andy Parks

Presenters:

Andy Parks

Legal review (only if requested):

NA



Agenda Item Request

Date:

May 24, 2023

Meeting date desired:

May 31, 2023 work session and June 7, 2023 Court meeting

Subject:

Compensation study – consider scope of services and fees with JB Rewards

Background and policy implications:

The County last reviewed and updated its compensation schedule and plan in 2018. Since that time, there have been a significant number of changes within the compensation schedule, annual cost of living adjustments, and changes in the labor market. Among the changes in the market are accelerated inflation and significant increase in employee turnover. We are presently in progress to complete an exit interview engagement that will provide us insight into the reasons employees are leaving employment. Refreshing and having a competitive compensation plan is another tool to help recruit and retain capable staff. Vance Jacobson of JB Rewards Systems, Jacobson Betts and Company completed the study in 2018 via a contract between the County and GEL Oregon, Inc. (my firm).

Budget/fiscal impacts:

The proposed scope and fee of approximately \$28,600, is within the fiscal year 2023 and fiscal year 2024 budgeted amounts.

Requested by:

Andy Parks, Administration

Presenters:

Andy Parks

Kim Barber, Human Resources Director

Attachment

Proposed scope of services and fee



REWARD SYSTEMS
Jacobson, Betts & Company

May 25, 2023

Mr. Andy Parks
Administrator
Crook County
300 NE 3rd Street
Prineville, Oregon 97754

Dear Andy:

JB Reward Systems is pleased to submit this letter of interest and cost proposal to assist the County with updating the compensation structures and conducting a high level internal pay equity assessment.

Our proposed work plan will focus on these elements that are a part of the County's current compensation plans.

- **Competitive assessment.** We will conduct a review of other City/County salary ranges for a sample of positions and offer an overall assessment of the County's competitive positioning as well as the resulting salary structure(s) and cost implications of getting parity.
 - Crook County's location offers challenges when it comes to its distance from other comparable organizations, so we will take care in selecting external data from a reasonable commute, comparable demographics, cost-of-living, and compatible financial structures.
 - We will provide support to collective bargaining processes giving special attention to the Roads and Sheriff departments. This work will focus on base salary be compatible with the design of a 'master' salary plan as mentioned below.
- **Internal alignment assessment.** We have always urged that our clients not get trapped into matching jobs solely on external salary practices. This is a potential discriminatory practice that has led to creation of Oregon's HB 2005.

Therefore, our efforts will be to continue with accomplishing internal equity and alignment using the JOBMEAS™ system. Our general approach:

- Conduct a high level review of the County organization structures and the measurements that have aligned current positions. As part of this review, we will also conduct concurrent training of HR on the job measurement technical processes, which have recently been revised and revalidated.
 - Update current payroll information to fill data fields in the SALPLAN™ model. This information will ultimately assist us in the internal equity/equal pay assessment process.
 - Conduct a review of current job measurements and their respective salary grade alignment.
 - Select some job classifications to study on a more detailed level based on recent job content changes and differences we find through the document and job measurement review process. We are anticipating this will be a relatively small number of positions.
 - Develop for review, a revised internal alignment of positions.
- **Reconstruct salary ranges.** We will redesign ranges so that the County can continue to achieve a consistent competitive philosophy, have suitable range-grade level differentials to mitigate pay compression, and to have longer term yet affordable salary growth for all staff.
 - We will urge the County to consider a ‘master’ salary schedule concept where all occupational groups within the County can be linked with a common and unilateral competitive strategy.
- **Prepare updated decision support.** We have made numerous advances over the last decade resulting in creative implementation processes, decision support tools for new hire processes, career path enhancements, and other features, all of which will be lighted in an executive briefing style of report.

We believe we are the only bidder to this project with computer-aided tools to expedite the job alignment process, pinpoint equal pay and comparable worth issues, design salary structures, and help the County manage costs. The County receives the newest JOBMEAS™ system for aligning jobs and our SALPLAN™ decision support model (which specifically addresses equal pay/comparable worth) as part of our service at no additional charge.

We are budgeting 160 professional hours commencing in August for the purpose of assessing and updating your internal alignment of jobs, salary structures, developing cost-effective implementation, and leaving with you state-of-the-art decision support tools for job evaluation, structure development, and compliance.

| | | |
|-----------------|--|----------------|
| ▪ Fee proposal: | 160 productive hours at \$160 per hour = | \$25,600 |
| ▪ Add travel: | Two trips, four nights lodging, & per diem = | <u>\$2,600</u> |
| | TOTAL = | \$28,200 |

We will initiate a contract document to guide service delivery. Our work will take place from our office where we can take advantage of remote video communications and with some on-site visits for technical work, training, and communications.

I will be your project consultant. I come with substantial experience working with public sector organizations of similar size and complexity, where I have led and participated in many studies of similar size and scope having unique cost-of-living, economics, demographics, recruiting challenges, and serving populations many times larger than the official population.

We are very enthusiastic about the potential of working again with the County. If you select us, you have our commitment to high quality, cost-effective, and timely results. References are available from recent projects.

Very truly yours,



Vance B. Jacobson
CEO and Managing Consultant