



Location: City Hall – Council Chambers  
Date: April 09, 2024  
Time: 6:00 PM

## City Council Meeting Agenda

Mayor Jason Beebe, Council Members Steve Uffelman, Janet Hutchison, Shane Howard, Gail Merritt, Scott Smith, Marv Sumner and City Manager Steve Forrester  
**ATTEND TELEPHONICALLY BY CALLING 346-248-7799 Meeting ID: 947 5839 2608 Passcode: 123456**

### Call to Order

### Flag Salute

### Additions to Agenda

### Consent Agenda

1. Regular Meeting Brief 3-26-2024

### Visitors, Appearances and Requests

2. Prineville Crook County Chamber Update - Kim Molnar
3. Cascade East Transit (CET) Update - Andrea Breault, CET Transportation Director

### Council Presentations

### Council Business

4. Reading of Proclamation - Vietnamese Remembrance Day - Mayor Beebe

### Staff Reports and Requests

5. City Manager Report - Steve Forrester

### Committee Reports

### Ordinances

6. Ordinance No 1289 - Amending the Prineville Zoning Map and Comprehensive Plan Map to Reconcile Discrepancies Between the Two (**FIRST PRESENTATION**) - Josh Smith

### Resolutions

7. Resolution No 1591 - Approving an Amendment to Funding Agreement with City and OID Regarding Combs Flat Rd to Peters Rd Extension Project - Casey Kaiser
8. Resolution No 1592 - Authorizing the City to Approve an IGA Between Crook County and the City for Management of the Crook County/Prineville Airport - Steve Forrester

### Visitors, Appearances and Requests

### Adjourn

*Agenda items maybe added or removed as necessary after publication deadline*



**CITY OF PRINEVILLE**  
**Regular Meeting Brief**  
387 NE Third Street – Prineville, OR 97754  
541.447.5627 ph 541-447-5628 fax

Full Meeting Recordings Available at:  
<http://cityofprineville.com/meetings/>

**City Council Meeting Brief**  
**March 26, 2024**

**Council Members Present:**

Marv Sumner  
Jason Beebe  
Gail Merritt

Steve Uffelman  
Scott Smith  
Shane Howard  
Janet Hutchison

**Council Members Absent**

None.

**Additions to the Agenda**

Postpone Ordinance No. 1289 and addition to Consent Agenda for a liquor license change in ownership license.

**Consent Agenda**

1. Regular Meeting Brief March 12-2024
2. Initiative Brewing, LLC – Change in Ownership & Additional Privilege Liquor License

**Councilor Howard made a motion to approve consent agenda as amended. Motion seconded. No discussion on motion. All in favor, motion carried.**

**Visitors, Appearances and Requests**

3. **Ceremonial Swear In – Officer Zarom Bruce – Interim Chief Wilson**

Interim Chief Wilson introduced Officer Zarom Bruce explaining that he will begin the DPSST Academy on April 1<sup>st</sup> for 16 weeks, then undergo an additional 16 weeks of training when he returns home. Interim Chief Wilson introduced the rest of Officer Bruce's family, with the exception of his mother. His mother was delayed for arrival by 10 minutes.

The oath was postponed until Officer Bruce's mother could be present.

**Council Presentations**

4. **Airport Intergovernmental Agreement (IGA) Presentation – Andy Parks**

Andy Parks, Interim Crook County Administrator went through a power point presentation that highlighted the features, recent activity, future activity and the history of the airport operations under an IGA since 2011.

Mr. Parks went through airport financial assumptions through FY 2028, and talked about the proposed IGA that will come to Council at their next meeting for consideration.

There were no questions.

**Ceremonial Swear In – Officer Zarom Bruce – Interim Chief Wilson  
(CONTINUED)**

Officer Bruce and wife Kristin came forward. Interim Chief Wilson administered the Oath and had his badge pinned by his wife.

**Council Business**

**5. Intent to Award 2024 Spring Paving Project – Casey Kaiser**

Casey Kaiser, Public Works Director presented the staff report.

There was discussion regarding the Fairground Road which is in the city’s jurisdiction.

No further discussion.

**Councilor Uffelman made a motion to approve the intent to award 2024 Spring Paving Project to Owens Asphalt, LLC in the amount of \$149,500.00. No discussion on motion. All in favor, motion carried.**

**6. Reading of a Proclamation – International Dark Skies Night – Mayor Beebe**

Mayor Beebe read the proclamation into the record.

**Staff Reports and Requests:**

**7. City Manager’s Report– Steve Forrester**

Steve Forrester, City Manager went through highlights for each department.

There were no questions or comments.

**Committee Reports**

Moved to after resolutions.

**Ordinances:**

- 8. Ordinance No 1289 – Amending the Prineville Zoning Map and Comprehensive Plan Map to Reconcile Discrepancies Between the Two Maps (FIRST PRESENTATION) – Josh Smith**

**This has been postponed.**

**Resolutions**

- 9. Resolution No 1590 – To Approve the Establishment of a School Support Fee of 15% - Kelsey Lucas**

Kelsey Lucas, Prineville / Crook County EDCO Manager presented the background information explaining that the school voted for the least amount of 15%.

There were discussions regarding the purpose of this resolution and that it is mandated by the state, the extra administration time for the schools to track and report even though it doesn't provide any benefit to the schools. Any excess funds collected by the state from the school support fee of 15% will be deducted from the per student funds they currently receive so it would be a wash with no extra funds distributed to the schools.

The state is still early on in the rules, so it is unknown at this time what the state intends on doing with the extra 15% they will be gaining and deducting from the schools regular per student revenue calculation. Ms. Lucas will follow up with that information when it becomes available.

**Councilor Sumner made a motion to approve Resolution No 1590. Motion seconded. All in favor. Councilor Uffelman stated he would like to vote no, but is not going to and he will vote yes. Anyone opposed, other than the ones that voted aye? No further discussions. Passes unanimously.**

**Committee Reports**

Councilor Hutchison provided an Ochoco Forest Collaboration meeting update stating that Chris Gannon from the Crooked River Watershed Council visited their meeting. They also had a presentation on the Western Beaver and their favorite food. Work continues on the wildfire crisis strategy, Coral Flat environmental analysis, Mill Creek environmental analysis, and tree mortality.

Councilor Uffelman went to Washington state for an Energy Facility Siting Council meeting. He met a solar gentleman there that came to visit to discuss the possibility of a community solar project that could potentially help people that don't have ideal conditions to access solar power for their homes.

There were no further reports.

**Visitors, Appearances and Requests:**

No one came forward.

**Adjourn**

**Councilor Smith made a motion to adjourn the meeting. Motion seconded. No discussion on motion. All in favor, motion carried.**

Meeting adjourned at 6:53 P.M.

**Motions and Outcomes:**

Motion:	Outcome	Beebe	Howard	Hutchison	Merritt	Smith	Sumner	Uffelman
Consent Agenda as amended	PASSED	Y	Y	Y	Y	Y	Y	Y
Motion to approve the intent to award 2024 Spring Paving Project to Owens Asphalt, LLC in the amount of \$149,500.00.	PASSED	Y	Y	Y	Y	Y	Y	Y
Ordinance No 1289 – Amending the Prineville Zoning Map and Comprehensive Plan Map to Reconcile Discrepancies Between the Two Maps <b>(FIRST PRESENTATION)</b>	POSTPONED	-	-	-	-	-	-	-
Resolution No 1590 – To Approve the Establishment of a School Support Fee of 15%	PASSED	Y	Y	Y	Y	Y	Y	Y
Adjourn Meeting	PASSED	Y	Y	Y	Y	Y	Y	Y

Public Records Disclosure

Under the Oregon public records law, all meeting information, agenda packets, ordinances, resolutions, audio and meeting briefs are available at the following URL:

<https://www.cityofprineville.com/meetings> .

Creating connections.

cet

7

Operated by **COIC**

# Spectrum of transportation services

ADA Paratransit  
Rural Dial A Ride  
Fixed Route Services  
Community Connectors  
Recreational Transportation  
Employer Vanpools  
Non-Emergency Medical Transport  
Veteran Transportation





cascades east transit  
Where vision meets destination.

COIC

# CET Divisions

Dispatchers

Customer Service Representatives

Vehicle Operators

Mechanics

Maintenance Workers

Supervisors/Managers

Administrative Staff

## How Are We Funded?

Federal 5310 Funds – Rural Transportation Services

Federal 5311 Funds – Elderly and Disabled Transportation

Federal 5307 Funds – Urban Area Transportation

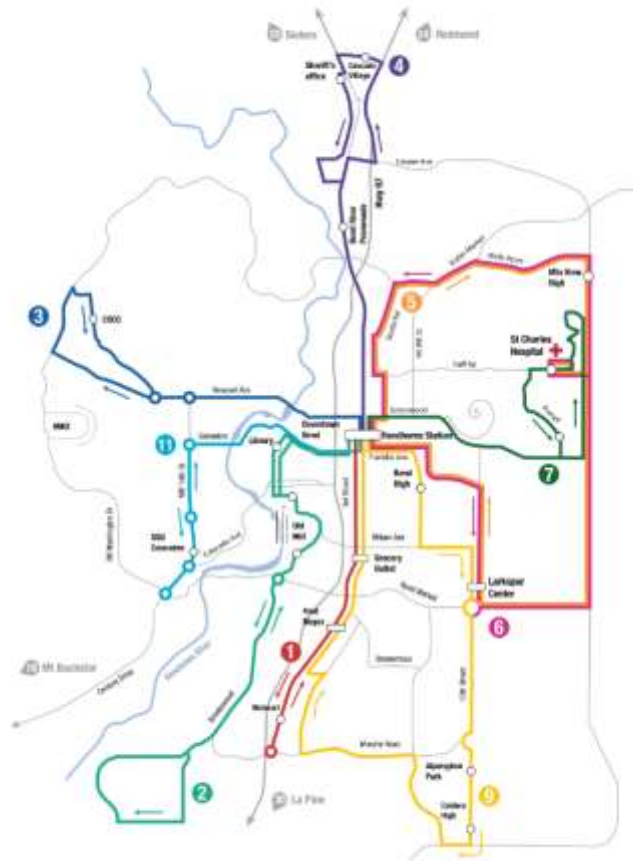
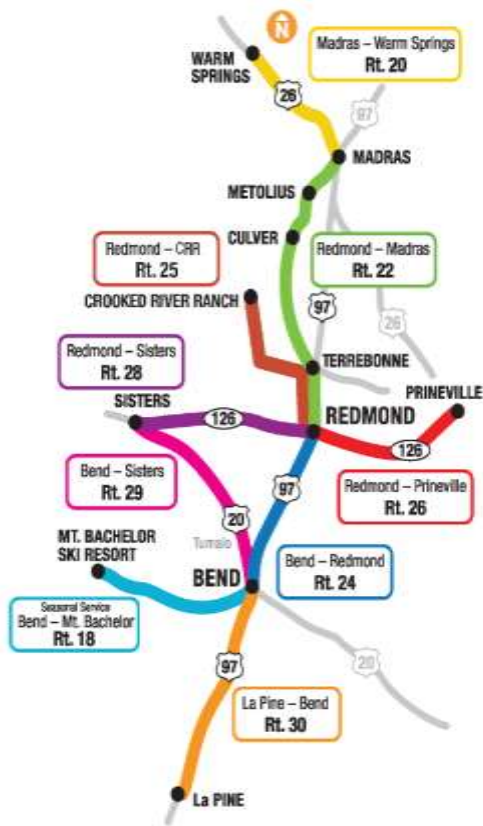
Statewide Transportation Improvement Funds

Discretionary and Capital Grants

## Regional Services

## Bend Fixed Route

## Vanpools



- 4 Redmond – Bend
- 3 Bend – La Pine
- 2 Bend – Sisters
- 2 Bend – Crescent
- 2 Redmond – Sisters
- 1 Redmond – Bend
- 1 Terrebonne – Sisters
- 1 Terrebonne - Bend
- 1 Prineville – Redmond
- 1 Prineville – Bend
- 1 Prineville – Sisters
- 1 Prineville – Pilot Butte
- 1 Bend – Bend
- 1 Bend - Prineville
- 1 Madras – Redmond
- 1 Redmond – Prineville
- 1 La Pine – Bend
- 1 Warm Springs – Mt Hood

## EXPANDED SERVICES COMING TO PRINEVILLE/REDMOND AREA JUNE 2024

4 new round trips on RT 26 departing Prineville to Redmond Monday through Friday

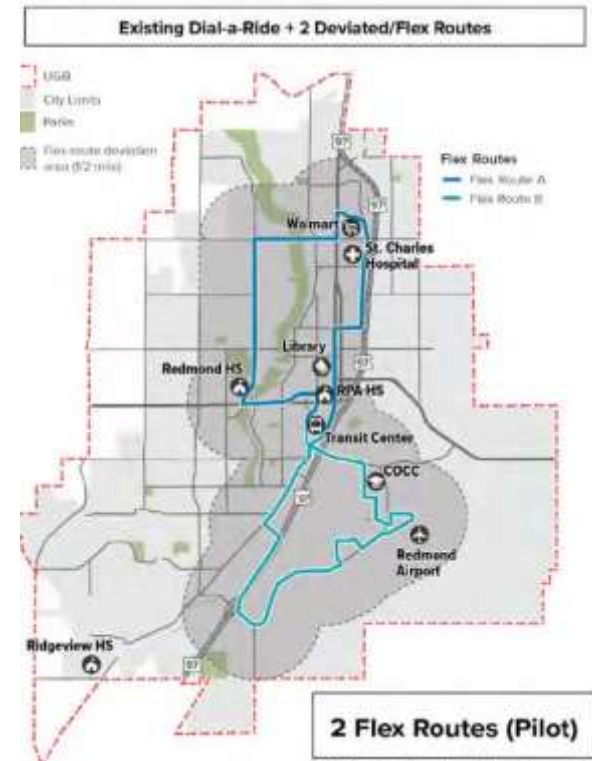
- 9:39am
- 10:57am
- 12:09pm
- 1:29pm

Current Schedule Below

MONDAY - FRIDAY	EASTBOUND				WESTBOUND			
	REDMOND HUB	POWELL BUTTE CHURCH	CROOK COUNTY LIBRARY	STRYKER PARK	STRYKER PARK	3RD AT HARWOOD	POWELL BUTTE CHURCH	REDMOND HUB
	6:03	-	6:28	6:32	6:42	6:45	6:58	7:11
	7:22	-	7:47	7:51	8:01	8:04	8:17	8:30
	-	-	-	-	-	-	-	-
	2:23	2:36	2:49	2:52	3:02	3:05	-	3:30
	3:50	4:03	4:16	4:20	4:30	4:33	-	4:58
	5:50	-	6:16	6:20	6:30	6:33	-	6:58

## EXPANDED SERVICES COMING TO PRINEVILLE/REDMOND AREA JUNE 2024

- Two new city routes in Redmond
- Aligns with RT 26 timing into Redmond hub
- Two routes Northwest route to major shopping destinations
- Monday through Friday 7:30am – 5:30pm
- Additional Rural Veterans Funding coming to Central Oregon June 1<sup>st</sup> 2024



# PROCLAMATION

**Whereas:**

Vietnamese refugees have proudly resided in Prineville, the state of Oregon since the conclusion of the Vietnam War on April 30\*, 1975 and

**Whereas:**

Vietnamese Americans have put forth their full toiling energy building the city of Prineville, State of Oregon in a multitude of prominent areas including industry, economy, culture, education, and military service and

**Whereas:**

Vietnamese Americans have counted on the State of Oregon, USA as being their second heart, mind, and family homeland and

**Whereas:**

Every year, Vietnamese Americans celebrate Remembrance Day on April 30th to solemnly honor the 58,000 American soldiers, and more than 300,000 South Vietnamese soldiers who sacrificed their lives in the line of duty for freedom and democracy in South Vietnam from 1955 to 1975.

**NOW, THEREFORE:**

I, Jason Beebe the Mayor of Prineville, does hereby proclaim April 30th, 2024 to be recognized as:

**Vietnamese Remembrance Day**

I resolutely encourage all to join in the reverent recognition of this cultural heritage celebration.



\_\_\_\_\_  
Rodney J. Beebe, Mayor

## **City Manager Update to Council**

**April 9, 2024**

### **Public Safety / Dispatch**

PD is interviewing another lateral police officer with more information to come on the process. Two officers have trained to be first aid/CPR instructors eliminating the need to send officers out to recertify in first aid and CPR. Now all that training can be done in-house. Amy Van Donk has been selected as the new Administrative Services Manager and will start in that position on April 15<sup>th</sup>. Congratulations Amy! This has created a vacancy for the Evidence Technician position.

### **Public Works**

The ASR injection season is now successfully completed. We now have over 380 MG of water stored that can be utilized during the peak season.

We will begin moving forward with the Combs Flat Road extension project, which will be a very exciting yet complex project since it will coincide with the piping of the OID irrigation canal.

The 30” waterline project is finally going in the ground.

Preparing to prove up on our Clear Pine water right on April 18<sup>th</sup>.

Public Works is continuing to work on a project that will involve major production upgrades to the Heliport & Airport 2 well. There was a challenge with the availability of major electrical components but should be moving forward now.

James Blanchard has recently completed his routine checking and running of all back-up generators. These are critical pieces of equipment that we depend on to run our well pumps, booster pumps and wastewater lift station in the event of a power outage.

### **Railroad**

Big news for the railroad! The new locomotive is now in transit and should be arriving within the next couple of weeks.

### **Meadow Lakes Golf**

The parking lot project is moving along nicely. New curbing of the islands has been completed and the new light poles and bases have been installed on the north end. Public Works is hauling soil and landscaping rock this week and next. The new landscaping and rock should be in place before paving on the 16<sup>th</sup> & 17<sup>th</sup>. The front gate and entrance is also getting some attention with removing the old sign base and pillars and replacing with a new base and faux rock pillars. The dumpsters have been relocated and removed the old wooden fence as you enter the parking lot on

the right. A new fence will be installed after the paving is completed and it should look really good once all done.

#### **Airport – No Update**

#### **Planning**

The large apartment complexes are progressing. There is also interest in two smaller 20 unit projects. Single family housing is heating up with two new subdivisions building this summer. The EV stations are being used on a regular basis.

#### **Human Resources**

We are continuing our leadership training with CrestCom and adding a component for what Steve dubbed the “NextGen” to incorporate the emerging leaders within our departments as we take deliberate steps to encourage professional development and career advancement. The first of these sessions was held on Wednesday April 3<sup>rd</sup>. This session was titled “Ignite a Culture of Accountability” and was well attended by several of our emerging leaders. Initial feedback was very positive and we are looking forward to the positive impacts this will have on our “NextGen”.

#### **Information Technology- No Update**

#### **Finance**

Calendar invites will be coming to you for a Budget Committee meeting on June 5, 2024 for the FY2024-2025 annual state revenue sharing public hearing.

#### **City Recorder/Risk Management – No Update**

#### **City Legal – No Update**

#### **EDCO**

The Enterprise Zone annual claim documents were due on April 1<sup>st</sup>, and all participating companies submitted those on time. There are currently 15 active agreements.

The strategy consultation for the Center on Rural Innovation (CORI) process that was started with Meta is completed. We are now waiting for funding to become available to apply for a match to bring these projects to fruition. This will create more opportunities for Crook County entrepreneurs and startups.

Lead volume has stayed strong and we have a handful of active projects working through their site selection process in Crook County. These include wood products, high technology, renewable energy storage and lifestyle products companies.

#### **Public Relations – No Update.**

#### **Mayor/Council**



The Council will have a workshop before the next Council meeting (April 23<sup>rd</sup>) to hear about the possibility of an Urban Renewal District.

**Other**

City Hall will be starting a long awaited and needed HVAC project in April.

ORDINANCE NO. 1289

**AN ORDINANCE AMENDING THE CITY OF PRINEVILLE ZONING MAP AND COMPREHENSIVE PLAN MAP, TO RECONCILE DISCREPANCIES BETWEEN THE TWO MAPS**

**WHEREAS**, the City of Prineville desires to reconcile discrepancies between its Zoning and Comprehensive Plan maps; and

**WHEREAS**, Prineville Code establishes the policy and procedure allowing the Planning Commission to initiate amendments to the zoning and Comprehensive Plan Maps; and

**WHEREAS**, all required notice was provided in accordance with state law and city ordinance, including notice to the State Department of Land Conservation and Development, newspaper notice and notice to neighboring property owners; and

**WHEREAS**, the City Planning Commission reviewed the proposal on January 17<sup>th</sup>, 2023 with a final review prior to the hearing on January 30<sup>th</sup> 2024; and

**WHEREAS**, the City Planning Commission held a public hearing on February 20<sup>th</sup>, 2024 in order to solicit comments from property owners, neighbors and other members of the community; and

**WHEREAS**, after hearing no citizen opposition at the hearing and considering the staff report and all items in the record of planning application AM-2024-100, the Planning Commission voted unanimously to recommend the City Council approve the proposed amendments; and

**WHEREAS**, the City Council reviewed the Planning Commission's recommendation on March 12, 2024 and accepted their recommendation.

**NOW, THEREFORE, THE PEOPLE OF THE CITY OF PRINEVILLE ORDAIN AS FOLLOWS:**

1. The City zoning map and Comprehensive Plan map shall be amended as shown on Exhibit A; Areas 1-9 and described in the Planning Commission's Recommendation on Exhibit B.

Presented for the first time at a regular meeting of the City Council held on March 26, 2024, and the City Council finally enacted the foregoing ordinance this \_\_\_\_ day of April, 2024.

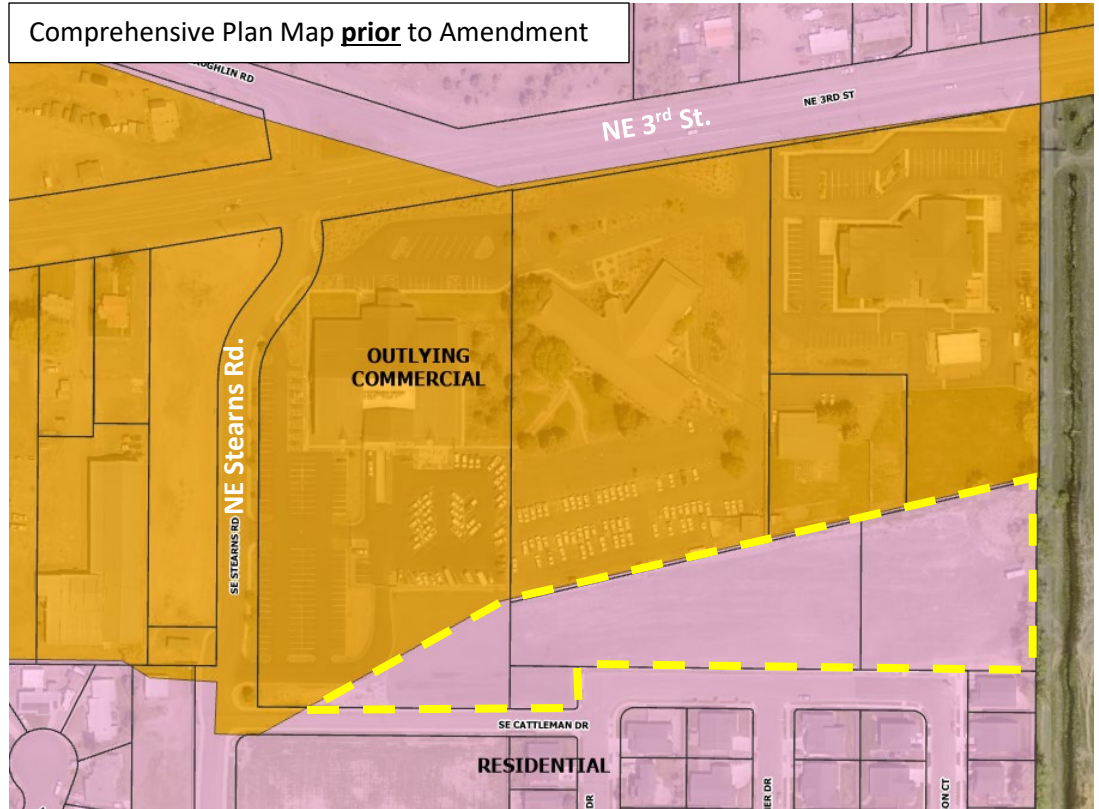
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Jason Beebe  
Mayor

ATTEST:

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Lisa Morgan, City Recorder



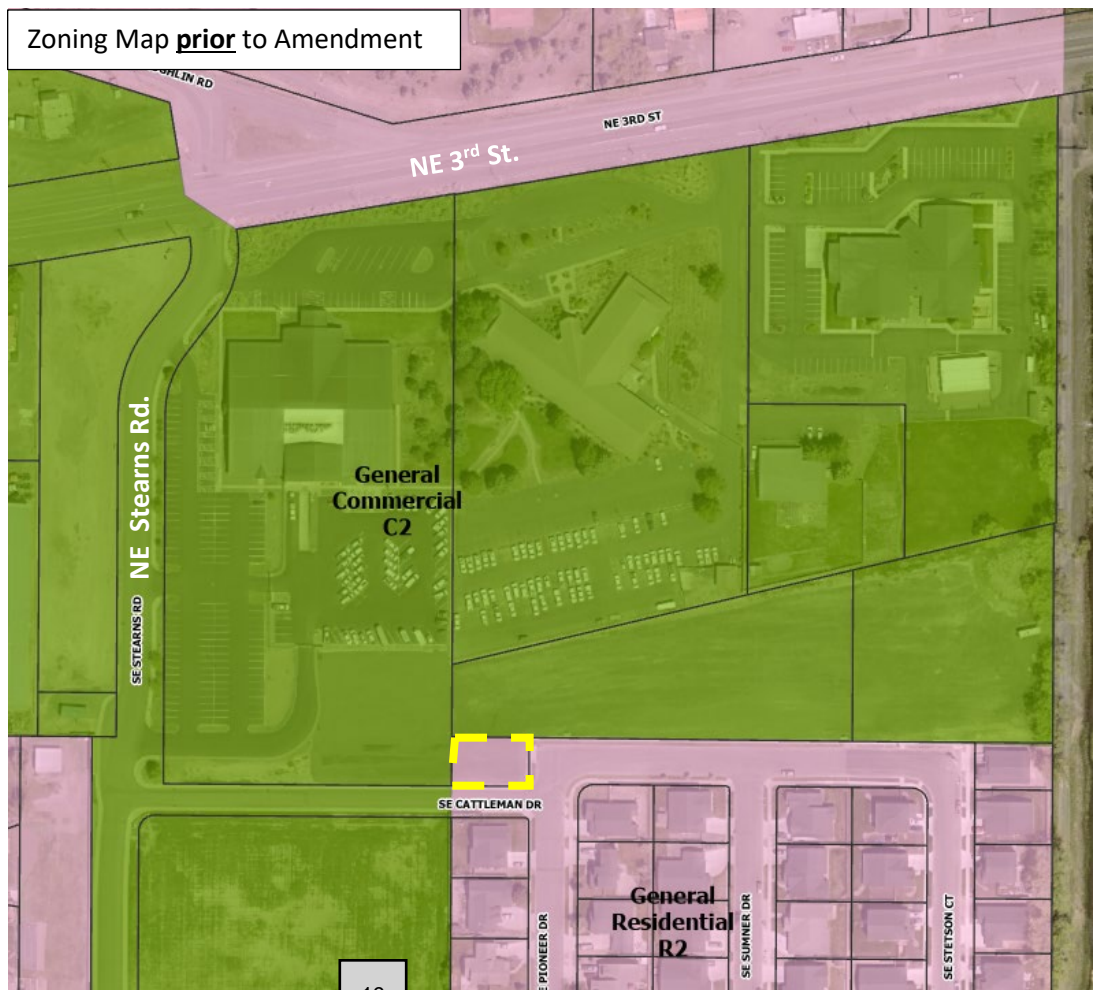
**Map & Tax lots:**

- 151604AA01000,
- 151604AA01300,
- 151604AA01400,
- 151604AD07009

**Residential**

changed to

**Outlying Commercial**



**Map & Tax lot:**

- 151604AA01400

**General Residential (R2)**

changed to

**General Commercial (C2)**

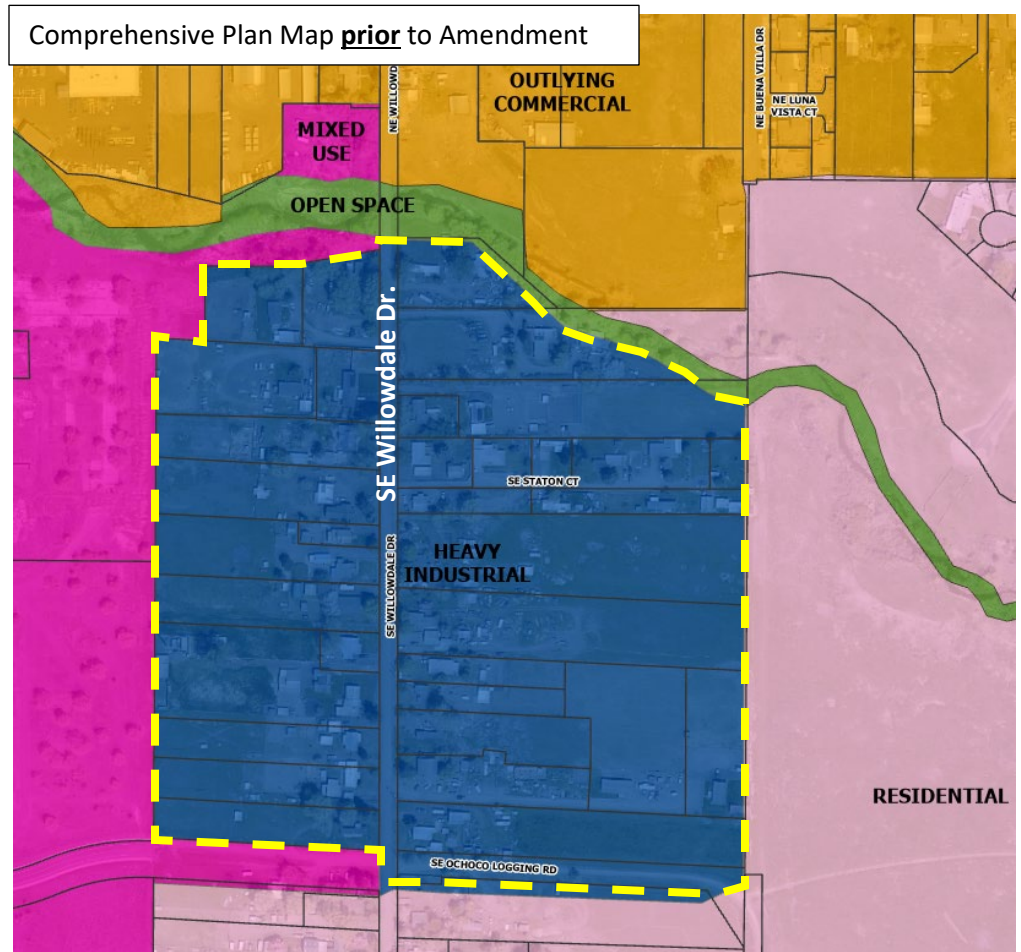
- Map & Tax lots:**  
 151604C000200 & 300  
 151604C003000 & 3100
- 151604B006300 – 6305,  
 151604B006000 & 6100,  
 151604B005700 – 5702,  
 151604B005800, 5801, 5803  
 151604B005900,  
 151604B005600 & 5601,  
 151604B005400 & 5500,  
 151604B006400 & 6401,  
 151604B006500 – 6900,  
 151604B007100 & 7102,  
 151604B007000 & 7001,  
 151604B007004

**DESIGNATION:**

**Heavy Industrial**

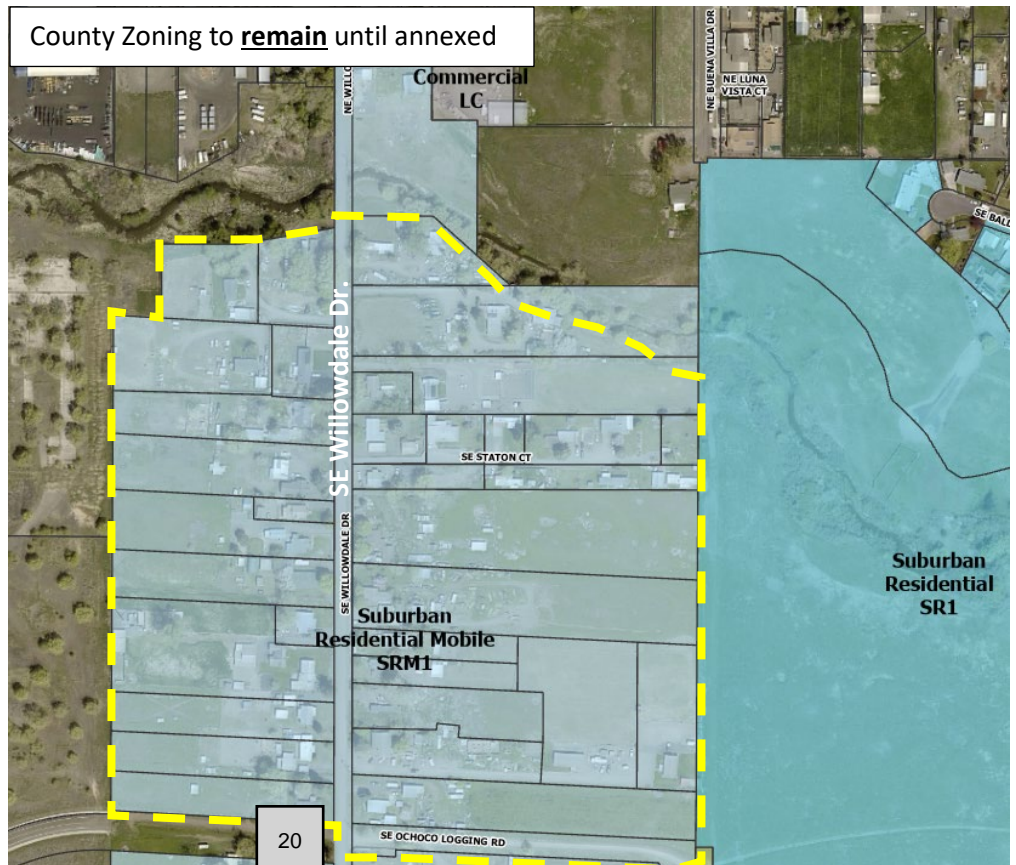
*changed to*

**Residential**



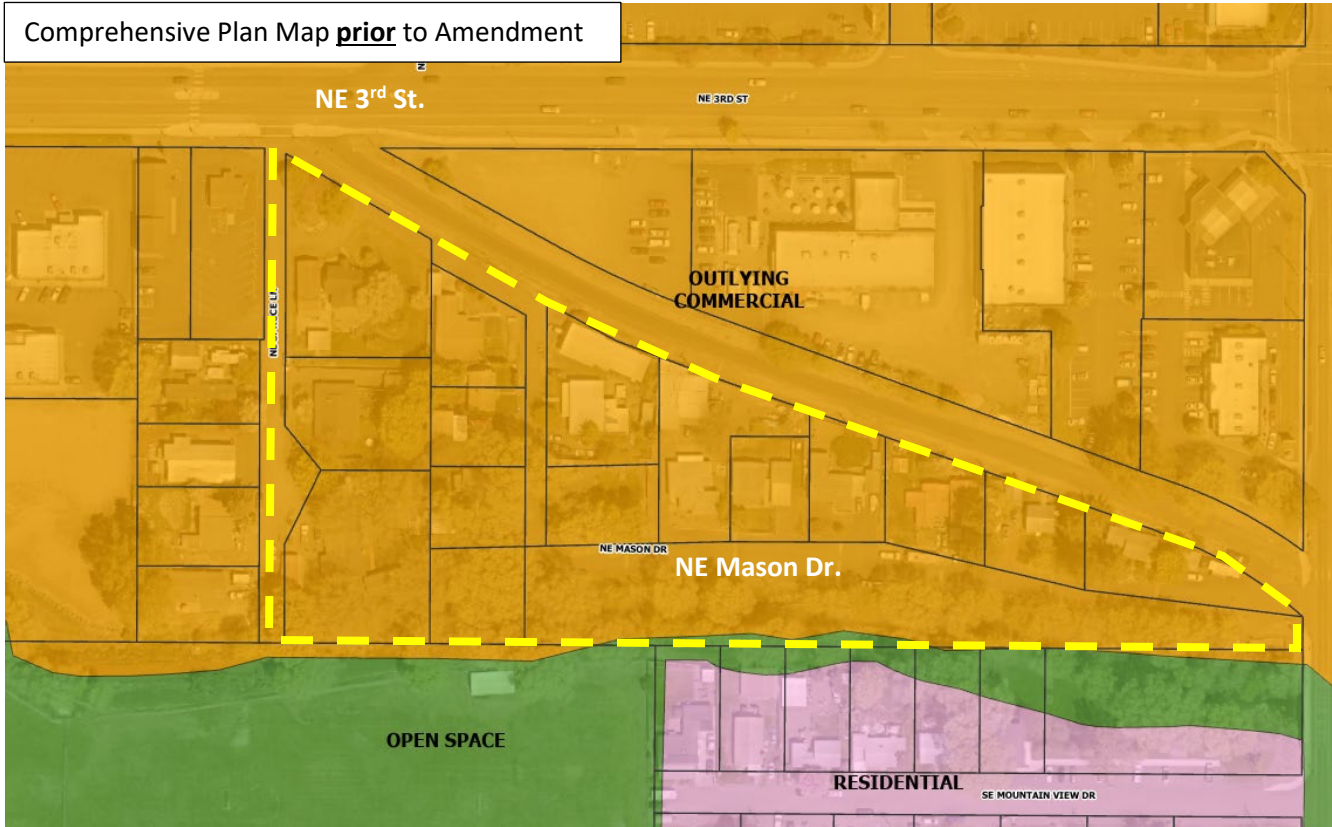
County Zoning to **remain** until annexed

No change in "SRM1" Zoning

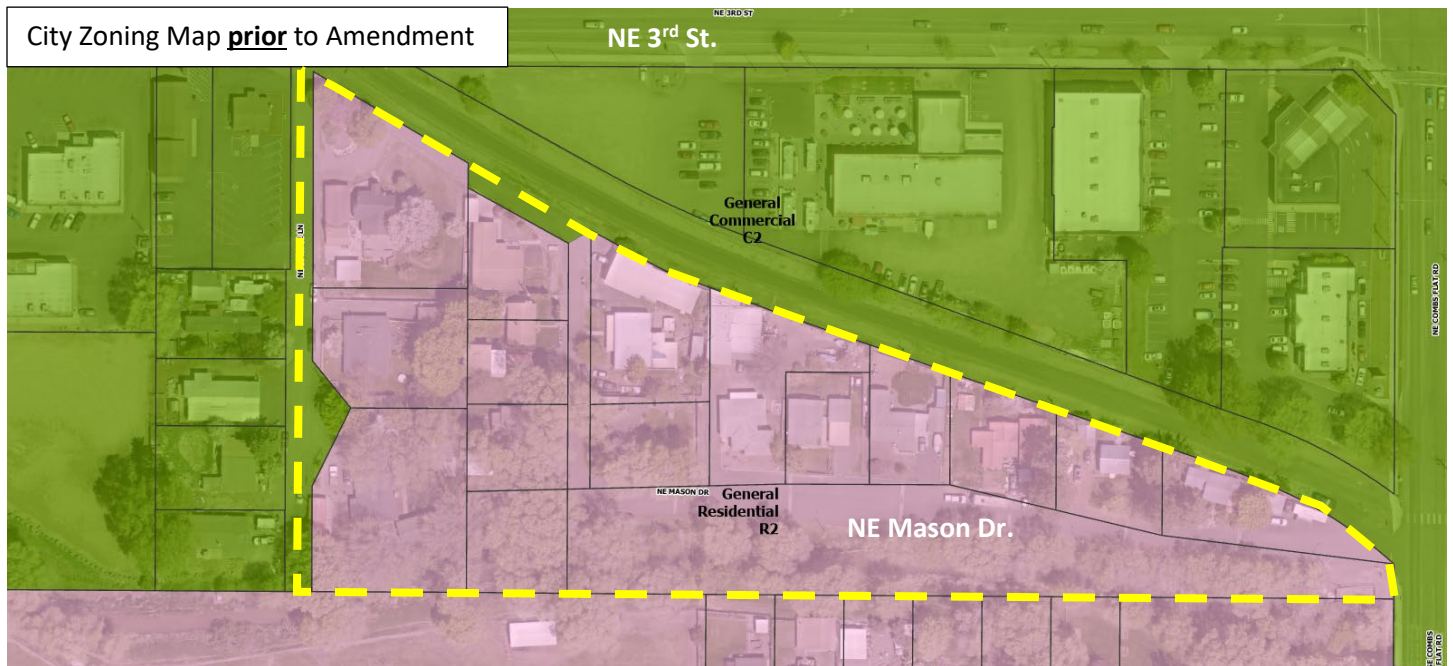


Map & Tax lots: 151605AA01800 - 3200 & 3400

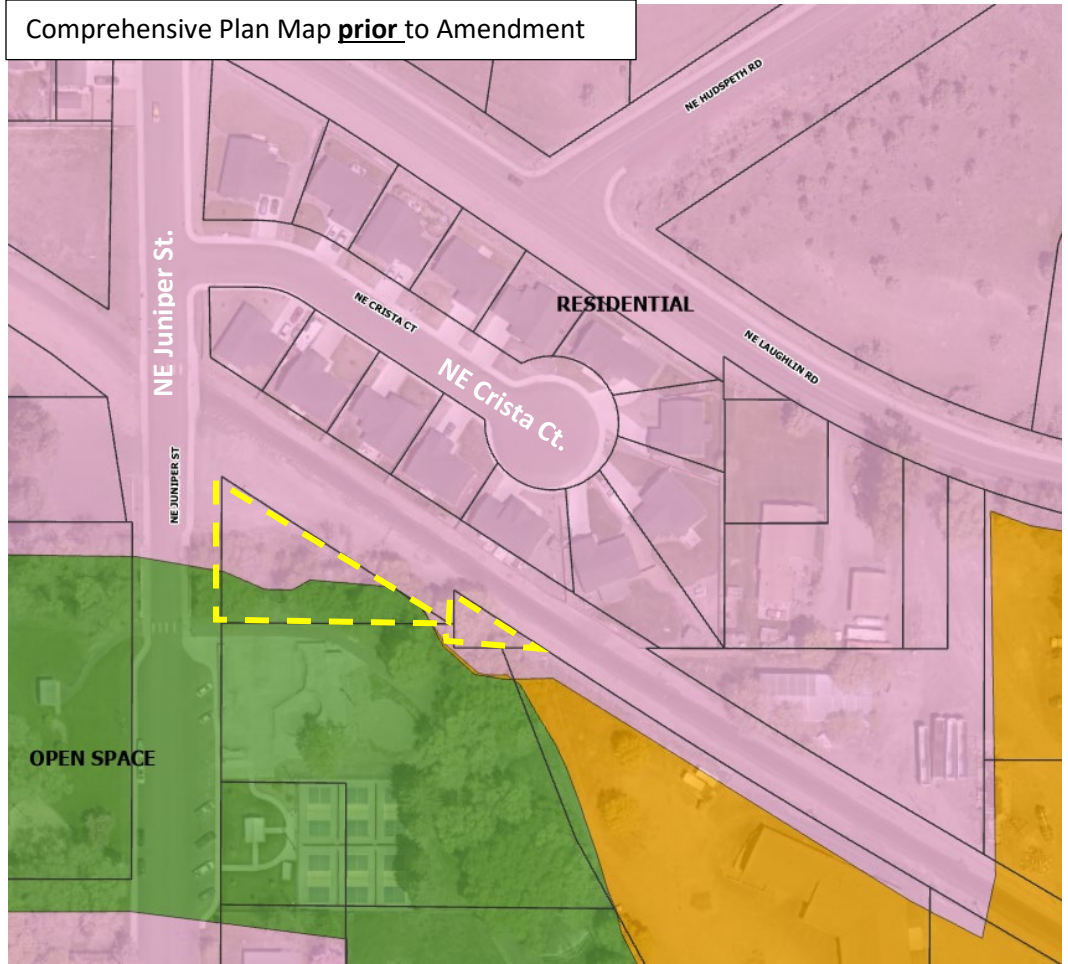
**DESIGNATION:** Outlying Commercial *change to* Residential



No change in "R2" Zoning



Comprehensive Plan Map prior to Amendment



Map & Tax lots:  
151605AB00900 & 800

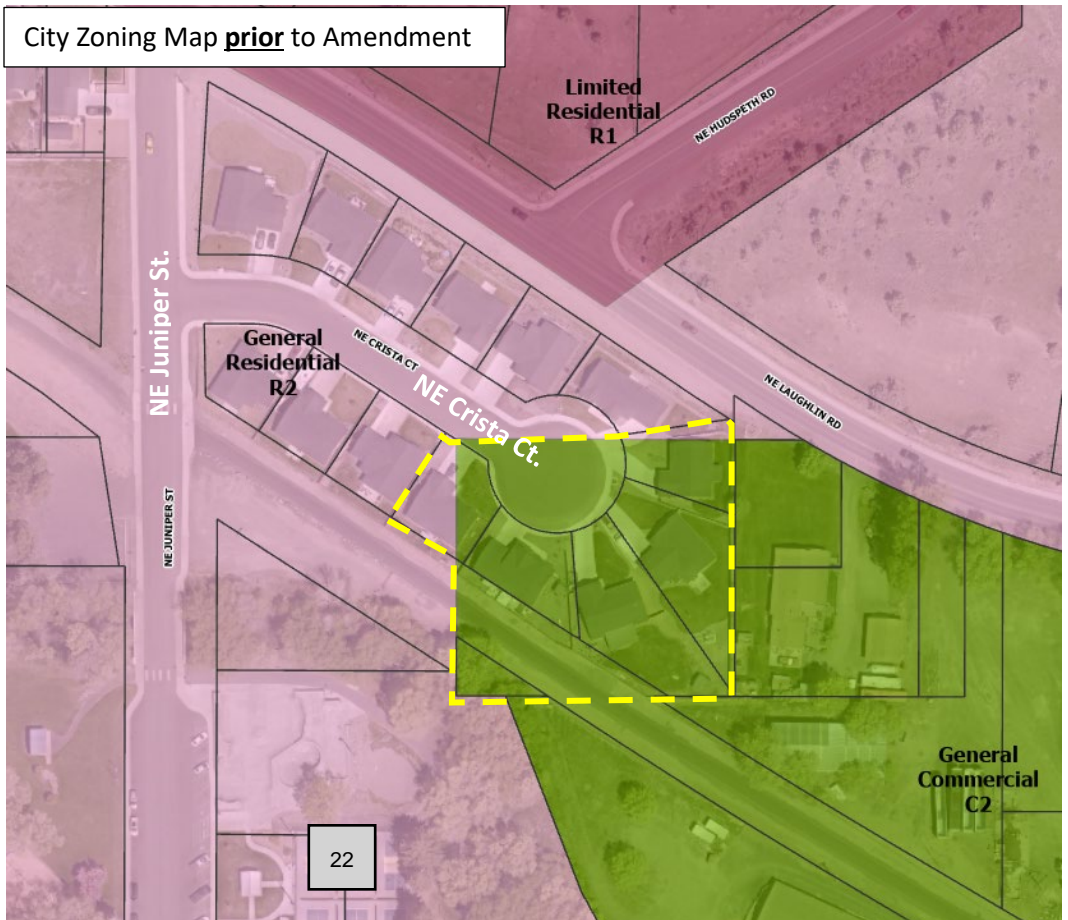
**DESIGNATION:**

Residential

*changed to*

Open Space

City Zoning Map prior to Amendment



Map & Tax lots:  
151605AB00800,  
141632DC05807 - 05811

**ZONING:**

General Commercial (C2)

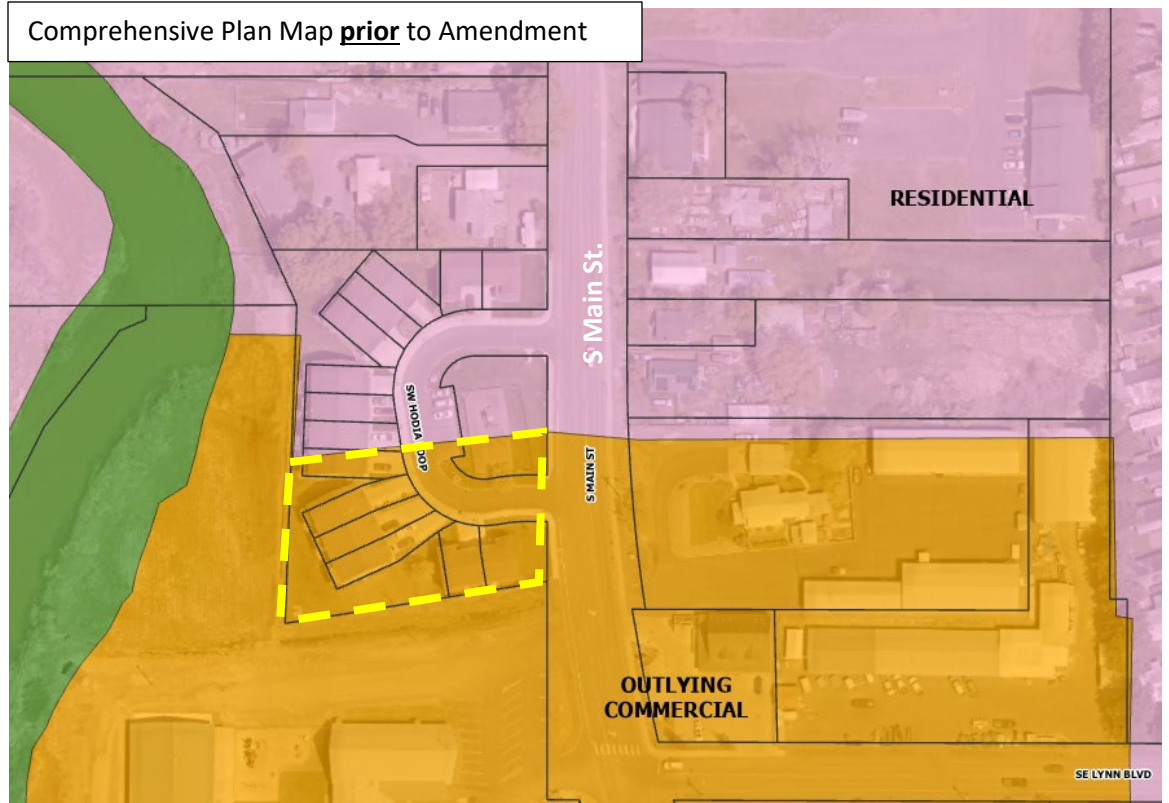
*changed to*

General Residential (R2)

Comprehensive Plan Map **prior** to Amendment

**Map & Tax lots:**  
151606DA03600  
151606DA3608  
151606DA03611 - 03617

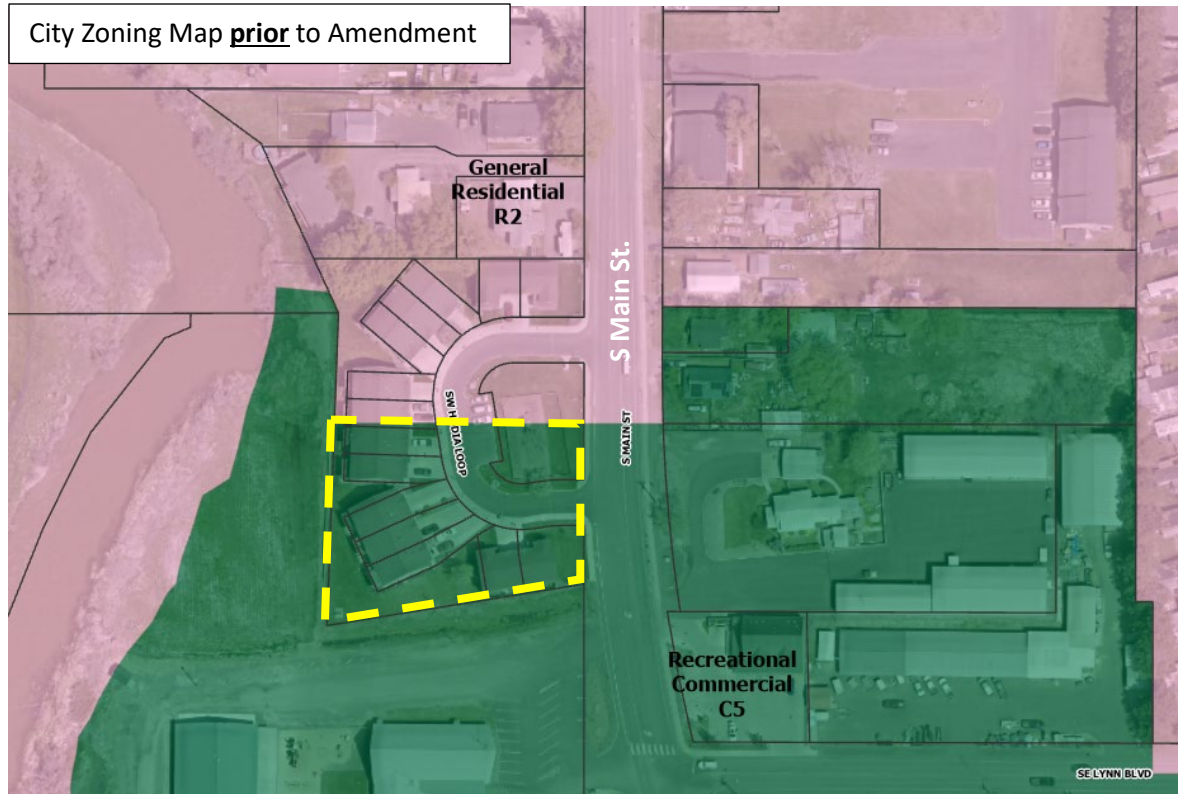
**DESIGNATION:**  
**Outlying Commercial**  
*changed to*  
**Residential**



City Zoning Map **prior** to Amendment

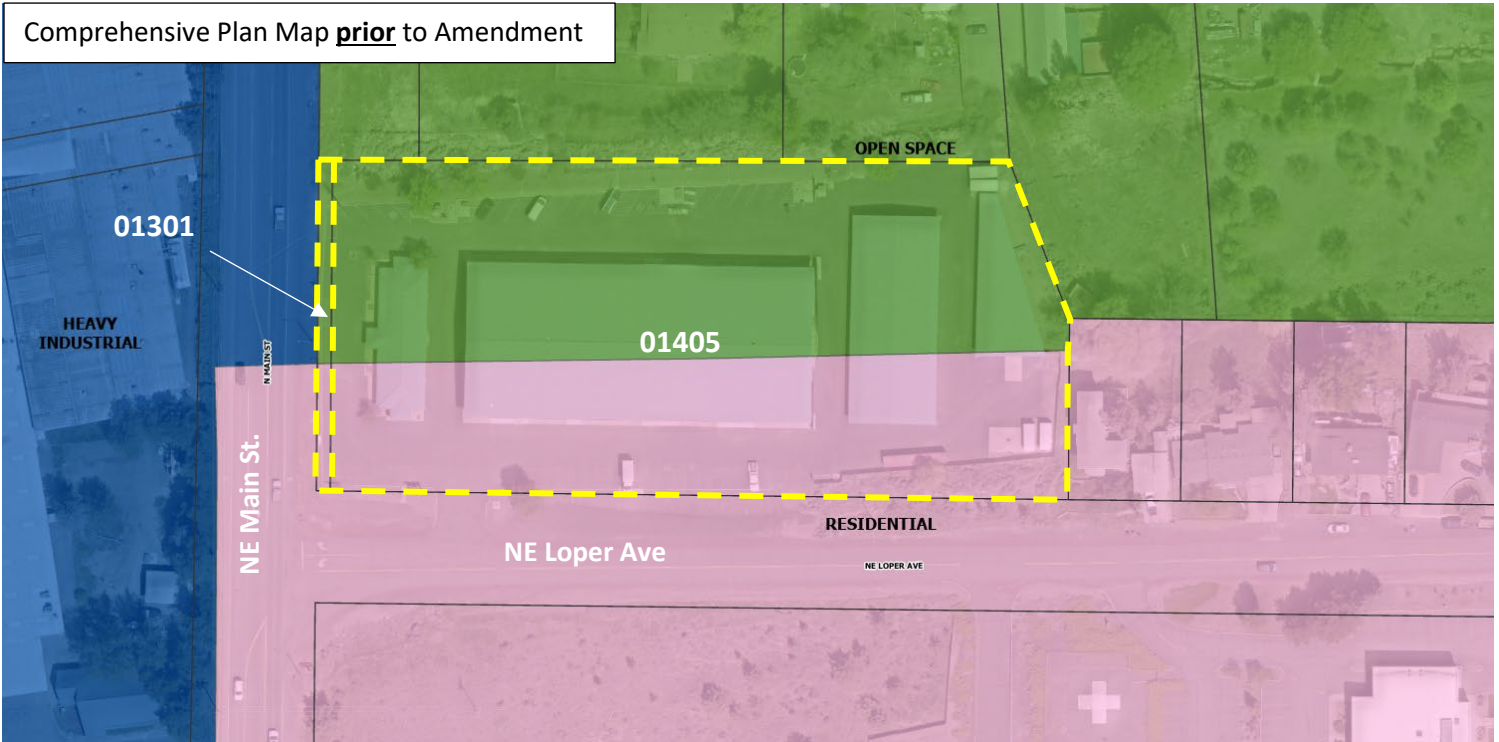
**Map & Tax lots:**  
151606DA03600  
151606DA3608  
151606DA03611 – 03617

**ZONING:**  
**Rec. Commercial (C5)**  
*changed to*  
**General Residential (R2)**

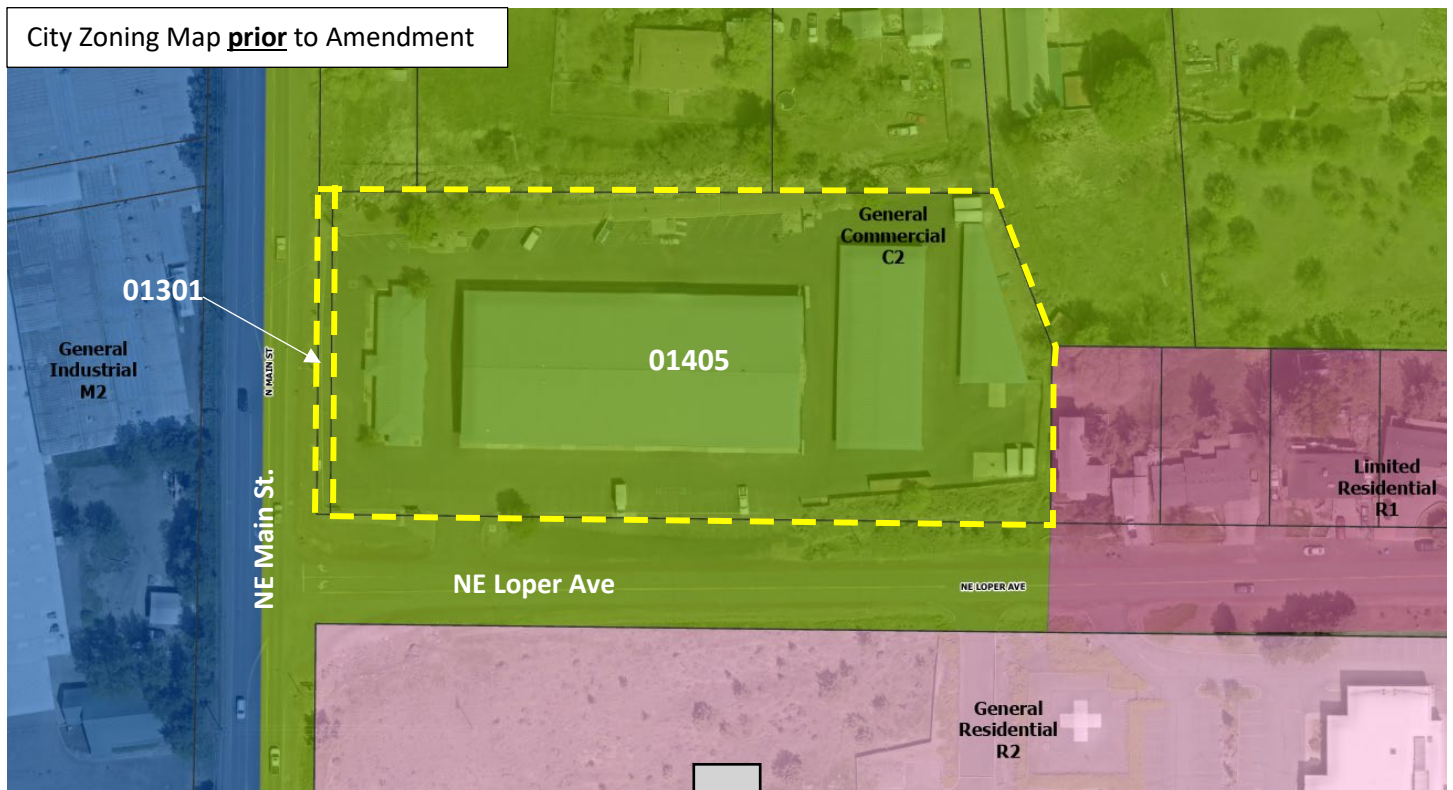


Map & Tax lots: 141632CB01405 & portion of 141632CB01301

**DESIGNATION:** Open Space/Residential change to Outlying Commercial



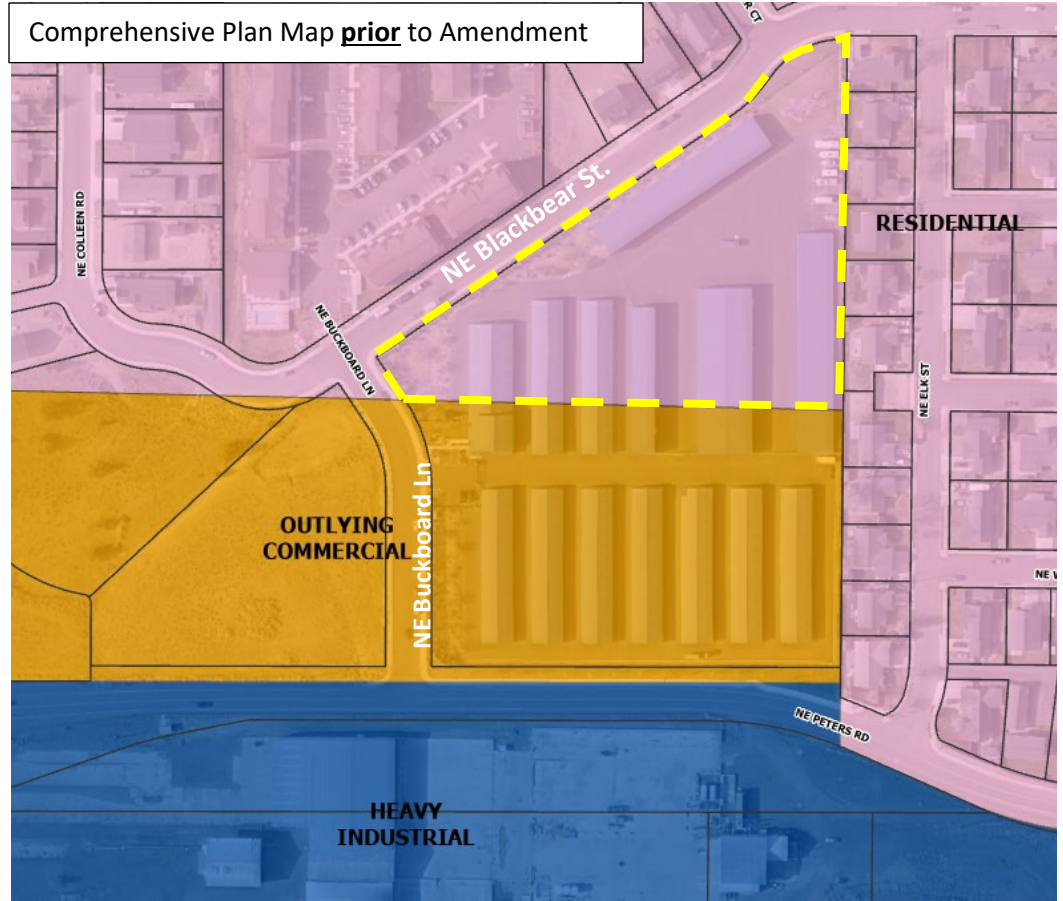
No change in "C2" Zoning





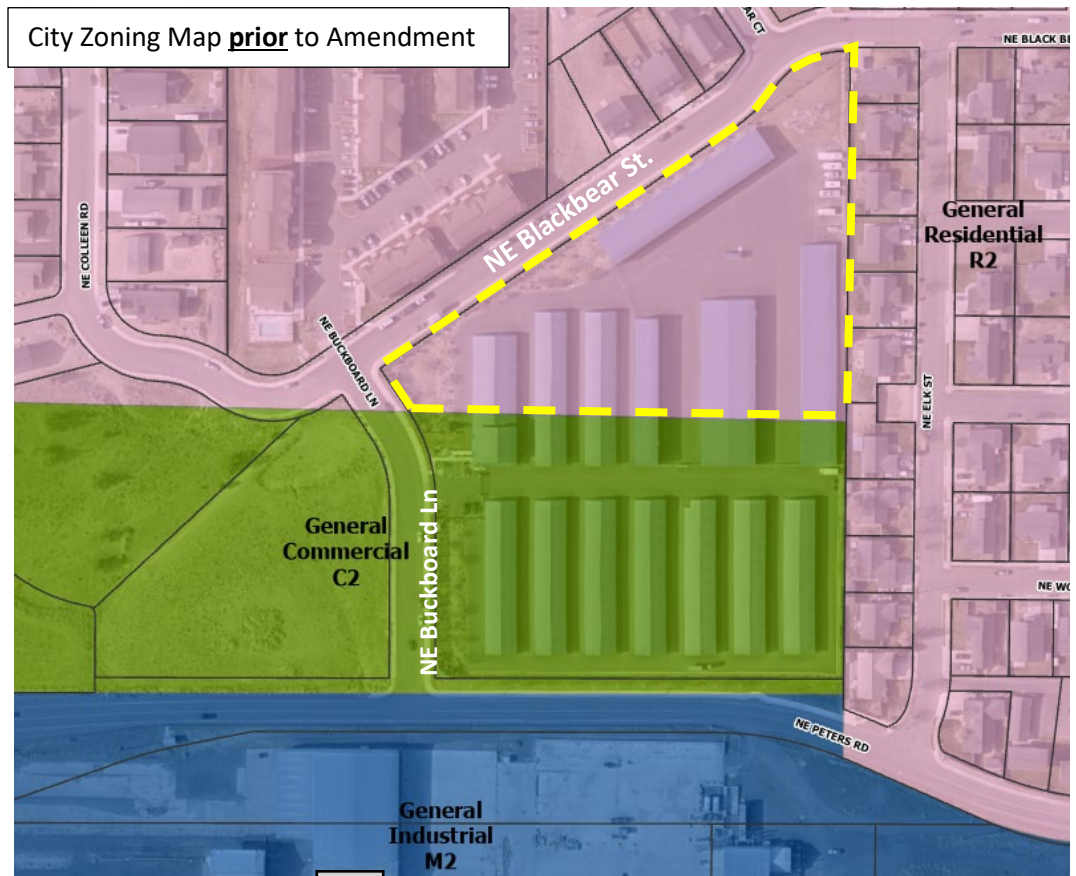
Map & Tax lot:  
141629CC00105

**DESIGNATION:**  
Residential  
*changed to*  
Outlying Commercial



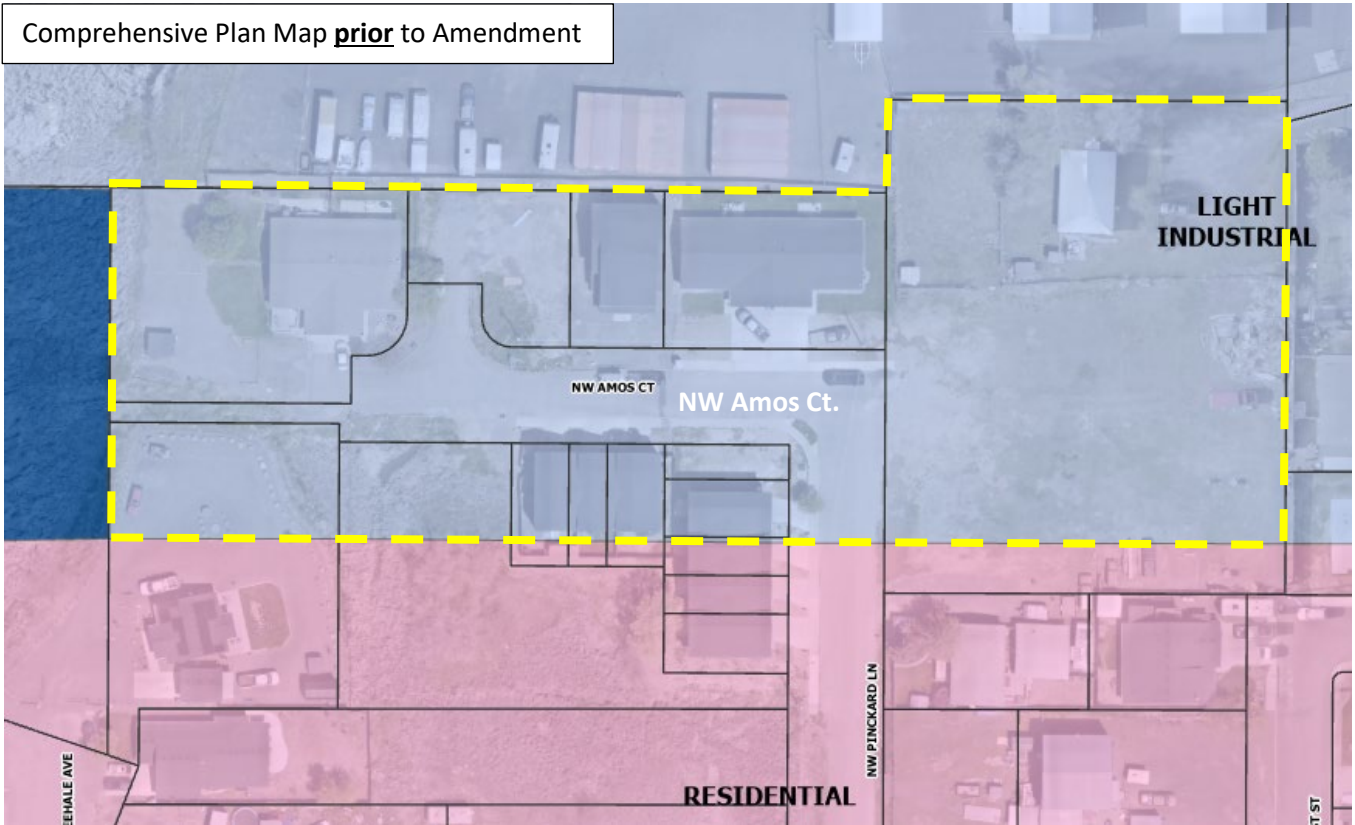
Map & Tax lot:  
141629CC00105

**ZONING:**  
General Residential (R2)  
*changed to*  
General Commercial (C2)

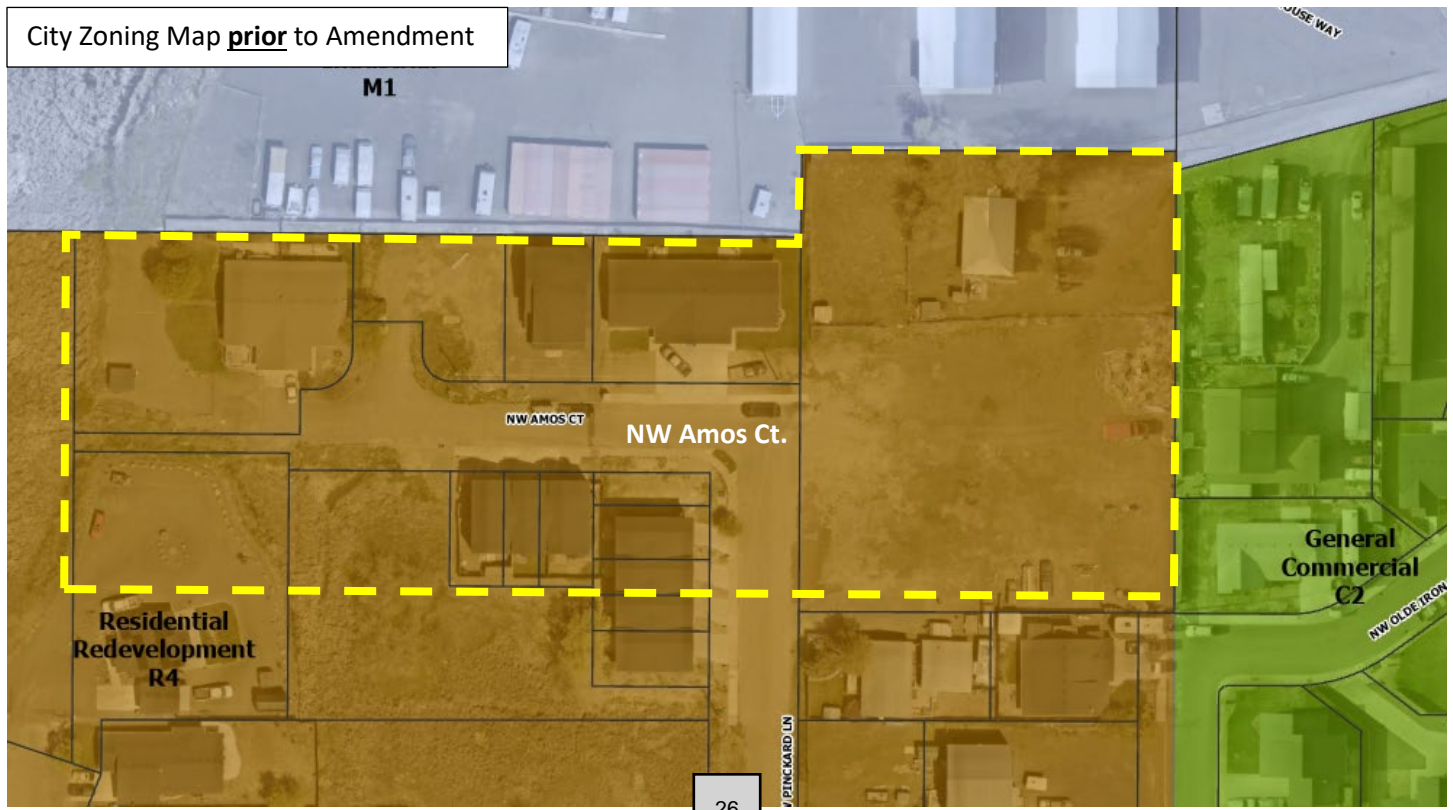


Map & Tax lots: 141631BD01200, 01700, 01800, 01801, 01900, 02000 – 02005 & 02200

**DESIGNATION:** Light Industrial *change to* Residential

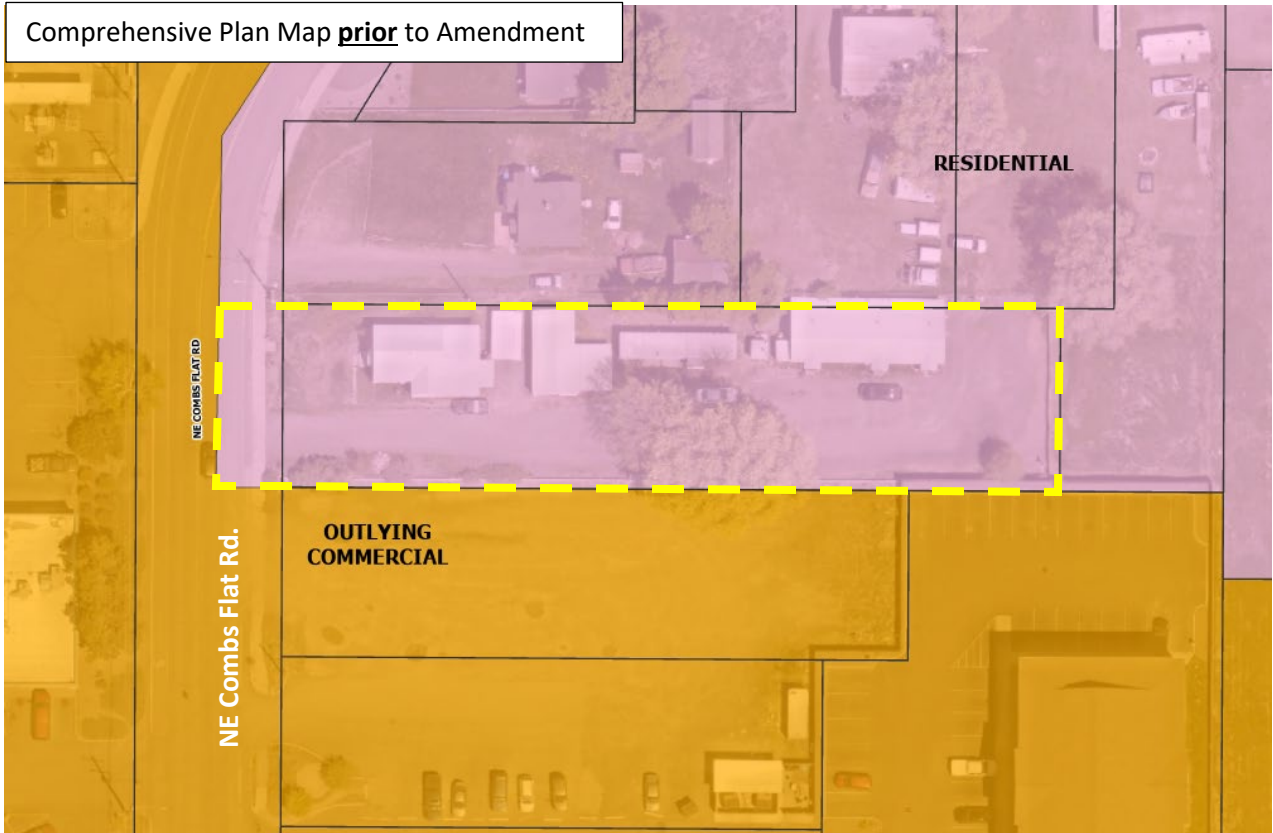


No change in "R4" Zoning



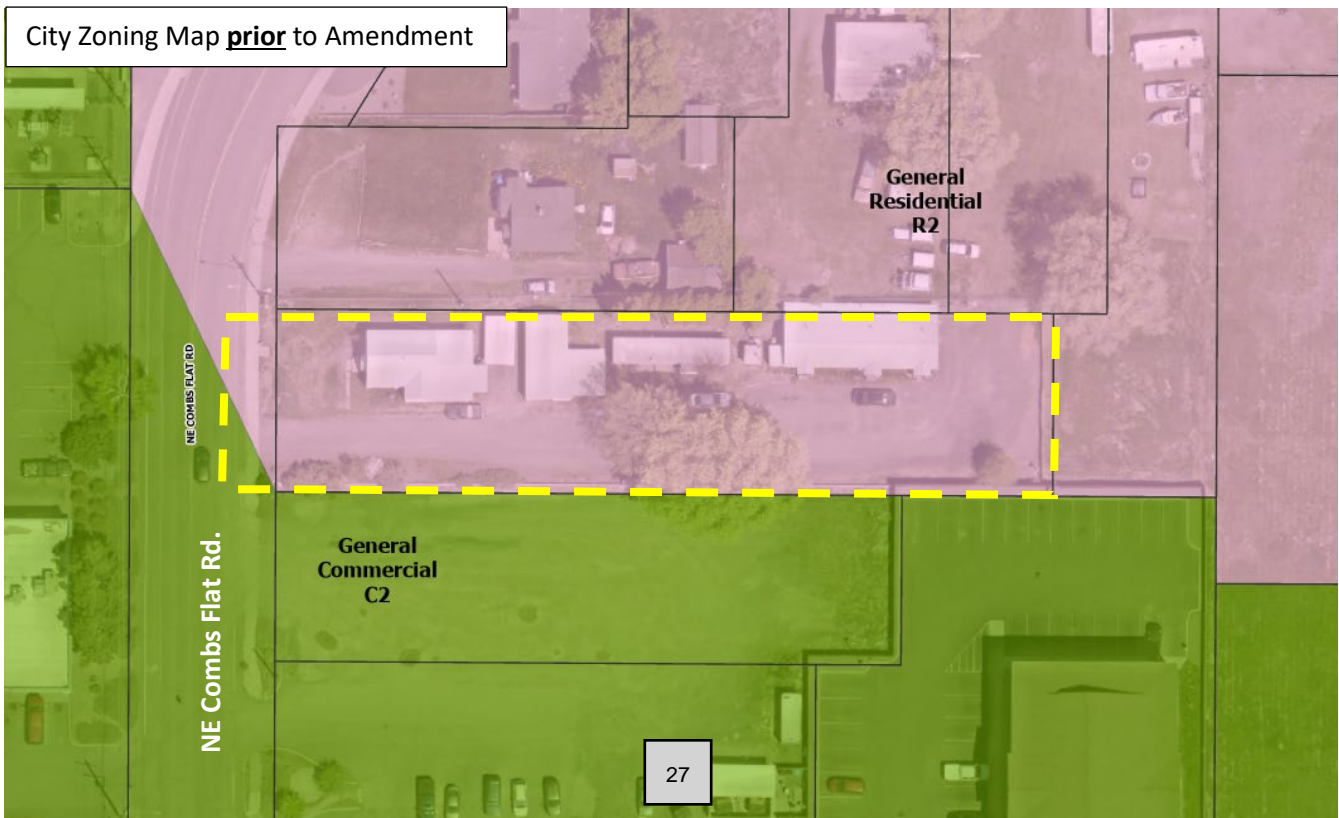
Map & Tax lot: 151604B003300

**DESIGNATION:** Residential *change to* Outlying Commercial



Map & Tax lots: 151605151604B003300

**ZONING:** General Residential (R2) *change to* General Commercial (C2)





**City of Prineville**  
**DEPARTMENT OF PLANNING & COMMUNITY DEVELOPMENT**  
**PLANNING COMMISSION RECOMMENDATION**

**File No.:** AM-2024-100

**Applicant:** City of Prineville

**Notice to DLCD:** 1/9/2024

**PC Review:** Initial review 1/17/2023, Final review 1/30/2024

**Public Notice:** Newspaper Notice – 2/6/2024  
 Mailed Notice – 1/16/2024

**Public Hearing:** Planning Commission – 2/20/2024  
 City Council Review – 3/12/2024

**Staff:** Joshua Smith,  
 Planning Director

**Proposal:** Legislative Amendments to amend the City’s Comprehensive Plan Map and Zoning Map. The primary purpose of these amendments is to reconcile discrepancies between the Comprehensive Plan Map, Zoning Map and existing uses of multiple properties within the Urban Growth Boundary.

**Applicable Criteria:** ORS – 227 & 197, OAR – 660-015 (Goal 2 & 10), City Comprehensive Plan, Land use Code Chapter 153 sections 153.230 – 153.236 & 153.252, 153.256.030

**Background:**

City zoning works on a two-map system, the Comprehensive Plan Map (Comp Plan) and a Zone Map. The Comp Plan Map provides basic designations of residential, commercial and industrial. The zoning map refines these designations into multiple zones within each designation. In 2007 the City adopted its first Comprehensive plan and map, separating itself from the County. At that time an existing County map from 1984 was used as the base map for the plan instead of the current zoning map. This created discrepancies where the zones do not align with their Comprehensive Plan designations. The 1984 map was of poor quality; therefore, many of the errors are on the zone boundaries where it was difficult to decipher where the line should be. Several areas have already been amended and more will need to be amended. These proposals focus on areas where the current and future use of the property is not in question.

**Findings:**

The following describes each exhibit and the reason for the change.

**Statewide Planning Goal 10, *To provide for the housing needs of citizens of the state.*** - These proposed changes have no impact on the housing capacity of the City. The purpose of these changes is to reconcile discrepancies between the comprehensive plan designation, zoning and existing uses. These discrepancies have created problems with property sales and lending primarily for residential uses. These amendments have no effect on the City’s Housing needs analysis as the changes are on properties that are already zoned residential or have existing residential or commercial developments.

**Area 1** – This area as described on Exhibit A, is designated as “Residential” in the Comprehensive Plan. The area has been zoned commercial for decades, other than a small residential lot associated with the Crystal Springs Subdivision. The Comprehensive plan is proposed to change from “Residential” to “Outlying Commercial” and the zone for the residential lot will change to “General Commercial”. All but tax lot 1000 (BLM building) are in the process of being consolidated. A commercial development has also been approved for the site and this proposed change was a condition of approval.

**Area 2** – This area as described in Exhibit A, is currently zoned residential in the County outside the City limits, but within the UGB. The City’s Comprehensive Plan for this area has a “Heavy Industrial” designation, presumably left over from when the Ochoco Lumber Mill was operating. That mill site has since been re-zoned to “Mixed Use” leaving this area designated for heavy industrial that is inappropriate for the area and the predominate residential uses. It is not likely the City will ever annex this area as heavy industrial and is therefore; proposing to change the Comprehensive Plan designation from “Heavy Industrial” to “Residential” to avoid this issue in the future, as the City grows.

**Area 3** – This area as described in Exhibit A, is currently designated as “Outlying Commercial” in the Comprehensive Plan. The area has been zoned “General Residential” and developed as residential for decades. Due to existing narrow roads and lack of City water, it is unlikely this area will become commercially viable without significant redevelopment. This proposal will change the Comprehensive plan designation for this area to “Residential” to match the current zone.

**Area 4** – This area as described in Exhibit A, is designated as “Residential” in the Comprehensive Plan and zoned Commercial (C2). The “Skate Park” Subdivision of 2016, was knowingly approved on properties that were zoned both residential and commercial. The City’s Commercial (C2) zone allows residential; however, the intent was to correct this zoning in combination with others zone corrections at a later date. The zoning for the five (5) lots that remain in the (C2) zone are proposed to be changed to Residential (R2), to match the use and the rest of the subdivision. The two City owned lots adjacent to the creek will be zone residential, but have a Comprehensive Plan designation of “Open Space”.

**Area 5** – This area as described in Exhibit A, is currently designated as “Outlying Commercial” in the Comprehensive Plan and zoned Recreational Commercial (C5). The “Rivers Edge” subdivision of 2006 was knowingly approved on properties that were zoned both residential and commercial. The majority zone of the original parcel was Residential (R2) and was used to justify the residential subdivision. The zoning for the seven (7) lots and a portion of the open space lot that remain in the (C5) zone are proposed to be changed to Residential (R2) and designated “Residential” on the Comprehensive Plan to match the use and the rest of the subdivision.

**Area 6** – This area as described in Exhibit A, is currently designated as “Open Space” and “Residential” on the Comprehensive Plan Map. The area has been zoned Commercial (C2) since 2004 (*Ordinance 1117*). This proposal will change the Comprehensive Plan Designation to “Outlying Commercial” to match the use and the zone.

**Area 7** – This area as described in Exhibit A, is currently designated as “Residential” on the Comprehensive Plan Map and zoned Residential (R2). The commercial storage facility (*Secure Storage*) was knowingly approved in 2014 on a property that is zoned both residential and commercial. The majority zone of the parcel is Commercial (C2) and was used to justify the Commercial development. The intent was to correct this zoning in combination with others zone corrections at a later date. This proposal will change the Comprehensive Plan Designation to “Outlying Commercial” and the zone to Commercial (C2), to match the use and zoning on the rest of the property.

AM-2024-100  
Amending Zoning and Comp Plan maps

**Area 8** – This area as described in Exhibit A, is currently designated as “Light Industrial” on the Comprehensive Plan Map. The area has been zoned Residential (R4) since at least the late 90’s and is developed as residential. This proposal will change the Comprehensive Plan Designation to “Residential”, to match the uses and current zoning.

**Area 9** – This area as described in Exhibit A, is not a correction and is being added to this process for efficiency purposes. If there is opposition to this change, Area 9 can be removed from this process and reviewed as a separate application. This area is currently zoned Residential (R2) and developed as residential with four older residential units and an unused, defunct single-wide trailer. The property to the south is zoned Commercial (C2) and has a new commercial development. These two lots are relatively narrow; the southern property is interested in purchasing the property for better access and to potentially expand the commercial use in the future. The existing use will remain until redeveloped.

**Planning Commission Conclusions and Recommendation:**

Based on the findings stated above, the Planning Commission finds these changes to be necessary to preserve the integrity of our zoning maps and to prevent any unnecessary hardships for property owners. The Planning Commission recommends adoption of these zone changes as presented.

**EXHIBITS**

Exhibit A - Areas 1-9 show the existing plan designation and zoning for the individual properties and states the proposed change.

Marty Bailey: W M Bailey Date: 2-21-24  
Planning Commission Chair



# STAFF REPORT

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<b>MEETING DATE:</b>	4/9/2024	<b>PREPARED BY:</b>	Casey Kaiser
<b>SECTION:</b>	Resolutions	<b>DEPARTMENT:</b>	Public Works
<b>CITY GOAL(S):</b>	Position the City for the Future, Provide Quality Municipal Services		
<b>SUBJECT:</b>	Resolution 1591 – Authorizes an Amendment to the Agreement with OID for the City to contribute matching funds to the Ironhorse Canal Piping project.		

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**REASON FOR CONSIDERATION:** This amendment would allow the City to procure the contract for the City's Combs Flat Road Extension project and the OID Canal Piping Project together. This would combine the projects into one contract, with one contractor performing the construction of both projects. The amendment obligates the district to pay the city their portion of the Canal Piping project costs. Combining the projects provides project delivery efficiency and significant cost savings to both the City and Ochoco Irrigation District.

In the original agreement the City committed to fund 25% of OID's project up to a maximum amount of 2 million dollars. This amendment proposes to have the City remove the 25% parameter and simply agree to pay up to 2 million dollars in matching funds to OID's portion of the project. This will provide the flexibility to complete the project if the percentage of OID funds to their project cost is less than 75%. The amendment still sets the maximum City contribution to their project at 2 million.

**BACKGROUND:** Ochoco Irrigation district is embarking on a major irrigation system modernization project that will significantly increase the efficiency of the delivery of irrigation water to several areas of their district. One component of the project is piping the currently open canal section that crosses the City owned Barnes Butte Recreation area. This segment also parallels and is immediately adjacent to the City's Combs Flat Road Extension project. There are many benefits to the city to have this section of the canal piped. Because of those benefits Council determined it was in the best interests of the City to assist OID in completing the project by providing matching funds to the grant monies that OID was successful in securing.

Staff was successful in obtaining 9.4 million in funding from Federal ARPA dollars and In February 2023 Council approved the agreement with OID for the City to provide up to 2 million dollars in matching funds to the Canal Piping project. At that time (based on significantly higher cost estimates) staff anticipated OID constructing their canal piping project well before the City would have all the necessary funding to complete their roadway project. Therefore, the agreement was structured with the City paying the 2 million in funds to the district. At this point the construction cost estimates are significantly lower, and the City believes it now has sufficient funding to complete the Combs Flat Road project. The opportunity to combine both projects for efficiency and cost savings now exists. OID and City staff believe the City procuring the contract through an RFP process for both projects will serve the interests of both entities.

**FISCAL IMPACT:** The agreement amendment would commit the City to contributing a maximum of \$2,000,000.00 to the OID canal piping project. The source of the funds is 9.4 million dollars of ARPA funds the city received for the Combs Flat Road Extension and Canal Piping projects.

**RECOMMENDATION:** Staff recommends approving Resolution 1591 authorizing the amendment to the agreement with Ochoco Irrigation District to provide up to \$2,000,000.00 in matching funds to the Ironhorse Canal Piping project.

**RELATED DOCUMENT(S):** Resolution 1591, OID Agreement Amendment



**RESOLUTION NO. 1591  
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION APPROVING AN AMENDMENT TO FUNDING AGREEMENT  
BETWEEN CITY OF PRINEVILLE AND OCHOCO IRRIGATION DISTRICT  
REGARDING COMBS FLAT ROAD TO PETERS ROAD EXTENSION PROJECT**

**Whereas**, on or about February 28, 2023, the City of Prineville (“City”) and Ochoco Irrigation District (“OID”) executed a Funding Agreement (“Agreement”) regarding a project that consisted of extending NE Combs Flat Road approximately 5,900 feet from the intersection of NE Combs Flat Road and NE Whistle Way/NE Ironhorse Drive to the intersection of NE Peters Road and Yellowpine Road and crosses the Barnes Butte wetlands (“Extension”) and piping and rerouting approximately 1.7 miles of existing OID irrigation ditch that currently crosses the proposed roadway alignment and traverses the Barnes Butte Recreation Areas (“OID Project”).

**Whereas**, the Parties had agreed to work collaboratively on the Extension and OID Project to save each Party substantial Costs.

**Whereas**, through collaborative planning, the Parties have determined it would be financially beneficial to each Party to have one Project that incorporates both the Extension and OID Project.

**Whereas**, the City and OID have negotiated an Amendment to Funding Agreement (“Amendment”), attached to this Resolution and incorporated herein.

**Whereas**, City staff believes it is in the best interest of the City to approve and execute the Amendment.

NOW, THEREFORE, the City of Prineville resolves that the attached Amendment is hereby approved and that the Mayor and City Manager are authorized to sign such Amendment on behalf of the City.

Approved by the City Council this \_\_\_\_ day of April, 2024.

\_\_\_\_\_  
Rodney J. Beebe, Mayor

ATTEST:

\_\_\_\_\_  
Lisa Morgan, City Recorder

**AMENDMENT TO FUNDING AGREEMENT**  
**between**  
**CITY OF PRINEVILLE and OCHOCO IRRIGATION DISTRICT**

THIS AMENDMENT TO FUNDING AGREEMENT ("Amendment") is executed and effective as of the last date written below by and between **Ochoco Irrigation District**, a quasi-municipal corporation under ORS chapter 545 ("OID") and the **City of Prineville**, an Oregon municipal corporation ("City"). Both OID and City shall be known as "Party" and collectively "Parties."

**RECITALS**

- A. On or about February 28, 2023 the Parties executed a Funding Agreement ("Agreement") set forth on Exhibit A, attached hereto, regarding a Project identified in the Agreement.
- B. OID's Project was expected to be contemporaneously constructed during City's Combs Flat to Peters Road Extension Project ("Extension").
- C. In planning regarding the Project and Extension, the Parties have determined it would be financially beneficial to each Party to have one Project that incorporates both the Project and Extension.

NOW, THEREFORE, in consideration of the foregoing, the covenants and agreements of the Parties hereto, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree to amend the Agreement as follows:

- 1. **Project.** The "Project" shall hereinafter be defined as the installation of the buried pipeline in place of the current open canal, including a portion referred to as the Ironhorse section, depicted on Exhibit A of the Agreement and the City's Combs Flat to Peters Road Extension Project defined as the construction of a approximately 1.15 miles of new road connecting Combs Flat Road to Peter's Road, hereinafter "Project." The plans and specification for the Project are to be developed by the Parties.
- 2. **Performance.** City hereby agrees to install the Project in accordance with the Plans and Specifications. Using the City's usual procedures, the City will enter into a construction contract with each successful bidder for the construction of all portions of the Project. In soliciting bids, awarding the construction contracts, managing the construction project and payment to the Contractors, the City shall comply with all applicable state and local public contracting laws, rules, regulations, and ordinances. The City shall not award any contract that exceeds OID's budget for its responsibilities set out heretofore. The City shall manage the construction of all portions of the Project; however, for any work regarding the canal piping, OID shall be involved and provide approval to any canal piping work prior to installation. OID shall be able to inspect and approve any work regarding the canal piping.

3. **OID's Responsibilities.** OID shall be responsible for costs associated with the canal piping portion of the project, or as identified as the Project in the Agreement ("OID's Project"); however, City shall provide a Maximum City Funding Commitment as defined hereafter.

Within forty-five (45) days of receiving invoices from the City, together with reasonable supporting documentation, OID shall pay to the City for work satisfactorily performed. If any portion of the Project for which City is seeking payment has not been completed or does not substantially conform to the Plans and Specifications, and such non-conformance was not approved by OID in writing, the existence of such incomplete work or non-conformity shall be an excuse to OID's obligation to make the applicable payment until such work has been completed or non-conformity has been corrected. The OID Project shall at all times be deemed to be OID property and City shall have no obligation to maintain, repair or replace any portion of the OID Project. Funds that have been reserved under this Agreement for the Project are not transferable to other projects or activities.

5. **City's Responsibilities.** City shall be responsible for one hundred percent (100%) of the costs for the Combs Flat to Peters Road Extension Project and will further provide up to \$2,000,000.00 (the "Maximum City Funding Commitment") towards the OID Project in the form of direct funds subject to the terms and conditions of the Agreement and this Amendment. In addition to the funding set out above, the City may provide in-kind contributions to the Project at the fair market value of the service, upon the mutual agreement of the Parties. Upon execution of this Amendment, City shall provide OID with a completed IRS Form W-9.

6. Except as amended by this Amendment, all other terms of the Agreement shall remain in full force and effect.

7. This Amendment may be executed in one or more counterparts, including electronically transmitted counterparts, which when taken together shall constitute one in the same instrument. Facsimiles and electronic transmittals of the signed document shall be binding as though they were an original of such signed document.

[Signature Page to Follow]

IN WITNESS HEREOF, City and OID have caused this Agreement to be signed and executed this Agreement, as of the date set out below.

CITY OF PRINEVILLE

By: \_\_\_\_\_  
Rodney J. Beebe, Mayor

By: \_\_\_\_\_  
Steve Forrester, City Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

OCHOCO IRRIGATION DISTRICT

By: \_\_\_\_\_  
Wade Flegel, Board Chairman

By: \_\_\_\_\_  
Bruce Scanlon, Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**FUNDING AGREEMENT**  
**between**  
**CITY OF PRINEVILLE and OCHOCO IRRIGATION DISTRICT**

THIS FUNDING AGREEMENT ("Agreement") is executed and effective as of the last date written below by and between **Ochoco Irrigation District**, a quasi-municipal corporation under ORS chapter 545 ("OID") and the **City of Prineville**, an Oregon municipal corporation ("City"). Both OID and City shall be known as "Party" and collectively "Parties."

**RECITALS**

- A. OID seeks to install buried pipeline in place of the current open canal, including a portion referred to as the Ironhorse section, depicted on Exhibit A, which is incorporated herein, and hereinafter referred to as "Project."
- B. The estimated costs for the Project are approximately \$6,400,000.00, with funding expected to come from congressionally directed spending through the Watershed Protection and Flood Prevent Act (PL-566).
- C. OID expects roughly \$4,800,000.00 of funding through PL-566.
- D. The Project benefits the City as it parallels its intention of the Combs Flat Road Extension, and the Project would improve public safety, improve transportation infrastructure, water savings/quality improvement, increased housing, and costs savings to the City.
- E. The City is willing to provide Project Assistance in the form of funds through direct appropriations and in-kind contributions.

NOW, THEREFORE, in consideration of the foregoing, the covenants and agreements of the Parties hereto, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

- 1. **Project Assistance Activities.** The specific project development activities for the Project that are subject of this Agreement are replacing the existing pipe and open canal from NE Laughlin to NE Yellowpine with buried irrigation pipe.
- 2. **Term. Survival.** This Agreement is effective from the date last written below until the completion of the Project unless terminated earlier in accordance with Section 5 below. Sections 6 and 8 and any other provisions of this Agreement, which by their nature extend beyond the term of this Agreement, shall survive termination of this Agreement.
- 3. **City of Prineville Project Assistance Funding.** Provided that this Agreement is fully executed, City will provide up to a maximum of twenty-five percent of the total project Costs or \$2,000,000.00, whichever is the lessor (the "Maximum City Funding Commitment") towards the Project in the form of direct funds subject to the terms and conditions of this Agreement. Funds

that have been reserved under this Agreement for the Project are not transferable to other projects or activities.

4. **City of Prineville Contributions.** In addition to the funding set out above, the City shall provide in-kind contributions to the Project at the fair market value of the service, upon the mutual agreement of the Parties.

5. **Documentation Required for Payment.** Upon execution of this Agreement, OID will provide City with a completed IRS Form W-9. District is solely responsible for ensuring that the Project complies with all federal, state, local, and utility specifications and requirements. City shall have 45 days from City's receipt of all required information for payment processing.

6. **Termination.** City may terminate this Agreement upon ten (10) days' advance written notice to OID, if it determines that OID has utilized the funds for other projects or activities. This Agreement may be terminated by the mutual consent of the Parties, or in the event of Default, which shall be the noncompliance with the terms of the Agreement after a Party has received at least thirty (30) days' notice of the noncomplying term and has failed to cure the breach.

7. **Indemnification.** City and District shall indemnify, save harmless and defend each other, their officers, agents and employees from and against any and all claims, lawsuits or actions for damages, costs, losses and expenses, arising from City or District's provision of services under this Agreement.

8. **No Obligation; No Third-Party Beneficiaries.** OID understands that City's approval of any funding towards the Project described in this Agreement does not imply any commitment by City to provide any additional funding to OID for any additional project development work. This Agreement is made and entered into for the sole purpose and legal benefit of OID and City, and no other person shall be a direct or indirect legal beneficiary of, or have any direct or indirect cause of action or claim in connection with, this Agreement.

9. **Governing Law; Attorneys' Fees; Severability.** This Agreement shall be exclusively governed by and construed in accordance with the laws of the State of Oregon, without regard to any conflicts of laws rules thereof. The exclusive jurisdiction for resolution of such disputes will be Oregon, with venue within Crook District, Oregon. In the event that any Party initiates proceedings to enforce this Agreement or the application of such provisions to a Party or circumstances shall be determined by any court of competent jurisdiction to be invalid, illegal, or unenforceable to any extent, the remainder of this Agreement shall remain in full force and effect, unless such construction would be unreasonable.

10. **No Endorsement.** City and/or its representatives do not endorse any manufacturer, contractor, equipment, or system design in delivering this Project.

11. **Integration; Amendment; Interpretation.** This Agreement supersedes all other agreements between the Parties regarding the subject matter and contains their entire understanding as to its subject matter. No amendment to this Agreement will be effective unless

it is in writing and duly executed by authorized representatives of the Parties. This Agreement is the result of negotiations between the Parties and shall be deemed to be the product of each party hereto, and there shall be no presumption that an ambiguity should be construed in favor of or against OID or the City solely because of such Party's actual or alleged role in the drafting of this Agreement.

12. **Assignment.** This Agreement is personal to the Parties and cannot be assigned by either Party without the written consent of the other. Should consent be required under this Agreement, such consent shall not be unreasonably withheld. The foregoing notwithstanding, this Agreement will be bending on, and will inure to the benefit of the Parties and their respective successors and permitted assigns.

## 12. Miscellaneous.

12.1 **No Agency or Partnership Created.** It is agreed by and between the parties that each of them is carrying out functions on its own behalf, and that neither has the right of direction or control of the manner in which the other party delivers services or materials under this Agreement and that neither party exercises control over the activities of the other when providing services or materials hereunder. City and District are not, by virtue of this Agreement, partners or joint venturers in connection with activities carried out under this Agreement and shall have no obligation with respect to each other's debts or any other liabilities of each and every nature.

12.2 **Limitations.** This Agreement is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10 of the Oregon Constitution, and is contingent upon funds being appropriated therefore.

12.3 **Compliance.** Parties shall comply with all federal, state, and local laws, regulations, executive orders and ordinances applicable to the work under this Agreement, including, without limitation, the provisions of ORS 279C.505, 279C.515, 279C.520, 279C.530 and 279B.270 incorporated herein by reference and made a part hereof. Without limiting the generality of the foregoing, Parties expressly agrees to comply with (i) Title VI of Civil Rights Act of 1964; (ii) Title V and Section 504 of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

12.4 **Delegation and Reports.** Neither party may delegate its obligations under this Agreement to any other agency, and each party shall provide the other with access to all records pertaining to the services provided by each respective party.

12.5 **Severability.** Each provision contained in this Agreement will be treated as a separate and independent provision. The unenforceability of any one provision will in no way impair the enforceability of any other provision contained herein. Any reading of a provision causing unenforceability will yield to a construction permitting enforcement to the maximum extent permitted by applicable law.

12.6 **Binding Effect and Modification.** This Agreement will be binding on the parties and their respective heirs, executors, administrators, successors, and permitted assigns and will inure to their benefit. This Agreement may be amended only by a written agreement signed by each party. The parties will execute all documents or instruments and will perform all lawful acts necessary or appropriate to secure their rights hereunder and to carry out the intent of this Agreement. All exhibits and other documents referenced in this Agreement are part of this Agreement.

12.7 **Applicable Law and Attorney Fees.** This Agreement will be construed, applied, and enforced in accordance with the laws of the State of Oregon. Any action or proceeding arising out of this Agreement will be litigated in courts located in Crook County, Oregon. Each party consents and submits to the jurisdiction of any local, state, or federal court located in Crook County, Oregon. With respect to any dispute relating to this Agreement, or if a suit, action, arbitration, or other proceeding of any nature whatsoever is instituted to interpret or enforce the provisions of this Agreement, including, without limitation, any action, suit, arbitration, or proceeding seeking a declaration of rights or rescission, each party will be responsible for its attorney fees, paralegal fees, expert fees, and all other fees, costs, and expenses incurred in connection therewith.

12.8 **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or in electronic (i.e., "pdf") format shall be effective as delivery of a manually executed counterpart of this Agreement.

12.9 **Entire Agreement.** This Agreement represents the entire agreement between the Parties relating to the subject matter hereof. This Agreement alone fully and completely expresses the agreement of the Parties relating to the subject matter hereof. There are no other courses of dealing, understanding, agreements, representations, or warranties, written or oral, except as set forth herein.

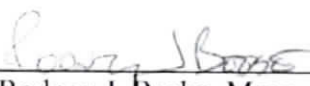
12.10. **Authority.** Each of the individuals signing this Agreement represent and warrant that he or she has been properly authorized to enter into this Agreement.

[Signature Page to Follow]



IN WITNESS HEREOF, City and District have caused this Agreement to be signed and executed this Agreement, as of the date set out below.

CITY OF PRINEVILLE

By:   
Rodney J. Beebe, Mayor

February 28, 2023  
Date

By:   
Steve Forrester, City Manager

February 28, 2023  
Date

OCHOCO IRRIGATION DISTRICT

By: \_\_\_\_\_  
Wade Flegel, Board Chairman

\_\_\_\_\_  
Date

By: \_\_\_\_\_  
Bruce Scanlon, Manager

\_\_\_\_\_  
Date



- Legend
- Existing & Future ROW
  - Future OID Pipe
  - Taxlots

# OID Pipina Project

## Exhibit A



**RESOLUTION NO. 1592  
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION AUTHORIZING THE CITY OF PRINEVILLE TO APPROVE AN INTERGOVERNMENTAL AGREEMENT BETWEEN CROOK COUNTY AND THE CITY OF PRINEVILLE FOR MANAGEMENT OF CROOK COUNTY/PRINEVILLE AIRPORT**

**Whereas**, City of Prineville (“City”) and Crook County (“County”) are units of local government authorized under ORS 190.100 to enter into intergovernmental agreements for the performance of any functions or activities that a party to the agreement has the authority to perform by one of the parties for the other party.

**Whereas**, County is the owner of the real property known as the Crook County Prineville Airport S39 (“Airport”) and its Airport Sponsor for FAA/AIP/ODA purposes.

**Whereas**, the City and County have been operating under that certain Intergovernmental Agreement between each other, effective September 23, 2011, as amended from time to time, regarding the Airport’s management.

**Whereas**, County has contracted with a Fixed Based Operator to perform many services previously performed by City.

**Whereas**, County is prepared to increase its role in the management, planning, and operation of the Airport.

**Whereas**, County has prepared an Intergovernmental Agreement (“IGA”) for City’s consideration.

**Whereas**, City staff believes it is in the best interest of the City to approve and execute the IGA.

**Now, Therefore**, the City of Prineville resolves that the Intergovernmental Agreement Between Crook County and the City of Prineville attached to this Resolution between the City and County is hereby approved and that the Mayor and the City Manager are authorized and instructed to sign such IGA on behalf of the City.

Approved by the City Council this \_\_\_\_ day of April, 2024.

\_\_\_\_\_  
Rodney J. Beebe, Mayor

ATTEST:

\_\_\_\_\_  
Lisa Morgan, City Recorder

**INTERGOVERNMENTAL AGREEMENT FOR  
AIRPORT MANAGEMENT BETWEEN  
CROOK COUNTY AND THE CITY OF PRINEVILLE**

This Intergovernmental Agreement for Airport Management between Crook County and the City of Prineville (“Agreement” or “IGA”) is made by and between Crook County, a political subdivision of the State of Oregon (County) and the City of Prineville, a municipal corporation of the State of Oregon (“City” or “Contractor”), effective April 1, 2024 (the “Effective Date”). County and City may hereinafter be referred to as the “Parties” or individually as a “Party.”

**RECITALS**

WHEREAS, units of local government are authorized under ORS 190.110 to enter into intergovernmental agreements for the performance of any functions or activities that a party to the agreement has the authority to perform by one of the parties for the other party;

WHEREAS, County is the owner of the real property known as the Crook County Prineville Airport S39 (Airport) and its Airport Sponsor for FAA/AIP/ODA purposes;

WHEREAS, the Parties have been operating under that certain Intergovernmental Agreement between Crook County and the City of Prineville, effective September 23, 2011, as amended from time to time (the “Prior IGA”);

WHEREAS, County has contracted with a Fixed Base Operator (FBO) to perform many services previously performed by City;

WHEREAS, County is prepared to increase its role in the management, planning, and operation of the Airport; and

WHEREAS, the Parties desire to update their relative roles and responsibilities at the Airport through this Agreement.

**AGREEMENT**

NOW, THEREFORE, for and in consideration of the mutual covenants, promises, and obligations contained herein, the parties agree as follows:

**1. PURPOSE.**

**A. Joint Goals.**

The Parties enter into this Agreement for the purpose of continuing the progress made in the Airport’s efforts to become self-sustaining financially. Achievement of that goal requires the collaboration of the Parties pursuant to this Agreement in the areas of master planning, leasing and

utilization of real property, operations, and providing a welcoming, nondiscriminatory, and safe aeronautical experience in full compliance with FAA sponsor assurances and relevant laws.

**B. Replacement.**

The Parties have been operating under the Prior IGA. This Agreement replaces the Prior IGA in its entirety and constitutes the full understanding and agreement of the Parties with respect to the Airport and Airport operations for the length of the Term.

**2. CONSIDERATION.**

In exchange for the Airport management services described in this Agreement, County shall pay City ONE HUNDRED TWELVE THOUSAND AND 00/100 DOLLARS (\$112,000.00) per year. This figure represents the personnel and related costs for the employment of an Airport Manager, information technology and administration costs of this Agreement. This amount shall be adjusted annually, each July 1, by three percent plus \$35,000, through July 1, 2026. Said payments shall be remitted to City quarterly, in advance, by the 15<sup>th</sup> day of the month at the beginning of each quarter.

**3. TERM AND TERMINATION.**

**A. Term.**

This Agreement shall remain valid and binding for three years and three months from the Effective Date, until June 30, 2027, unless terminated or extended in accordance with this Agreement. The Term shall automatically renew for one additional year, unless a Party delivers notice at least a year prior to the end of the Term of its desire to retain the original termination date.

**B. Termination.**

All obligations and liabilities of this Agreement accrued by the termination date shall survive early termination.

**i. Mutual Consent**

The Parties may terminate this Agreement by mutual consent.

**ii. For Cause.**

Should a Party be in breach of the terms this Agreement, the non-breaching party shall provide written notice to the breaching party detailing the specific circumstances constituting the breach. Within 30 calendar days of receipt of notice, the breaching party shall provide written documentation the breach has been cured or describe its good-faith efforts to cure the breach. Should the breaching party fail to provide evidence of cure within 30 calendar days of receipt of notice, this Agreement may be terminated by the non-breaching party immediately thereafter.

**iii. Insufficient Appropriation.**

Notwithstanding any other provision of this Agreement, the Parties shall not be obligated to perform hereunder or by any provision of this Agreement during any of Party's future fiscal years unless and until the relevant authority appropriates funds for this Agreement in Party's budget for such future fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated.

**4. CITY'S OBLIGATIONS.**

City, through its Airport Manager, shall manage Airport operations, coordinate the maintenance of Airport facilities with County, and act as the liaison between County and third parties regarding Airport operations. Specific duties include:

**A. Review FBO Operations.**

City will review all monthly reports from FBOs and other commercial operators required to submit reports at the Airport. City will make commercially reasonable good-faith efforts to verify the accuracy of said reports and notify County of any discrepancies or failures by the commercial operators to fulfill their contractual obligations with County.

**B. Lease Management of Ground and Storage Space.**

City shall employ good-faith efforts to solicit tenants for all available Airport ground and storage space, while coordinating with County to ensure tenants comply with all terms of their leases as well as FAA guidance and regulations. City shall provide a comprehensive report of the status of all third-party Airport leases to County twice yearly, in June and December of each year. City shall also coordinate with County on periodic inspections of all hangars and leaseholds.

**C. FAA Compliance and Master Planning.**

City shall coordinate with County's selected Airport consultants and designated FAA representatives to ensure compliance with all AIP sponsor assurances, FAA regulations, and master planning obligations. City will promptly notify County of any current or anticipated occurrences of noncompliance.

**D. Periodic Reporting.**

City shall provide a report to County each quarter detailing all significant Airport activities, including the status of FBO operations, updates or issues with third-party Airport leases, and capital projects.

**5. COUNTY'S OBLIGATIONS.**

County's obligations under this Agreement include all other aspects of the management and operation of the Airport. These obligations specifically include the following.

**A. Legal and Financial Services.**

County, or its agent, will draft all necessary legal documents, including those required to transfer an interest in real property, solicit and contract with third parties, and regulations and policies.

Additionally, County will handle all Airport finances, including processing all payments from Airport tenants, submitting payments to vendors and contractors, and state and federal grant funds.

**B. Inspection and Enforcement.**

County will, with cooperation from City, perform all inspections of Airport leaseholds. When warranted, County will pursue enforcement actions against Airport tenants or members of the public in violation of Airport regulations or policies.

**C. Maintenance and Improvements.**

County will, with cooperation from City, make all capital improvement decisions regarding Airport property and in conformance with the master plan. All capital improvement and property maintenance costs not funded through grants will be paid for by County.

**6. FINANCES.**

**A. Reconciling City's Airport Fund.**

City has established a "City Airport Fund," which is a component of the City of Prineville budget and subject to State law, local budget law, and City policy. As of the Effective Date of this Agreement, the Parties shall work collaboratively to reconcile the City Airport Fund and ensure that all contributions from City and County are equal, and the accounts are balanced as of June 30, 2024. The City's administration fee shall be prorated to the Effective Date. Reconciliation shall be completed by July 31, 2024 and any required payments submitted to the other Party by August 31, 2024, with such amount not to exceed \$45,000. Following reconciliation, any remaining funds shall be the sole property of the Party or entity thereafter managing the fund or monies derived therefrom.

**B. City's Airport Expenses.**

As of the Effective Date, City's reasonable and necessary Airport Expenses, which comprise licensed Airport vehicle maintenance costs, shall be borne or reimbursed by County. If and when said Airport vehicles require replacement, County shall purchase and own the replacement vehicles.

**7. COLLABORATION AND COOPERATION.**

**A. Generally.**

The Parties will collaborate in good faith regarding all aspects of this Agreement to achieve their Joint Goals for the Airport. The Parties agree to meet to discuss any topic under this Agreement within 30 calendar days upon request of either Party.

**B. Dispute Resolution.**

If a dispute arises between the Parties concerning matters related to this Agreement or the interpretation of any provision herein, it is always best to resolve such issues informally and efficiently. City and County hereby agree to first attempt to resolve any such disputes through cooperative dialogue with the good faith intention of achieving resolution within thirty days of

initiating discussions. If no resolution has been mutually agreed in writing after thirty days of the start of these informal negotiations, either Party may elect to resolve the dispute through mediation or arbitration, using such process as they may choose. Both Parties enter into this informal dispute resolution process voluntarily and in furtherance of their Joint Goals.

#### **8. INSURANCE.**

County shall sufficiently insure all facilities and equipment owned by County. The current licensed Airport vehicles are and will remain owned by City and insured by the FBO, naming both County and City as additional insureds.

#### **9. INDEMNIFICATION.**

Neither Party shall be liable to the other for any incidental or consequential damages arising out of or relating to this Agreement. Neither Party shall be liable for any damages of any sort arising solely from the termination of this Agreement or any part hereof in accordance with its terms.

##### **A. Generally.**

If any third party makes any tort claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 (a "Third-Party Claim") against a Party (the "Notified Party") with respect to which the other Party (the "Other Party") may have liability, the Notified Party shall promptly notify the Other Party of the Third-Party Claim and deliver to the Other Party, along with the notice, a copy of the claim, process and all legal pleadings with respect to the Third-Party Claim that have been received by the Notified Party. Each Party is entitled to participate in the defense of a Third-Party Claim, and to defend a Third-Party Claim with counsel of its own choosing. Receipt by the Other Party of the notice and copies required in this section, and a meaningful opportunity for the Other Party to participate in the investigation, defense and settlement of the Third-Party Claim with counsel of its own choosing, are conditions precedent to the Other Party's contribution obligation under this section with respect to the Third-Party Claim.

##### **B. County's Contribution.**

With respect to a Third-Party Claim for which County is jointly liable with City (or would be if joined in the Third-Party Claim), County shall contribute to the amount of expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by City in such proportion as is appropriate to reflect the relative fault of County on the one hand and of City on the other hand in connection with the events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of County on the one hand and of City on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. County's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if the County had sole liability in the proceeding.



**C. City's Contribution.**

With respect to a Third-Party Claim for which City is jointly liable with the County (or would be if joined in the Third-Party Claim), City shall contribute to the amount of expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by the County in such proportion as is appropriate to reflect the relative fault of City on the one hand and of the County on the other hand in connection with the events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of City on the one hand and of the County on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. City's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if it had sole liability in the proceeding.

**D. Other Claims.**

The Parties shall take all reasonable steps to cause their contractor(s) that are not units of County or the City as defined in ORS 190.003, if any, to indemnify, defend and hold harmless the other Party and their officers, employees and agents (the "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including attorneys' fees) arising from a tort (as now or hereafter defined in ORS 30.260) to the extent caused, or alleged to be caused, by the negligent or willful acts or omissions of that contractor or any of the officers, agents, employees or subcontractors of the contractor. The Parties specifically intend that the Indemnitee shall, subject to ORS 30.140 with regard to Third Party Claims, in all instances, except for claims arising from the negligent or willful acts or omissions of the Indemnitee, be indemnified by the contractor from and against any and all claims to the extent the damages are caused by their fault.

**10. REPRESENTATIONS AND WARRANTIES.**

**A. Non-Discrimination.**

Each party agrees that no person shall, on the grounds of race, color, creed, national origin, sex, marital status, age or sexual orientation, suffer discrimination in the performance of this Agreement when employed by either party. Each party agrees to comply with Title VI of the Civil Rights Act of 1964, with Section V of the Rehabilitation Act of 1973, and with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations. Additionally, each party shall comply with the Americans with Disabilities Act of 1990 (Pub. L. No. 101-366), ORS 659.425, and all regulations and administrative rules established pursuant to those laws. Each party agrees to comply with Title VI of the Civil Rights Act of 1964, with Section V of the Rehabilitation Act of 1973, and with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

**B. Suspension or Debarment.**

City certifies herein that it is not excluded or disqualified from participating in any covered transaction under 2 CFR § 180.

**C. Signature Authority.**

The person signing this agreement hereby warrants that they have the legal authority to execute this agreement on behalf of the respective Party, and that such binding authority has been granted by proper order, resolution, ordinance or other authorization of the entity. Each Party is fully entitled to rely on these warranties and representations in entering into this Agreement or any amendment hereto.

**11. NOTICES.**

The Parties are required to update the information in this section. Notices required pursuant to the provisions of this Agreement shall be conclusively determined to have been delivered (i) when hand delivered to the other party at such addresses listed below, or at such other addresses as the receiving party may designate by proper notice to the sending party, or (ii) three (3) days after being deposited in the United States Mail, postage prepaid, addressed as follows:

To County:  
Crook County  
Attn: County Administrator  
300 NE Third Street  
Prineville, OR 97754

To City:  
City of Prineville  
Attn: City Manager  
387 NE Third Street  
Prineville, OR 97754

With a copy to:  
Crook County Counsel  
300 NE Third Street  
Prineville, OR 97754

With a copy to:  
Jered Reid, Prineville City Attorney  
545 NE 7<sup>th</sup> Street  
Prineville, OR 97754

**12. RECORDS MAINTENANCE; REVIEW AND AUDIT.**

Up until the date that reconciliation is complete pursuant to Section 6 above, the Parties shall maintain all financial records relating to the Agreement in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984. Moreover, the Parties shall make available to the other Party's duly authorized representatives access to such financial records and other books, documents, papers, plans, records of shipments and payments and writings by the other Party that are pertinent to this Agreement, whether in paper, electronic, or other form. Upon reasonable request, the Parties shall promptly provide the other Party with any other such information regarding this Agreement that the other Party may require.

**13. MISCELLANEOUS.**

**A. Governmental Powers.**

Nothing in this Agreement should be construed or interpreted to mean that the County waives, surrenders, or sacrifices any of its governmental powers in any way.

**B. Relationship of the Parties.**

Nothing contained in this Agreement is to be deemed or construed, either by the parties to this Agreement or by any third party, to create any partnership, joint venture, or other association between County and City, particularly with respect to the other Party's debts or liabilities of whatever kind or nature, except as expressly provided herein.

**C. Non-Delegation.**

City shall not delegate its obligations under this Agreement to any other individual, agency, or entity without the prior written consent and in the sole discretion of County.

**D. Survival.**

All agreements (including but not limited to indemnification agreements) set forth in this Agreement, the full performance of which are not required before the expiration or earlier termination of this Agreement, will survive the expiration or earlier termination of this Agreement and be fully enforceable thereafter.

**E. Severability.**

If any term or provision of this Agreement or the application of the Agreement to any person or circumstance is, to any extent, held to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, will not be affected, and each term and provision of this Agreement will be valid and be enforced to the fullest extent permitted by law.

**F. Non-Waiver.**

The failure of County to insist upon the performance of any term or provision of this Agreement or to exercise any right granted herein shall not constitute a waiver of County's right to insist upon appropriate performance or to assert any such right on any future occasion.

**G. Force Majeure.**

If either party's performance of an obligation under this Agreement (excluding a monetary obligation) is delayed or prevented in whole or in part by (a) any legal requirement (and not attributable to an act or omission of the party); (b) any act of God, fire, or other casualty, flood, storm, explosion, accident, epidemic, war, civil disorder, strike, or other labor difficulty; (c) shortage or failure of supply of materials, labor, fuel, power, equipment, supplies, or transportation; or (d) any other cause not reasonably within the party's control, whether or not the cause is specifically mentioned in this Agreement, the party will be excused, discharged, and released of performance to the extent that such performance or obligation (excluding any monetary obligation) is so limited or prevented by the occurrence without liability of any kind.

**H. Costs and Attorney Fees.**

In the event there should be a breach or default under any provision of this Agreement and either party should retain attorneys or incur other expenses for the collection of rent, fees or charges, or

the enforcement of performance or observances of any covenant, obligation or agreement, County and City agree that each party shall be responsible for its own attorneys' fees.

**I. Applicable Law and Venue.**

This Agreement shall be construed in accordance with and governed by the laws of the State of Oregon. The Parties agree that any civil action will be brought in the circuit court in Crook County.

**J. Time Is of the Essence.**

Time is of the essence as to the performance of all the covenants, conditions, and agreements of this Agreement.

**K. Interpretation.**

In interpreting this Agreement in its entirety, the printed provisions of this Agreement and any additions written or typed thereon must be given equal weight, and there must be no inference, by operation of law or otherwise, that any provision of this Agreement may be construed against either party hereto. County and City acknowledge that they and their counsel have reviewed and revised this Agreement and that any otherwise applicable rule of construction or any other presumption to the effect that any ambiguities are to be resolved against the drafting party will not be used in the interpretation of this Agreement or any exhibit or amendment hereto.

**L. Headings, Captions, and References.**

The headings and captions contained in this Agreement are for convenience only and do not in any way define, describe, limit, or amplify the scope or intent of this Agreement or any term or provision in it. The use of the term "Herein" refers to this Agreement as a whole, inclusive of the Exhibits, except when noted otherwise. The use of a masculine or neuter gender in this Agreement includes the masculine, feminine, and neuter genders and the singular form includes the plural when the context so requires.

**M. Entire Agreement.**

This Agreement contains the entire agreement between the parties and, except as otherwise provided, can be changed, modified, amended, or terminated only by an instrument in writing executed by the parties. City and County mutually acknowledge and agree that there are no verbal agreements or other representations, warranties, or understandings affecting this Agreement.

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**N. Counterparts.**

This Agreement may be executed in one or more counterparts, including electronically transmitted counterparts, which when taken together shall constitute one in the same instrument. Facsimiles and electronic transmittals of the signed document shall be binding as though they were an original of such signed document.

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the Effective Date as set forth above.

CITY OF PRINEVILLE

\_\_\_\_\_  
Rodney J. Beebe, Mayor

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

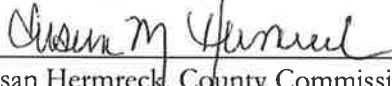
\_\_\_\_\_  
Steve Forrester, City Manager

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

CROOK COUNTY COURT

  
\_\_\_\_\_  
Seth Crawford, County Commissioner

Date: 03/20/2024

  
\_\_\_\_\_  
Susan Hermreck, County Commissioner

Date: March 20, 2024

  
\_\_\_\_\_  
Brian Barney, County Commissioner

Date: 03/20/2024