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Crook County
Board of County Commissioners

Wednesday, March 18, 2026 at 9:00 AM

Crook County Annex | 320 NE Court St. | Prineville OR

Members of the public and media are welcome to attend in person or via Zoom: 1-253-215-8782; Meeting ID: 981 7361 2010; Passcode: 033745

Commissioners: Seth Crawford, Chair; Brian Barney; Susan Hermreck

Regular Session Agenda

Public Comment

Please note that each speaker is limited to a maximum of 5 minutes. This guideline helps ensure that everyone has an equal opportunity to speak.

Consent Agenda

Consent agenda items are routine matters - e.g. minutes, appropriations orders, contracts, agreements, completion of previously discussed matters and decisions requiring Board ratification - which are not expected to generate discussion. Any member of the Board may request removal of an item for separate discussion or vote. All remaining items are approved in a single motion.

1. **Approve Minutes**

2. **Approval of Landfill Outbound Scale Replacement to Scales Northwest**

3. **Approval of Agreement for Operation and Management of the COCC/Crook County Open Campus Building**

Discussion

4. **Supplemental Budget Resolution – Resolution 2026-11 Adopting a Supplemental Budget for Crook County Fiscal Year 2026**
   Requester:
   Jamie Berger, Budget Manager

Presenter(s):
Christina Haron, Finance Director
Jamie Berger, Budget Manager

5. **Fairgrounds Grant Awards Acceptance Consideration — Facebook, and Crooked River Roundup Foundation**
   Requester:
   Casey Daly, Fairgrounds Manager

6. **Fee Waiver Request — Tri County High School Rodeo and Oregon High School Rodeo State Finals**
   Requester:
   Bobbi Aldrich, OHSRA Secretary
   Presenter(s):
   Bobbi Aldrich, OHRSA Secretary
   Brady Bafford, Tri County HS Advisor

7. **Carey Foster Hall Rental Fee Waiver Request – Crook County Stock Growers Association**
   Requester:
   Holli Kingsbury, Treasurer

8. **Community Development January and February Update**
   Requester:
   John Eisler, Community Development Director
   Presenter(s):
   John Eisler, Community Development Director
   Randy Davis, Building Official

9. **IGA No. 057226-0, Regarding Psychiatric Security Review Board Tort Liability Assistance**
   Requester:
   Eric Blaine, County Counsel

10. **Consider approval of lease-to-own contractual arrangement with Lease Servicing Center, Inc., doing business as NCL Government Capital, as a Sourcewell interstate cooperative procurement participating entity, and adoption of Order and Resolution 2026-12 regarding determination of need and authorization for acceptance.**
    Requester:
    Eric Blaine, County Counsel
    Presenter(s):
    Christina Haron, Finance Director

Manager Report

Commissioner Updates

Public Comment

Please note that each speaker is limited to a maximum of 5 minutes. This guideline helps ensure that everyone has an equal opportunity to speak.

Executive Session

11. None scheduled.

Notice and Disclaimer

The Crook County Board of Commissioners is the governing body of Crook County, Oregon, and holds public meetings (generally on the first and third Wednesday of each month) to deliberate upon matters of County concern. As part of its efforts to keep the public apprised of its activities, the Crook County Board of County Commissioners has published this PDF file. This file contains the material to be presented before the Board of County Commissioners for its next scheduled regular meeting.

Please note that while County staff members make a dedicated effort to keep this file up to date, documents and content may be added, removed, or changed between when this file is posted online and when the Board of County Commissioners meeting is held. The material contained herein may be changed at any time, with or without notice.

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Additional Items

Additional items may be discussed that arise too late to be included as a part of this notice. For information about adding agenda items, please contact the County Administration office at 541- 447- 6555. Crook County encourages persons with disabilities to participate in all programs and activities. This event/location is accessible to people with disabilities. If you need accommodation to make participation possible, please call (541) 447-6555.

Contact: Seth Crawford (Seth.Crawford@crookcountyor.gov (541) 447-6555) | Agenda published on March 12, 2026.

Agenda Item Request

Date of Meeting: March 18, 2026

Subject:
Approve Minutes

Background and Policy Implications:

Budget/Fiscal Impacts:

Legal Review (only if requested):

Elected official sponsor (if applicable):

Crook County Board of County Commissioners Minutes of February 18, 2026, Regular Session

Be It Remembered that the Crook County Board of County Commissioners met in a Regular Session on February 18, 2026, at 9:00 AM in the Crook County Annex Meeting Room, located at 320 NE Court Street, Prineville, OR 97754.

Regular Session Agenda

Board Members Present: Seth Crawford, Brian Barney
Board Members Absent: Susan Hermreck
Others Present in Person or Via Zoom: County Manager Will Van Vactor; Executive Assistant Breyanna Cupp; County Counsel Eric Blaine; Health and Human Services Director Katie Plumb; Road Superintendent Brad Haynes; Legal Assistant Alex Solterbeck; HR Director Meghan McKee; Finance Director Christina Haron; IT Director Blaine Cheney; Fairgrounds Manager Casey Daly; County Clerk Cheryl Seely; Fire Chief Matt Smith; Fire Marshall Russ Deboodt; NewSun CEO Jake Stephens; Max Yoklic; Carlin MacMillan; Jacob Ripper; Administrative Division Manager Stephanie Wilson; Assessment Technician Elsie Ray; Systems Engineer Chelsea Watson; Assessor Jon Soliz; Human Resources; Harney County Assessor Corey Hill; Kathy Eby; Julie Thompson; Laura; Bob Townsend; Ashley McCormick; Steve Yancey; Ken Fahlgren; Stephanie Fahlgren; Jeff Minkowski; Adam Mikulski; Cliff Kiser; Jessica Barnes; Dick Zimmerlee; Steve Brown; Alicia; Mike Ervin; Mike Warren; Ed Jones; Tom Teaford; Christian Radubcal; Bob Hindman; Frank Hook; Julie Reed; Jeffrey Benkosky; and members of the public.

The meeting was called to order at 09:00 AM.

Commissioner Crawford explained that the first public comment period is reserved for comments related to items listed on the meeting agenda. A second public comment period will be held at the end of the meeting, allowing community members to share any additional thoughts or concerns.

Public Comment

Mike Ervin asked the board if there was a consent agenda today. Commissioner Crawford answered that there is no consent agenda today and explained what a consent agenda is due to Mike's previous comment about making the public aware of what that is.

Commissioner Crawford clarified that there was no consent agenda scheduled for this meeting. Commissioner Crawford also explained that consent agenda items typically include matters previously discussed in prior meetings or work sessions and are generally considered non-contentious, allowing them to be approved together to streamline the meeting process. The public was reminded that any item on a consent agenda may be requested to be removed for discussion if desired.

Discussion

1. STIF Advisory Committee Member Renewals and New Appointment
Requester:
Andrea Wasilew, Outreach & Engagement Administrator of Cascades East Transit
Presenter(s):
Bob Townsend, Transit Director of Cascades East Transit

Details: Bob Townsend attended the Regular Session to present a request regarding the Crook County Statewide Transportation Improvement Fund (STIF) Advisory Committee. He explained that STIF funds are generated through the statewide payroll tax for transit and are distributed through counties, tribes, and transit districts. The STIF Advisory Committee meets three to four times per year and plays an important role in recommending how transit funds are allocated within the county. Bob noted that this year will be significant as the committee will help determine the allocation of available funds. He stated that the committee's next meeting is scheduled for April, and future meeting requirements may depend on guidance from the Oregon Department of Transportation (ODOT) and potential legislative changes. Bob requested the renewal of current committee members Josh Smith, Kim Curley, Dennis Marston, Keya Rohovit-Wrolson, and himself, as well as the addition of a new member, John Eisler. He explained that there is no maximum number of members allowed for the STIF committee and that having a diverse group helps support transit-related decision-making in Crook County. Final funding recommendations made by the committee are ultimately reviewed and approved by the Crook County Board of Commissioners.

MOTION: Brian Barney moved to renew, Josh Smith, Chair, Kim Curley, Dennis Marston, Keya Rohovit-Wrolson, Bob Townsend, and new member John Eisler on the STIF. Seth Crawford seconded. No discussion. Seth Crawford votes Aye, Brian Barney votes Aye. Motion Passed 2-0.

2. Crooked River Roundup Contract Consideration
Requester:
Casey Daly, Fairgrounds Manager

Details: Fairgrounds Manager Casey Daly attended the Regular Session to present a new long-term agreement between the Crooked River Roundup Board and Crook County. The agreement has already been ratified by both the Crook County Fair Board and the Crooked River Roundup Board and was brought before the Commissioners for consideration. Casey explained that the agreement establishes a 10-year contract and includes confirmed dates for the Crooked River Roundup over the next ten years. The agreement addresses several short-term concerns that had arisen in the past and provides greater clarity and stability moving forward. Commissioners acknowledged the significant amount of work put into developing the agreement by Casey, the Fair Board, and others involved. The agreement was noted as providing long-term certainty for the rodeo and was viewed positively as a collaborative effort that will benefit the event and the community.

MOTION: Brian Barney moved to approve the use agreement with the Crook County Fairgrounds. Seth Crawford seconded. No discussion. Seth Crawford votes Aye, Brian Barney vote Aye. Motion Passed 2-0.

3. PILOT Agreement Request
Requester:
Will Van Vactor, County Manager
Presenter(s):
Will Van Vactor and Christina Haron (County staff)
Jake Stephens and Max Yoklic (New Sun Energy)

Details: County Manager Will Van Vactor attended the Regular Session to discuss and potentially approve a Payment in Lieu of Taxes (PILOT) agreement requested by New Sun Energy for the Cartwright solar facility located near Highway 126 outside of Powell Butte. He explained that a PILOT agreement is an arrangement between a taxpayer and a governing body in which the project is exempt from standard property taxes and instead makes negotiated annual payments. Will clarified that the request is unrelated to land use approval, noting that the solar facility was previously approved in 2019 and has since been constructed. The request concerns the financial structure for tax payments associated with the project.

He reviewed the statutory framework under Oregon Revised Statute (ORS) 307.175, which allows counties to enter into PILOT agreements with eligible energy facilities. These agreements can last up to 20 years and require annual payments ranging from $5,500 to $7,000 per megawatt of capacity. The Cartwright facility has a total capacity of 56 megawatts.

Will explained that New Sun Energy initially proposed a payment of $5,500 per megawatt along with a $250,000 community benefit payment. Following further discussions, the company indicated it is willing to pay the maximum statutory amount of $7,000 per megawatt and provide a $1 million community benefit payment, plus an additional $250,000 through its community benefit fund.

He outlined potential advantages of a PILOT agreement, including predictable and stable revenue for the county and other taxing districts. He also noted that solar facilities are centrally assessed by the Oregon Department of Revenue, which creates uncertainty in future property tax assessments and potential appeals.

Will also discussed potential disadvantages, including the possibility of reduced revenue compared to traditional property taxes. He noted that county staff conducted an analysis to estimate potential property tax revenue and compare it to the proposed PILOT payments, while acknowledging that final property tax assessments are ultimately determined by the state.

Finance Director Christina Haron explained that she used the Department of Revenue's income approach framework for solar facilities and applied New Sun's project numbers to estimate potential property tax revenues. Because the project would be centrally assessed by the state, some assumptions used by the Department of Revenue are not available to the County. Using the available framework, staff estimated property tax revenues over the 20-year period requested for the PILOT agreement and calculated the present value of those taxes. They also calculated the net present value of potential PILOT payments under three options. Based solely on PILOT payments at $7,000 per megawatt for a 56-megawatt project, and excluding any community benefit payments, the analysis estimates approximately $2.4 million in foregone revenue compared to collecting regular property taxes. Herron noted she could provide additional detail if desired.

Jake Stephens CEO/ Founder NewSun Energy clarified that the estimated $2.4 million difference represents the discounted present value of anticipated property tax revenues over the 20-year period compared to the proposed PILOT payments and does not include the separate community benefit payment. When the community benefit payments—approximately $1 million plus $250,000 received upfront—are included, the difference is reduced to roughly $1.2 million. The $2.4 million figure reflects the present value of projected tax payments over time, while the community benefit payments are considered current dollars because they would be received immediately.

Commissioner Seth Crawford asked for clarification regarding the $2.4 million figure discussed. Christina explained that the $2.4 million represents the anticipated tax payments over a 20-year period and reflects the discounted present value of those payments. She clarified that this amount does not include the separate community benefit payment currently being discussed. She also noted that the proposed $1 million and $250,000 payments would be received immediately, so no discount was applied to those amounts because they would be received in today's dollars. Brian indicated he had no additional questions.

County Manager Will Van Vactor noted that a draft PILOT (Payment in Lieu of Taxes) agreement was included in the meeting packet and highlighted one outstanding issue regarding the treatment of a substation located on one of the applicable tax lots. He explained that it is unclear whether the substation should be included in the PILOT agreement, as the statute appears intended to apply to solar-related facilities. Because the substation may serve other generating facilities beyond the solar project, additional clarification is needed on whether it should be covered under the agreement. Van

Vactor stated that further research has been conducted on the matter and that additional information would be provided.

Will summarized that a potential benefit of the PILOT agreement would be stable and predictable revenue for the county over the 20-year term of the agreement, while a potential drawback could be lost revenue compared to standard taxation. He also provided context that the county has previously supported legislative efforts related to the PILOT statute to ensure local governments have input in how it is implemented, but emphasized that this does not obligate the Board to pursue a PILOT agreement.

Jake Stephens, CEO and founder of NewSun Energy, provided an overview of the company and its investment in Central Oregon. He explained that NewSun was founded in 2016 and has grown to approximately 25 employees, primarily based in Oregon, with plans to establish an operations and maintenance team in Prineville to support the company's local projects.

Jake discussed the long timelines and financial risks associated with developing power infrastructure projects, noting that solar developments often take many years due to permitting, interconnection, and construction processes. He stated that NewSun initially pursued development in Crook County because of the area's existing power infrastructure, including the Ponderosa substation, and described the nearly ten-year timeline required to complete the interconnection process with the Bonneville Power Administration.

Jake explained that the PILOT (Payment in Lieu of Taxes) program provides a fixed tax structure over a 20-year period, offering financial certainty for both the developer and the county compared to the Oregon Department of Revenue's annual valuation process, which can fluctuate based on operating costs and market conditions. He noted that rising transmission costs and other economic variables create uncertainty for developers and can also impact property tax valuations under the standard taxation method.

He also described the company's proposal to include an upfront payment component as part of the agreement to provide earlier financial benefits to the county. Jake stated that NewSun intends to continue working with the county on future projects and expressed interest in exploring other economic development tools, such as Strategic Investment Partnership (SIP) agreements, when feasible. He emphasized that the company's goal is to maintain a cooperative relationship with the county while continuing to invest in energy infrastructure in the region.

Jake continued his presentation by outlining NewSun Energy's proposal for a PILOT (Payment in Lieu of Taxes) agreement for the West Prineville Solar Farm projects, beginning with the Cartwright 1 and Cartwright 2 projects. He requested that the county adopt the $7,000 per megawatt rate allowed under the statute. Stephens stated that the solar facility permit includes the infrastructure necessary to connect the generation facility to the grid and suggested that the associated substation should be considered part of the qualifying facility under the statute.

Jake also discussed NewSun's prior experience with PILOT agreements in Harney and Lake Counties and noted that a representative from Harney County was present to speak about their experience administering similar agreements. He highlighted the company's financial investment in the region, including approximately $40–$50 million in wages paid during project construction and the use of several local contractors and union labor.

Stephens emphasized that the company's investment in solar generation and power infrastructure contributes to the local power supply and may help support future economic development by increasing available energy capacity in the region. He described the significant cost increases and risks associated with the projects, including higher interconnection costs, tariffs on materials, and other economic changes over time.

Jake summarized NewSun's proposal, which includes the $7,000 per megawatt PILOT rate, a proposed $1 million lump-sum impact payment to the county, and a community investment component to support local initiatives such as scholarships, agricultural programs, and community projects. During discussion, a commissioner expressed concern that community investment funds should instead be directed toward county services that benefit taxpayers. Jake indicated the company would be willing to work with the county on structuring those payments. Jake also noted NewSun's plans to incorporate agricultural uses, such as sheep grazing, at the solar site and discussed the company's investment in a local operations and maintenance team to support current and future projects. He concluded by emphasizing the company's long-term investment in Crook County and the importance of the PILOT agreement in maintaining the financial viability of the projects.

Will Van Vactor requested additional clarification regarding the interpretation of the PILOT statute as it relates to whether the project substation would be included as part of the solar facility. A representative for NewSun explained that the substation is considered part of the power generation facility because it is necessary infrastructure that allows the solar project to connect to the electrical grid and is owned by the project developers rather than a utility provider. Jake cited language from state statutes and administrative rules governing photovoltaic solar power generation facilities, noting that permitted facilities include the equipment necessary to convert, store, and transmit electricity, as well as the infrastructure required for grid integration. Based on this interpretation, the substation was described as a component of the solar project rather than part of the broader transmission system.

Commissioner Brian Barney addressed the potential addition of battery storage at the site in the future. NewSun indicated that any future storage capacity would be treated separately and could be assessed at the same $7,000 per megawatt rate if included under a similar program. Commissioners clarified that battery storage is not part of the current proposal and that any future storage development would require a separate negotiation or agreement with the county.

Matt Smith Fire Chief for Crook County Fire and Rescue, provided testimony regarding the proposed PILOT agreement. He clarified that Crook County Fire and Rescue is a separate special taxing district, though it serves the county by providing fire services within the district and ambulance services countywide. Matt stated that his comments were not related to the land use aspects of the project or whether it should be built, but rather focused on the importance of stable and predictable revenue for emergency service planning. He explained that the fire district is responsible for providing services to the project site and must plan for staffing, equipment, and response capacity accordingly. Matt expressed support for a stable taxation mechanism, noting that fluctuations in property valuation or depreciation can make it difficult to accurately project revenues and maintain consistent service levels. He stated that a predictable revenue structure would help the district plan for and deliver the necessary emergency services.

Ed Jones a contractor with NewSun Energy and resident of Powell Butte, provided testimony in support of the proposal. He stated that his company generated over $2 million in revenue from work related to the project last year and expects similar revenue this year, employing approximately eight people. Ed commented that NewSun Energy has been positive to work with and noted the company's contributions and donations to the local community. He expressed support for a consistent revenue structure associated with the project and thanked the Board for the opportunity to comment.

Tom Green provided public comment expressing opposition to the expansion of solar developments in the area. He stated that he believes solar farms negatively impact the local landscape and encouraged the Board to gather input from Crook County residents regarding future solar development. During discussion, commissioners clarified that the item under consideration was related to a tax agreement for an existing project rather than approval of a new solar development. Green reiterated his view that the county should have broader public conversation about solar projects and their long-term impact on the community.

Commissioner Crawford responded to public comment by stating that discussions are underway with Community Development staff regarding the possibility of a six-month moratorium on new solar development applications. The commissioner explained that the county's solar siting rules were adopted approximately ten years ago, when community conditions and expectations regarding solar projects were different. Seth indicated that the potential moratorium would allow the county time to conduct a more comprehensive review of the current regulations and approval processes. This review would include input from a variety of stakeholders, such as landowners, solar developers, and community members who live near existing or proposed projects. Seth emphasized the importance of evaluating factors such as community input, economic development, and potential environmental impacts as part of a broader discussion about future solar development in Crook County.

Julie Thompson asked several questions regarding the PILOT program and whether it was available to individual citizens or only to large energy projects. It was clarified that the PILOT program is a state program applicable to certain renewable energy developments rather than a county-created program.

Discussion followed regarding the financial implications of the PILOT agreement compared to traditional property taxation. Commissioners explained that earlier estimates indicated approximately a $2.4 million difference over time between standard taxation and the PILOT structure, while the proposal currently under discussion would reduce that difference to roughly $1.2 million when considering the negotiated payments and upfront contributions. Commissioners also discussed the potential value of receiving a portion of the funds upfront rather than over the 20-year term.

Commissioners further explained that renewable energy facilities are assessed by the state based on an income approach, which evaluates the profitability and operating costs of the project rather than the physical value of the land and structures. Because those valuations can fluctuate over time, the PILOT structure could provide more predictable revenue to the county.

Questions were also raised regarding the long-term future of the solar facility and the property after the agreement ends. Commissioners noted that Crook County requires solar developments to provide a decommissioning bond to ensure the facility is removed and the land restored when operations end.

Jake Stephens added that the state's valuation method relies on long-term projections of a project's profitability, which can change due to factors such as inflation, energy prices, and operating costs. He explained that the proposed PILOT structure would establish a fixed annual payment of $7,000 per megawatt while also providing a lump-sum payment upfront, giving the county more financial certainty compared to the variable state assessment model.

Adam Mikulski provided public comment regarding the project and the proposed PILOT agreement. Drawing on his experience working with Bonneville, he discussed transmission "wheeling" charges and noted that increases in those costs reflect the actual cost of operating and maintaining the electrical transmission system. Adam also questioned how the power generated by the solar project would benefit the local area if the electricity is transmitted to other regions. He commented on the variability of solar generation and expressed skepticism about some aspects of the project, including the feasibility of grazing livestock on the site. He further stated that energy prices and the value of electricity generation may increase over time and suggested that the county could potentially receive greater tax revenue in the future under a traditional property tax structure rather than locking in a fixed payment through a long-term PILOT agreement.

Commissioner Brian Barney stated that the Board is working to evaluate the best available information in order to determine what option would provide the greatest benefit to Crook County taxpayers. He noted that financial projections include variables that could change over time and emphasized the importance of making a careful and informed decision.

During the discussion, Commissioner Barney also addressed comments made during public testimony regarding grazing at solar facilities, noting that grazing sheep on solar sites is a common and proven practice used to manage vegetation without mowing or chemical treatments. Additional comments reiterated the importance of carefully considering the long-term financial implications of the agreement, recognizing that the project developer is operating as a business while the Board's responsibility is to ensure the county and its taxpayers receive the best possible outcome.

Jake clarified that BPA rates have historically been kept lower due to efforts by co-ops and others to limit bonding tied to rates. While this helped keep costs down, it also delayed investments in grid infrastructure. As a result, there is now a "catch-up" effect, and rates are expected to increase as Bonneville builds new transmission lines and makes additional grid investments. He noted that these rising costs will affect future power prices. Jake also explained that the current power contract is a fixed-price, 20-year agreement with the City of Seattle, meaning the price will remain the same throughout the contract term and is not subject to inflation. This fixed rate acts as a ceiling while other operating expenses may increase over time.

Regarding grazing, he noted that it is not a requirement but is an effort to follow local practices and make the best use of the land. He also highlighted potential local power benefits, explaining that Central Oregon largely relies on power imported through transmission lines from The Dalles. Because system limits are determined by peak demand periods—particularly hot August afternoons when air conditioning use is high—local solar generation during those times can provide regional grid support, even if the power is technically exported elsewhere.

Corey Hill, Harney County Assessor, shared Harney County's experience with solar farms, noting they have been financially beneficial for the county. He explained that a property that previously generated about $700 annually in taxes now generates approximately $280,000 per year, providing significant revenue stability for the next 20 years. Hill also noted that funding associated with the project helped support community improvements, including a new Special Care Unit connected to the local hospital, which now allows residents to access services such as oncology, dermatology, and surgery locally rather than traveling long distances. He added that, based on his experience, centrally assessed solar facilities depreciate significantly each year, making a 20-year agreement a secure and beneficial approach for the county.

Commissioners discussed the proposed agreement and the importance of securing a stable and predictable revenue source for the county. Commissioner Barney expressed support for moving forward with the agreement, emphasizing that a consistent annual payment would provide financial stability and reduce the risk associated with potential tax appeals, referencing a recent example involving Pacific Power where an appeal could have required the county to repay previously collected funds. Commissioner Barney also noted that the agreement would generate significantly more revenue than the property previously produced and viewed it as a form of economic development that could support future jobs and community growth.

Commissioner Crawford agreed with moving forward but emphasized the importance of ensuring the county receives the best value for taxpayers. While supportive of the steady revenue approach, the commissioner expressed concern about the broader impacts of solar development and stated that the county should more carefully evaluate future solar projects and seek additional public input. The commissioner also highlighted the need to balance economic development with protecting the character of the community and residents' quality of life.

Commissioner Crawford and Commissioner Barney agreed that while this project is already constructed and should move forward, the county should take a closer look at how future solar developments are evaluated and approved. The discussion also acknowledged the importance of considering property rights and ensuring that landowners retain the ability to use their property within existing laws while maintaining community involvement in future decisions.

Before the Board moved to a motion, staff noted that several issues still needed clarification, including whether the project's substation should be included in the PILOT (Payment in Lieu of Taxes) agreement and how battery storage would be treated. Commissioners were asked to consider whether they had received enough information during the meeting to determine if the substation should be included in the agreement and whether any modifications to the draft PILOT agreement in the meeting packet were necessary.

County Counsel Eric Blaine advised that additional review may be needed before making a final determination on the substation's inclusion. While project representatives provided administrative rule language suggesting the substation could be considered part of the solar project, counsel stated he had not yet had sufficient time to review the material and recommended conducting further legal research and providing a formal opinion to the Board.

Staff noted that the timeline for approving the PILOT agreement is limited, with a deadline of March 1st, and the cancellation of the upcoming work session further restricts opportunities for additional discussion. Commissioners agreed that obtaining a legal opinion would help ensure the agreement is thoroughly reviewed. It was also noted that battery storage would not be included in the PILOT agreement.

Corey Hill, Harney County Assessor, added that in Harney County the interpretation has been that substations are included as part of the solar facility for PILOT agreements. She explained that the substations exist solely to serve the solar project, and therefore their county has treated them as part of the solar site and included them within their PILOT programs.

Commissioners discussed key terms of the proposed PILOT agreement, including the per-megawatt fee and the community benefit payment. Staff confirmed that the state statute allows a per-megawatt fee ranging from $5,500 to $7,000, and there appeared to be consensus among commissioners to apply the maximum rate of $7,000 per megawatt for the project. Commissioners also discussed the one-time community benefit payment of $1.25 million, noting that it should be documented through a separate agreement or letter of commitment from the developer to ensure it is enforceable.

The Board also reviewed outstanding questions regarding the inclusion of the project's substation in the PILOT agreement. While some commissioners indicated that common sense suggested the substation should be included as part of the solar facility, they also expressed interest in confirming this through legal review. Commissioners discussed the possibility of approving the agreement based on the agreed parameters while awaiting confirmation on the substation issue.

County Manager Will Van Vactor and County Counsel Eric Blaine outlined options for proceeding, including approving the agreement and signing it outside a meeting once final details are confirmed, or holding a special meeting to finalize the decision to allow additional public visibility and discussion. Commissioners acknowledged the time sensitivity of the project, including financing and operational timelines, while also emphasizing the importance of transparency.

As a potential solution, Will Van Vactor suggested including language in the agreement allowing for adjustments if future clarification from the state determines that substations should not be included in the PILOT program. The discussion concluded with commissioners preparing to move toward a formal motion based on the agreed terms.

MOTION: Brian Barney moved to direct staff to draft and finalize for execution a pilot agreement based on the conversation in today's meeting, and including, all of the parameters that have been discussed and as part of that motion, to authorize the Board of Commissioners to execute outside the regular meeting. Seth Crawford seconded. No discussion. Seth Crawford votes Aye, Brian Barney votes Aye. Motion Passed 2-0.

4. Order 2026-09 Tax Foreclosure Surplus Policy
Requester:
Eric Blaine, County Counsel

Details: County Counsel Eric Blaine attended the Regular Session to present Order 2026-09, explaining that recent changes in state law—specifically House Bills 4056 and 2089—have significantly modified the process Oregon counties must follow when foreclosing on properties with delinquent real property taxes. The proposed order formalizes the county's process to comply with these updated statutory requirements. Eric explained that under the new law, after a property is foreclosed due to unpaid taxes, the county must follow additional procedures to attempt to return the property to the former owner, particularly for residential zoned properties. This may include negotiating with the former owner for up to one year before proceeding through a multistep public auction process. He also noted that if a foreclosed property sells for more than the total taxes, interest, and fees owed, the surplus funds will no longer be distributed to local taxing districts. Instead, the surplus must be transferred to the Oregon Department of Revenue, which will manage distribution to potential claimants. Commissioners clarified that these procedures are mandated by state law and that counties are required to foreclose on properties with three years of delinquent property taxes. The order does not change those statutory requirements but establishes a formal process for implementing them locally.

MOTION: Brian Barney moved to approve Order 2026-10 Tax Foreclosure Surplus Policy. Seth Crawford seconded. No discussion. Seth Crawford votes Aye, Brian Barney votes Aye. Motion Passed 2-0.

5. Special Joint Meeting with Vector Control District Board of Trustees
Requester:
Will Van Vactor, County Manager
Presenter(s):
Crook County Vector Control District

Details: County Manager Will Van Vactor attended the Regular Session and convened a joint meeting with the Crook County Vector Control District Board. Representatives from the Vector Control District were introduced, including Cliff Kiser, District Manager, and Ken Fahlgren, Chair of the Vector Control District Board. Additional board members present included Tom Teaford, Jeff Minkowski, and another board member, along with Stephanie Fahlgren, who currently serves as Board Secretary. Members introduced themselves for the record before the discussion began.

Will opened the joint meeting by explaining the statutory requirements for the annual meeting between the Crook County Board of Commissioners and the Crook County Vector Control District Board. He noted that the meeting is required under ORS 452.120, which directs the county governing body to hold at least one annual meeting to investigate and supervise district affairs and review district activities.

He explained that the statute requires the Vector Control District to present a proposed annual work plan, including an estimate of funds needed for the coming year and a description of planned work and methods. The Board of Commissioners may approve the work plan after consulting with the local public health official. Will also noted that the statute requires the district to provide an annual report detailing funds expended, methods used, and work accomplished. He then turned the meeting over to the Vector Control District Board to present its report and discuss past and future activities.

Cliff Kiser presented the Crook County Vector Control District's pesticide use plan (PUP), which is submitted annually to the Oregon Department of Fish and Wildlife and the Oregon Health Authority for approval. The plan outlines treatment thresholds, surveillance activities, and mosquito control methods used by the district. Cliff explained that the district follows Best Management Practices, prioritizing physical and cultural control methods such as reducing standing water and adjusting irrigation practices. When necessary, biological controls such as Bacillus thuringiensis israelensis (BTI) are used, along with biochemical larvicides that prevent mosquito larvae from developing into adults.

The primary mosquito sources in the district are older flood-irrigated pastures where eggs can survive for many years. Staff conducts field surveillance by sampling water for larvae and applying treatments when thresholds are met. Applications are typically done using granular larvicide distributed by vehicle, with monitoring conducted every 10–15 days to ensure effectiveness.

If adult mosquito populations emerge, the district uses targeted ground fogging with pyrethrin-based products. Aerial spraying is rarely used and has only occurred once in the past 25 years. The district also collaborates with the City of Prineville on wetland management to reduce mosquito habitat and improve control efforts. Cliff also discussed West Nile virus preparedness, noting that Crook County has had two positive detections (one equine and one bird) but no human cases. Maintaining strong mosquito control practices helps reduce the risk of transmission.

The district operates with an annual budget of approximately $400,000–$450,000, though typical yearly expenses range from $140,000 to $160,000. Reserve funds are maintained for potential aerial spraying, equipment replacement, and building needs. For the upcoming fiscal year, the district anticipates levying between $140,000 and $200,000, depending on operational needs, which remains below the maximum levy authority.

Following the presentation, staff asked whether the Board of Commissioners had sufficient information to consider approval of the district's annual work plan as required by statute.

Health and Human Services Director Katie Plumb stated that she had no significant additions to the Vector Control District's presentation but noted that the district has been very responsive when contacted by the Health Department. She shared that when a member of the public raised concerns about mosquitoes, the district promptly followed up. Katie credited the district's work and partnerships as an important factor in

Crook County not experiencing human cases of West Nile virus, while acknowledging that some level of luck also plays a role. She concluded that the district's efforts have been effective in protecting public health from vector-related risks.

Commissioners expressed support for approving the Vector Control District's work plan, noting that the presentation was clear and well prepared. Commissioner Crawford asked for additional financial details, specifically a check register or summary of the district's bank accounts and reserve balances.

District representatives explained that they maintain approximately $104,000 in the equipment reserve account and about $162,000 in the building reserve account, totaling roughly $260,000 in reserves. In addition, the district currently has about $240,000 in its operating account, which allows it to cover expenses throughout the year until tax revenues are received. The district typically ends each fiscal year with an ending fund balance between $200,000 and $240,000.

They also discussed their financial management practices, noting that accounting services are provided by an external accountant. The district is in the process of moving funds into the Oregon Local Government Investment Pool (LGIP) to allow the funds to earn better interest while remaining accessible. Currently, funds are held in bank accounts, with the district mindful of FDIC insurance limits.

Will referenced ORS 452.120, noting that the statute provides the County Board with oversight authority over the Vector Control District. He emphasized that his comments were not intended to detract from the district's effective work controlling mosquitoes, but rather to ensure the Board of Commissioners is appropriately exercising its oversight responsibilities.

Will noted that some local concerns had been raised regarding public meeting practices and certain employment practices. He suggested that the Vector Control District may benefit from consulting resources available through the Oregon Government Ethics Commission, including training, guidance, and advisory opinions related to public meetings law.

He also recommended that the district consider consulting with an accountant or legal counsel regarding employment structure and contractor arrangements to ensure compliance with applicable rules. Will stated that he wanted to raise these topics during the joint meeting so the Board of Commissioners could discuss whether any follow-up or additional guidance would be appropriate.

Commissioner Crawford recommended that the Vector Control District consult with the Oregon Government Ethics Commission (OGEC) to review its public meeting practices. He noted that the County had previously worked with OGEC after receiving questions from the public and media, and found their guidance helpful in improving transparency and ensuring compliance with public meeting laws.

Vector Control representatives stated they were willing to learn and improve their processes. They noted that they had already been working to address compliance issues brought to their attention and credited recent guidance for helping them better understand requirements.

Discussion also addressed the district's use of a contract position. Will and Commissioner Crawford suggested obtaining additional review from a third party—such as a state agency, accountant, or legal professional—to ensure the contractor arrangement is clearly structured and compliant with applicable rules. District representatives explained that the contract and RFP had been drafted by their attorney and expressed willingness to review it further if needed.

Commissioner Crawford clarified that many of the compliance concerns had only been raised within the last year and that the board had been working to correct practices since becoming aware of them. Commissioners emphasized that the purpose of the discussion was not to assign blame but to ensure the district takes steps to confirm compliance and improve procedures.

Additional discussion included operational topics such as meeting locations and facility use. The district noted challenges securing meeting space and asked about the possibility of a long-term lease agreement for their building to provide stability and reduce financial pressure. Commissioners indicated the value of the district's work and expressed openness to future discussions on that topic, while reiterating the importance of improving public meeting processes.

MOTION: Brian Barney moved to approve the work plan. Seth Crawford seconded. No discussion. Seth Crawford votes Aye, Brian Barney votes Aye. Motion Passed 2-0.

The parties agreed that the Vector Control District would follow up on the discussed items, including reviewing public meeting practices and the contractor arrangement. Commissioners suggested reconvening in approximately three to four months to review progress and continue the discussion.

Commissioner Crawford noted that the follow-up meeting could include a conversation about a potential long-term lease agreement. Early May was identified as a possible timeframe to allow the district time to complete its review and to align with the upcoming budget cycle. The discussion concluded with agreement to reconnect at that time and continue working collaboratively on the issues discussed.

Manager Report

None

Commissioner Updates
None

Public Comment

Dave McMichael a resident on Alfalfa Road, spoke during public comment regarding Ordinance 356 and asked whether there was a process to appeal or amend the ordinance. He expressed concerns about safety and traffic impacts on the narrow county road near his property, noting limited visibility, lack of pull-offs, and existing school bus traffic. McMichael also raised concerns that allowing commercial OHV (side-by-side) tours in the area could increase traffic, trespassing, and enforcement challenges, which he stated had already been ongoing issues in the area. Commissioners responded that the road meets state standards for a county road and that the ordinance only allows individuals or businesses to apply for authorization, rather than broadly opening the road to unrestricted OHV traffic. They explained that any approved operations would be limited, structured, and subject to county requirements and accountability measures. Enforcement would occur through existing law enforcement processes. Commissioners acknowledged Dave's concerns and encouraged him and other nearby landowners to report any problems or negative impacts if they occur. Commissioner Crawford stated that while the county intends to move forward with the current process, the Board would be willing to review the situation in the future if documented issues arise that negatively affect neighboring properties or the surrounding area. Commissioners also noted that no specific operator had yet been approved under the ordinance.

Adam Mikulski asked for clarification about the process for reporting issues if problems arise with a permitted OHV operation. He asked whether concerns would need to be submitted as a formal complaint through the county, noting that in past situations the public was not aware that a specific complaint form was required to initiate review.County Counsel Eric Blaine responded that the appropriate reporting process would depend on the nature of the issue. Criminal violations would be handled by the Sheriff's Office, while violations of a county-issued permit would be addressed through the county's administrative processes rather than through the Sheriff or county counsel.

Julie Thompson thanked the county for removing traffic cones at the intersection of Elliott and Stahancyk, noting that the change has improved traffic flow in the area. She also expressed understanding of the concerns raised by another resident regarding potential impacts from increased side-by-side traffic and encouraged the county to monitor the situation and address any issues if they arise. Julie also referenced recently announced federal funding related to ongoing environmental concerns and asked how the funds would be used. Commissioners noted that they had requested clarification from the Department of Environmental Quality (DEQ) regarding the funding and intended to share additional details with the public once more information becomes available. Julie commented that while she believed the issue could have been addressed earlier at a lower cost, she supported efforts to use the funding to better understand and address the problem.

Mike Ervin expressed concern about the recent decision to discontinue after-hours reservations for the library meeting room. He noted that public meeting spaces in the community are limited and that the library room has been an important resource for activities such as birthday parties, quilting groups, and other community gatherings. While acknowledging concerns about misuse of the facility, Ervin suggested the Library Board of Directors should be involved in developing any policy changes and asked the county to reconsider the decision and explore alternative solutions. Commissioner Crawford responded that they are in the process of reviewing the issue and agreed that input from stakeholders, including community members and the Library Board, would be valuable. They indicated interest in scheduling time at a future meeting to gather public feedback and work toward a balanced solution that protects the facility while continuing to provide community access to the meeting space.

Executive Session

At 12:14PM the Board of Commissioners convened into Executive Session under the following statute(s): ORS 192.660(2)(e) For the purpose of conducting deliberations with persons designated by the governing body to negotiate real property transactions.

6. ORS 192.660(2)(e) For the purpose of conducting deliberations with persons designated by the governing body to negotiate real property transactions.

At the conclusion of the Executive Session, the Board of Commissioners convened back into Open Session, inviting members of the public into the meeting room.

MOTION: Brian Barney moved to delegate authority to Commissioner Barney to sign the real property listing agreement as discussed in the executive session. Seth Crawford seconded. No discussion. Seth Crawford votes Aye, Brian Barney votes Aye. Motion Passed 2-0.

MOTION: Brian Barney moved to Adjourn. Seth Crawford seconded. No discussion. Seth Crawford votes Aye, Brian Barney votes Aye. Motion Passed 2-0.

There being no further business before the Board of Commissioners, the meeting was **adjourned at 12:21 PM.**

Respectfully submitted,

Breyanna Cupp, Executive Assistant

Crook County Board of County Commissioners Minutes of March 4, 2026, Regular Session

Be It Remembered that the Crook County Board of County Commissioners met in a Regular Session on March 4, 2026, at 9:00 AM in the Crook County Annex Meeting Room, located at 320 NE Court Street, Prineville, OR 97754.

Regular Session Agenda

Board Members Present: Seth Crawford, Susan Hermreck, Brian Barney
Board Members Absent:
Others Present in Person or Via Zoom: County Manager Will Van Vactor; Executive Assistant Breyanna Cupp; County Counsel Eric Blaine; County Clerk Cheryl Seely; IT Director Blaine Cheney; HR Director Meghan McKee; Finance Director Christina Haron; Legal Assistant Alex Solterbeck; Systems Engineer Chelsea Watson; Administrative Division Manager Stephanie Wilson; Community Corrections Lieutenant Aaron Boyce; Road Superintendent Brad Haynes; Senior Planner Katie McDonald; Community Development Director; Human Resources; Natural Resources Coordinator Tim Deboodt; Jessica Barnes; Mike Ervin; Julie Thompson; Monty Kurtz; Dawn Mountz; and members of the public.

The meeting was called to order at 09:00 AM.

Public Comment
None

Consent Agenda
1. Approve Minutes

Commissioner Crawford briefly explained the purpose of the consent agenda, noting that items placed on it have typically already been discussed and are generally considered noncontroversial. The commissioner added that if members of the public wish to discuss an item listed on the consent agenda, they are encouraged to raise the issue during public comment or contact the Board, and the item can be moved to the regular discussion agenda if needed.

MOTION: Susan Hermreck moved to approve the minutes as presented. Brian Barney seconded. No discussion. Seth Crawford votes Aye, Susan Hermreck votes Aye, Brian Barney votes Aye. Motion Passed 3-0.

Discussion
2. Signature Request for Acceptance of Phase Two BHD Grant Funding BHD-27-05
Requester:
Aaron Boyce, Community Corrections Lieutenant

Details: Community Corrections Lieutenant Aaron Boyce attended the Regular Session to request for the Board's signature to accept the second half of Behavioral Health Deflection Grant funding for an ongoing program that has been in place for the past two years. The grant had already been awarded, and the request was for formal acceptance of the remaining funds. Commissioners expressed appreciation for the Sheriff's Office efforts to secure grant funding to support behavioral health and probation-related programs. No additional questions were raised.

MOTION: Susan Hermreck moved to sign for acceptance of Phase 2 BHD grant funding BHD27-05. Brian Barney seconded. No discussion. Seth Crawford votes Aye, Susan Hermreck votes Aye, Brian Barney votes Aye. Motion Passed 3-0.

3. Order 2026-08 Planning Commissioner Appointment
Requester:
John Eisler, Community Development Director

Details: Community Development Director Job Eisler attended the Regular Session to present Order 2026-08, recommending the appointment of Monty Kurtz to Position 7 on the Planning Commission for a four-year term ending in 2029. The position had been advertised beginning in November through the county's standard recruitment process. Three applications were received. John reported that the Planning Commission reviewed the applicants and recommended Monty for the appointment. He noted that Monty has been serving as a pro tem commissioner and has demonstrated preparedness, thoughtful participation, and strong engagement during hearings. The Planning Commission expressed support for appointing him as a regular member.

Commissioner Hermreck commented that she had received positive feedback from other Planning Commission members regarding Monty Kurtz's service as a pro tem commissioner. She noted that Kurtz had been well-prepared for the meetings and had taken the time to review materials, which commissioners indicated was greatly appreciated.

MOTION: Susan Hermreck moved to approve Monty Kurtz to position 7 of the Crook County Planning Commission, Order 2026-08. Brian Barney seconded. Discussion: Commissioner Crawford stated he had received feedback from several community members who expressed concerns about appointing Monty Kurtz to the Planning Commission and said, based on that input, he was not in favor of the appointment. Community Development Director John Eisler responded that diversity of perspectives is important for the Planning Commission and noted that the commission itself recommended Monty for the position. Commissioner Hermreck expressed support for the appointment, citing Monty's preparation and commitment, and encouraged the public to attend meetings to better understand the commission's work. Commissioner Barney also supported the appointment, expressing appreciation for the Planning Commission and acknowledging the significant time and effort required of its volunteer members. Susan Hermreck votes Aye, Brian Barney votes Aye. Seth Crawford votes Nay. Motion Passed 2-1.

4. Appointment of Ag Extension Budget Officer for FY27
Requester:
Will Van Vactor, County Manager

Details: County Manager Will Van Vactor attended the Regular Session to make a recommendation for the Board to appoint Tim Deboodt as the Budget Officer for the Ag Extension Service District for Fiscal Year 2027. He explained that under Oregon Local Budget Law, the governing body must designate a budget officer to prepare the proposed budget, assemble the required financial documents, coordinate with staff, and present the budget to the Budget Committee. Will recommended Tim due to his extensive experience with the Ag Extension District and his prior service as the district's budget officer, noting his familiarity with local budget law. Commissioners indicated their support for the recommendation.

MOTION: Brian Barney moved to that we accept Tim. Susan Hermreck seconded. Discussion: Commissioners thanked Tim for his willingness to serve as Budget Officer, noting that his experience and long-standing involvement with the Extension District provide valuable continuity as the Board continues to establish roles and processes. They expressed appreciation for his continued service and willingness to step into the role. Seth Crawford votes Aye, Susan Hermreck votes Aye, Brian Barney votes Aye. Motion Passed 3-0.

5. Approval of Board of Commissioners Goals and Priorities for FY27
Requester:
Will Van Vactor, County Manager

Details: County Manager Will Van Vactor attended the Regular Session to present the Board's Fiscal Year 2027 goals and priorities, which were previously discussed at the January Budget Committee meeting. He requested the Board formally adopt the goals to guide budget planning and departmental requests for the upcoming fiscal year. The six goals include continuing to provide high-quality services to the community, maintaining financial sustainability, fostering a collaborative organizational culture, enhancing quality of life and safety in Crook County, improving organizational communication and transparency, and implementing a countywide facilities and asset management plan. Will noted that the goals had already been shared with departments to help inform their budget planning for FY27.

MOTION: Brian Barney moved that the Board of County Commissioners approve the goals and priorities for fiscal year 2027 as presented to guide department planning, budgeting, and organization initiatives. Susan Hermreck seconded. Discussion: Commissioners expressed support for the goals and priorities, noting they were thoroughly reviewed at the January Budget Committee meeting and provided strong guidance for county planning. They also thanked County Manager Will Van Vactor and county staff for their work developing the goals and supporting the annual budget process. Seth Crawford votes Aye, Susan Hermreck votes Aye, Brian Barney votes Aye. Motion Passed 3-0.

Manager Report

Details: County Manager Will Van Vactor provided an update on the Fiscal Year 2027 budget planning process, noting that meetings with all county departments had begun to review budget requests and would continue over the next two weeks. He stated that the process is progressing on schedule according to the previously approved budget calendar, with departmental budget narratives due later in the month. Will also noted that the March 25th work session would likely be canceled due to a lack of quorum, and notice would be provided. Additionally, he reported that the county's new website platform is now live, with most content migrated from the previous site. Staff will continue refining the site and addressing minor issues. Will and the Commissioners expressed appreciation to staff involved in the project, particularly Breyanna and Chelsea, for their work implementing the new system.

Commissioner Updates

6. Order 2026-10- Declaration of Local Drought Emergency
Requester:
Brian Barney, County Commissioner

Details:
Commissioner Barney reported that the Board received a request from the Deschutes Basin Board of Control to declare a local drought. He contacted Ochoco Irrigation District for information regarding current conditions, and the district subsequently provided supporting documentation and a letter requesting that the county declare a drought. Barney noted that Order 2026-10, declaring a local drought and requesting a state drought emergency declaration for Crook County, was presented to the Board for consideration. He also disclosed that he serves on the Ochoco Irrigation District Board of Directors and sought guidance from legal counsel regarding any potential conflict of interest. County Counsel advised that participation in the discussion and vote did not present a conflict.

MOTION: Brian Barney moved to approve a resolution in order 2026-10. Susan Hermreck seconded. No discussion. Seth Crawford votes Aye, Susan Hermreck votes Aye, Brian Barney votes Aye. Motion Passed 3-0.

Commissioner Crawford reported on a recent trip to Washington, D.C. with Commissioner Hermreck, where they met with several senators and representatives to discuss issues impacting Crook County. Discussions included potential Bureau of Land Management (BLM) land acquisition to provide a second access route out of Juniper Canyon and create additional safety areas in subdivisions. They also discussed the Highway 126 intersection near the post office and explored opportunities for federal funding to help advance improvements. Seth also thanked Senator McLane for his work supporting increased funding for the county fairgrounds, including potential changes that could increase the county's share of state funding and additional support for horse racing facilities. He noted these funding opportunities could significantly increase annual funding for the fairgrounds.

Commissioner Hermreck reported on attending the National Association of Counties (NACo) conference, where discussions focused on public lands, forestry management, and rural policy issues. She met with federal forestry officials and other county commissioners to discuss forest health, biomass energy opportunities, and challenges facing the local timber industry following the closure of the area's last sawmill. Susan also discussed wolf delisting efforts with members of Oregon's congressional delegation and attended sessions on SNAP and Medicaid. She highlighted upcoming community events, including the Crooked River Roundup Queen kickoff, and proposed that the county sponsor BestCare's "Restoring Hope" community luncheon at the $500 community partner level to support local mental health services.

MOTION: Susan Hermreck moved to be a community partner sponsor for $500 at the bestcare luncheon. Brian Barney seconded. Discussion: The board expressed support for sponsoring the BestCare "Restoring Hope" luncheon, noting the organization provides important services to many residents in the community. The commissioner shared observations from participating in the point-in-time count, where individuals experiencing homelessness spoke positively about their experiences with BestCare programs, including classes and access to services such as showers. These conversations reinforced confidence in BestCare as the county's contracted provider and the value of supporting their work. Seth Crawford votes Aye, Susan Hermreck votes Aye, Brian Barney votes Aye. Motion Passed 3-0.

Commissioners also discussed federal policy issues addressed during their recent trip, including efforts to increase timber production, remove the 21-inch harvest rule, and support legislation aimed at expediting federal permitting processes. They noted ongoing challenges with managing secondary wood products and discussed biomass energy as a potential solution. Concerns were also raised about forest health, including tree mortality from disease and beetles, wildfire risk, and increasing difficulties obtaining insurance in high-risk areas. Commissioners emphasized the importance of regional collaboration among Eastern Oregon counties to advocate for shared priorities and improve understanding of rural issues at the state and federal levels.

Public Comment

Tim Deboodt provided public comment regarding a recent trip to Washington, D.C., where he represented the Oregon Farm Bureau on federal lands issues. He reported that discussions with federal officials focused on supporting the beef cattle industry, including identifying and repopulating vacant grazing allotments on Forest Service and Bureau of Land Management lands. He noted that agencies are working to address these allotments but that the NEPA process continues to present challenges. Tim also discussed meetings with federal officials and congressional staff regarding forestry, wild horse management, data center development on public lands, and rebuilding forest industry infrastructure. Additional discussions included concerns about a proposed animal rights initiative and a Lane County watershed measure, as well as advocacy for removing wolves from the Endangered Species Act and returning management to the states.

Commissioner Hermreck thanked Tim for sharing his report and noted that during recent meetings in Washington, D.C., she found federal agency leadership to be accessible and willing to engage directly with local officials. She shared an example from a meeting with the head of Veteran Services, who discussed progress in reducing a backlog of veteran cases and emphasized a willingness to assist local veterans directly. Commissioner Hermreck and Commissioner Crawford commented that the openness and responsiveness she experienced from federal officials, including those from forestry and BLM, was refreshing compared to past experiences and appreciated the opportunity for direct communication about issues affecting local communities.

Executive Session

At 9:41AM the Board of Commissioners convened into Executive Session under the following statute(s): ORS 192.660(2)(e) For the purpose of conducting deliberations with persons designated by the governing body to negotiate real property transactions; and ORS 192.660(2)(f) To consider information or records that are exempt by law from public inspection.

At the conclusion of the Executive Session, the Board of Commissioners convened back into Open Session, inviting members of the public into the meeting room.

7. ORS 192.660(2)(e) For the purpose of conducting deliberations with persons designated by the governing body to negotiate real property transactions.

MOTION: Susan Hermreck moved to approve the letters of intent as discussed in the executive session. Brian Barney seconded. No discussion. Seth Crawford votes Aye, Susan Hermreck votes Aye, Brian Barney votes Aye. Motion Passed 3-0.

8. ORS 192.660(2)(f) To consider information or records that are exempt by law from public inspection.

MOTION: Brian Barney moved to authorize staff to participate in the third-party mediation subject to the parameters discussed in the executive session. Susan Hermreck seconded. No discussion. Seth Crawford votes Aye, Susan Hermreck votes Aye, Brian Barney votes Aye. Motion Passed 3-0.

MOTION: Brian Barney moved to adjourn the meeting. Susan Hermreck seconded. No discussion. Seth Crawford votes Aye, Susan Hermreck votes Aye, Brian Barney votes Aye. Motion Passed 3-0.

There being no further business before the Board of Commissioners, the meeting was **adjourned at 10:55 AM.**

Respectfully submitted,

Breyanna Cupp, Executive Assistant

Crook County Board of County Commissioners Minutes of March 11, 2026, Work Session

Be It Remembered that the Crook County Board of County Commissioners met in a Work Session on March 11, 2026, at 9:00 AM in the Administration Conference Room, located at 203 NE Court Street, Prineville, OR 97754.

Work Session Agenda

Board Members Present: Seth Crawford, Susan Hermreck, Brian Barney
Board Members Absent:
Others Present in Person or Via Zoom: County Manager Will Van Vactor; Executive Assistant Breyanna Cupp; County Counsel Eric Blaine; County Clerk Cheryl Seely; HR Director Meghan McKee; Finance Director Christina Haron; Legal Assistant Alex Solterbeck; Systems Engineer Chelsea Watson; Administrative Division Manager Stephanie Wilson; Lieutenant Andrew Rasmussen; Road Superintendent Brad Haynes; Public Health Modernization Manager Stephanie O'Neal; Librarian Team Lead Kim Bales; Librarian Renee Parrott; Health and Human Services Director Katie Plumb; Landfill Director Jacquie Davis; Landfill Manager Aaron Reinhart; Fairgrounds Manager Casey Daly; Administrative Assistant Mona Glade; Natural Resources Coordinator Tim Deboodt Community Health Worker Shelby Fisher; Amber Heiberger; Jessica Barnes; Mike Ervin; Julie Thompson; John Heylin; Bertha; Laura; and members of the public.

The meeting was called to order at 09:00 AM.

Public Comment
None

Discussion

1. Treasurer's Report for February 2026

Requester:
Christina Haron, Crook County Finance Director

Details: Finance Director Christina Haron attended the Work Session and presented the February Treasury Report, reviewing bank and investment account balances and noting that minor differences between bank balances and the general ledger were due to deposits in transit, outstanding checks, and tax turnover timing. Cash balances remained steady from January to February, with no unallocated cash across accounts. Christina also provided an overview of the county's investments, noting they are held to maturity in accordance with the county's investment policy, resulting in lower risk and predictable returns. She reported a favorable difference between the book and market value of investments and confirmed there was no outstanding warrant indebtedness as of the end of February. During the discussion, Christina explained that certain tax turnover accounts, such as the Flat Rock Road District, will be consolidated into a single unsegregated tax account following implementation of the new ERP system. She also noted that February tax collections were higher than typical, with more taxpayers paying their taxes in full rather than using installment payments.

2. Moderate-Income Revolving Loan Program
Requester:
Eric Klann, Divergent Engineering Services
Presenter(s):
Eric Klann, Divergent Engineering Services
Jason Carr, Carr Strategies

Details: Eric Klann and Jason Carr attended the Work Session to present a proposal for a middle-income housing development in Prineville, specifically designed to address the "squeezed" segment of the workforce. Klann, a local engineer, highlighted that while Crook County now boasts the second-highest average wage in Oregon, this economic growth has driven average home prices above $450,000, effectively pricing out essential community members like teachers, police officers, and firefighters. To bridge this gap, the project utilizes the Moderate Income Revolving Loan Program, a state-funded initiative established to provide zero-interest loans for "horizontal" infrastructure costs, such as water, sewer, power, and streets. By offsetting these significant upfront expenses, the developer can offer homes at lower price points to households earning 120% or less of the Area Median Income (AMI), which currently equates to approximately $76,000 for a single person.

The financial structure of the program involves the County adopting an ordinance to act as a pass-through for state funds. The loan is repaid over a 10-year period using the property tax revenue generated by the newly built homes. While the fire department's tax revenue is protected and paid out normally to ensure it can meet the increased demand for service, other taxing districts—including the school district and law enforcement—would forgo their portion of the new tax revenue for a decade to facilitate the loan repayment. Eric emphasized that this is a low-risk arrangement for the County, as the state holds a lien against the developer's land to secure the funds. Unlike traditional low-income housing, this program avoids "income traps"; once a qualified buyer purchases a home, they are free to increase their earnings without penalty. However, if they choose to sell within the first 10 years, they must sell to another buyer who meets the 120% AMI requirement. After the 10-year term, all restrictions expire, and the homes remain a permanent part of the local tax base.

The proposed development, located in the Barnes Butte area near the elementary school, consists of 108 homes designed with "rear-load" garages via alleys to maintain high aesthetic standards and a walkable community feel. The plan also includes a commercial node for local amenities like coffee shops. During the discussion, concerns were raised regarding how to ensure these homes benefit local residents rather than commuters from neighboring cities like Bend or Redmond. Eric and Jason explained that the state allows the County, as the sponsor, to implement a "preference point" system. This system would allow the County to prioritize applicants who are current public employees, first responders, or long-term residents. Although some board members questioned the logistics of timing home sales with new hiring cycles and the temporary loss of tax revenue, the presenters argued that providing stable homeownership opportunities for the workforce is essential for community retention and long-term economic health.

One primary concern centered on the geographic eligibility of buyers. Commissioners were worried that without strict controls, the homes would be purchased by people moving from neighboring cities like Bend, Redmond, or Madras rather than serving the local Prineville workforce. They questioned whether a "preference point" system for local employees would be legally defensible or if the county would face litigation or discrimination claims from out-of-area applicants. There was a specific worry that the larger populations in nearby cities would create a lopsided demand that could overshadow local needs.

Related to this was a concern regarding timing and recruitment. The board noted that the county, hospital, and school district do not hire in large enough "waves" to match the rapid build-out of 108 homes. They expressed that it would be very difficult to synchronize the moment a home hits the market with the moment a new essential worker is hired, potentially leading to a scenario where the homes are sold to the public simply because no local public employee was ready to buy at that exact time.

From a financial and tax perspective, the board closely examined the 10-year tax abatement. While the fire department's revenue is protected, the commissioners noted that the county, the museum, and the parks and recreation district would see no tax benefit from these 108 homes for a decade. They compared this to the large-scale abatements given to data centers, noting that while those data centers eventually bring in significant revenue and enterprise zone payments, this housing project represents another layer of "forgone" tax revenue that the county must balance against its current service demands.

Finally, there was a brief discussion regarding property maintenance and community standards. A commissioner specifically asked how the project would be "vetted" and maintained to ensure it remains a high-quality neighborhood. This led to questions about the use of HOAs and CC&Rs to prevent the area from falling into disrepair or having "Trans Ams up on blocks," ensuring that the middle-income designation does not result in a lower standard of living for the surrounding community.

In conclusion, the Board of Commissioners tasked Eric and Jason with several critical follow-up actions before the project can move forward, primarily focusing on local control and administrative feasibility. The presenters must provide a clear legal framework for a "preference point" system that prioritizes Crook County residents and public employees, ensuring that such a policy is defensible against potential discrimination claims from out-of-area applicants. Additionally, the Board requires a detailed administrative plan for managing home sales and income verification—likely through NeighborImpact—to solve the "timing" issue of matching home availability with local recruitment cycles for teachers and law enforcement. Furthermore, Eric and Jason must coordinate with the County Assessor to map out the exact mechanics of the 10-year tax diversion, ensuring the Fire District's revenue is strictly protected and that the County's legal counsel has reviewed all state-provided sample ordinances and intergovernmental agreements to confirm that the County bears no financial liability for the underlying loan.

3. Landfill Outbound Scale Replacement
Requester:
Jacquie Davis, Landfill Director

Details: Landfill Director Jacquie Davis attended the Work Session to present a request to replace the outbound (southbound) scale at the landfill, noting the current scale is more than 20 years old and showing structural wear, including separation and lifting of the steel decking. The department had budgeted $200,000 for a potential scale replacement in the current fiscal year. Three companies evaluated the scale and recommended full replacement rather than re-decking due to the age and condition of the components. Two bids were received: one from Unitec for a 100,000-pound capacity scale and another from Scales Northwest for a 120,000-pound capacity scale with thicker decking at a slightly lower cost of just over $100,000. Jacquie recommended purchasing the scale from Scales Northwest, which also currently provides maintenance services for the landfill scales. She noted the existing scale approaches can be reused, reducing costs, and that the scale could potentially be expanded in the future when the transfer station area is redesigned. The item will be placed on the consent agenda for the March 18th regular session.

4. Agreement for Operation and Management of the COCC/Crook County Open Campus Building
Requester:
Suzie Kristensen, Prineville COCC Campus Director
Presenter(s):
Will Van Vactor, County Manager

Details: County Manager Will Van Vactor and Commissioner Crawford attended the Work Session to present a proposed amendment to the agreement between Crook County and COCC for the operation and management of the Crook County Open Campus building. The amendment would consolidate the existing three reserve accounts—building maintenance, IT equipment, and furnishings—into a single reserve fund managed by the county. The reserve fund would support building maintenance, furnishings, and IT-related expenses, with expenditures requiring written approval from both parties. The amendment also outlines scheduled annual contributions from both COCC and the county, beginning at $70,000 each in fiscal year 2026–27 and increasing to $100,000 each by fiscal year 2029–30, with a maximum reserve balance of $1 million. Discussion included the purpose of maintaining reserve funds for long-term building and technology upgrades, the current estimated balance of approximately $200,000–$250,000, and upcoming IT infrastructure improvements. County contributions would come from lottery funds designated for economic development. The item will be placed on the consent agenda for the March 18th regular session.

5. School Based Health Center Agreement with Mosaic Community Health & Crook County School District
Requester:
Katie Plumb, Health & Human Service Director

Details: Health and Human Services Director Katie Plumb attended the Work Session to present a revised multi-party agreement for the School-Based Health Center. The updated agreement consolidates multiple existing agreements into a single document to streamline amendments and increase transparency among the County, Oregon Health Authority, Mosaic, and other partners. The agreement establishes programmatic and fiscal arrangements for the remainder of the current fiscal year. Katie noted that Mosaic has been providing services since January without a formal contract in place, and approval of the agreement would allow reimbursement for those services. She also explained that minor language adjustments related to campus safety may be requested by the school district but would not affect the funding amounts. Future amendments are anticipated before July 1 to address changes in state funding and potential programmatic updates at the state level. The School-Based Health Center is located behind Crook County High School, and the County maintains oversight through regular partner meetings and coordination with school staff. Commissioners discussed oversight and facility details and indicated support for moving forward with the agreement.

MOTION: Susan Hermreck moved to approve the school-based health center multi-party agreement as presented. Brian Barney seconded. No discussion. Seth Crawford votes Aye, Susan Hermreck votes Aye, Brian Barney votes Aye. Motion Passed 3-0.

6. EV Bookmobile Grant
Requester:
Kim Bales, Librarian Team Lead

Presenter(s):
Kim Bales, Librarian Team Lead
Will Van Vactor, County Manager

Details: Librarian Team Lead Kim Bales requested direction from the Board regarding a previously awarded grant for an electric bookmobile. The library had been awarded approximately $650,000 through a state grant, along with up to $78,000 from Pacific Power to support the project. Kim outlined several operational and financial concerns with moving forward, including limited driving range for rural routes such as Paulina and Brothers, potential impacts of weather and terrain on battery performance, charging infrastructure requirements, insurance and maintenance considerations, and estimated annual operating costs of $32,000–$50,000. She also noted that the current outreach van is effectively providing library services to rural areas and within the community. Additional concerns included the requirement to destroy the existing bookmobile and the need for the county to front project costs prior to reimbursement. After discussion, commissioners indicated there was no interest in proceeding with the project at this time and directed staff to notify the grant partners that the county would not move forward with the electric bookmobile grant.

7. Review of Core Services: Fairgrounds, Bowman Museum, and Weed Control
Requester:
Will Van Vactor, County Manager
Presenter(s):
Will Van Vactor, County Manager
Casey Daly, Fairgrounds Manager

Details: Fairgrounds Manager Casey Daly presented the Fairgrounds core services overview as part of the county's ongoing review of departmental core service descriptions. Casey explained that the fairgrounds operates as a multifaceted community hub serving a wide range of purposes. Core functions include hosting the annual Crook County Fair, supporting agricultural education in partnership with the Extension Office, and providing facilities for community events, recreational activities, and equine use. The fairgrounds are utilized regularly for horse training, races, and other equestrian activities, as well as public gatherings and cultural events.

Casey also highlighted the fairgrounds' role in emergency preparedness and response, including serving as a shelter location during wildfires, a staging area for emergency responders, a site for livestock and pet evacuation, and a potential overflow medical facility if needed by the hospital. The facility also supports community services such as public health outreach and provides public internet access.

The fairgrounds maintains partnerships with multiple community organizations and agencies, including the Extension Office, City of Prineville, Crook County School District, St. Charles Health System, and others. Casey noted recent success in securing grant funding for facility improvements, including upgrades to the jockey room and potential expansion of the rodeo arena. Commissioners thanked Casey for the presentation and commended the fairgrounds' role in serving the community.

County Manager Will Van Vactor presented the core service descriptions for the Bowman Museum and the County Weed Control program as part of the county's ongoing review of departmental core services. The Bowman Museum's mission is to collect, preserve, and share the history of Crook County through exhibits, research, and educational programs that promote appreciation of the region's heritage. Key service areas include collections management and preservation of artifacts and records; providing public access to archives and research services; education and community engagement through exhibits, lectures, school programs, and events; operational and administrative support to maintain sustainable funding and safe facilities; and supporting tourism and economic development by providing historical interpretation and visitor information. Will also noted efforts to enhance the Ranchers Memorial and increase public engagement with that area of the museum.

Will then provided an overview of the County Weed Control program, which focuses on identifying and managing invasive species to protect agricultural land, natural resources, and water quality. Core services include implementing noxious weed control programs in coordination with agencies such as the Forest Service and BLM; education and outreach to landowners and the public; regulatory enforcement and site inspections to ensure compliance with state weed laws; management of grants and collaborative projects; and program administration to maintain effective operations and financial accountability. Commissioners acknowledged the value of the program and staff dedication to addressing invasive weed issues throughout the county.

Manager Report

None

Commissioner Updates

Commissioner Hermreck reported that feedback speed signs will be placed at Weibel’s Corner and on the hill coming out of Redmond from March 20th through March 30th. She also noted that law enforcement will be monitoring the area during that time to encourage drivers to slow down and improve safety.

Commissioner Crawford provided an update on efforts to secure access through the Bureau of Land Management for Juniper Canyon Road. He reported that the county continues to receive letters of support from several subdivisions in the Juniper Canyon area. Additional meetings are scheduled with local groups to gather further support, and coordination is ongoing with partners in Washington, D.C. to advance the process. Commissioner Crawford noted that once the remaining letters are collected, the project should be able to move forward more efficiently.

Commissioner Barney mentioned to Assessor Jon Soliz that he had missed an earlier discussion. He was advised to review the meeting minutes to catch up on the topics covered. Commissioners also mentioned a recently passed 2024 item that is still new to most counties and under discussion, noting that Tillamook County may currently be in negotiations related to it. Jon was encouraged to review the information and share his thoughts as more details become available. Jon asked when the meeting video would be available. Breyanna noted that videos are typically posted quickly and credited Alex Solterbeck for helping ensure timely posting. Commissioners also expressed appreciation for Breyanna's efforts to keep meeting minutes current, noting that in the past, minutes had been several months behind, and emphasizing how valuable it is to now have them completed promptly.

Executive Session

8. None scheduled.

MOTION: Susan Hermreck moved to Adjourn. Brian Barney seconded. No discussion. Seth Crawford votes Aye, Susan Hermreck votes Aye, Brian Barney votes Aye. Motion Passed 3-0.

There being no further business before the Board of Commissioners, the meeting was **adjourned at 10:06 AM.**

Respectfully submitted,

Breyanna Cupp, Executive Assistant

Agenda Item Request

Date of Meeting: March 18, 2026

Subject:
Approval of Landfill Outbound Scale Replacement to Scales Northwest

Background and Policy Implications:

Budget/Fiscal Impacts:
Capital Project Budgeted for in FY26

Requester:
Jacquie Davis, Landfill Director

Legal Review (only if requested):

Elected official sponsor (if applicable):

Corporate Office

Scales NW LLC
39120 West Scio Rd
Scio, OR 97374

Phone: (800)451-0187

Office Locations

Spokane & Benton City, WA
Twin Falls & Nampa, ID
Scio, OR

Fax: (503)394-3502

Estimate

Name / Address
Crook County Landfill Attn:Jackie 300 NE 3rd St Room 13 Prineville, OR 97754 Ph (541) 447-2398 Fax (541) 416-1283

Date	Estimate No.
1/13/2026	24243
Estimate valid for 20 Days	

We are proud to propose the following equipment/service for your consideration. It is not our intention that all possible charges and features be included herein. Typographic and mathematical errors contained herin are subject to correction. Alterations and/or deviations from these specifications may result in price changes. We reserve the right to make changes in materials based upon availability. Upon receipt of a signed proposal, a Sales Order Confirmation will be issued which specifies the final purchase agreement for equipment/services and costs. THIS IS NOT VALID AS A SALES ORDER - only as a preliminary estimation and quotation for your consideration.

Rep	Terms	FOB	Est. Lead Time	Project
Steve	50%-40%-10%	Fernley NV	8-12 weeks	

Qty	Description	Cost	Total
	Custom OTR to Replace 30' ET		
	Survivor OTR 65' x 10' Heavy Duty Full Electronic Low Profile Above Ground 60 Ton Truck Scale With Steel Deck 14" Profile**	79,800.00	79,800.00
65	-Safety Guide Rails, Both Sides - Price per/ft of scale	90.00	5,850.00
	Install scale, hook up electronics, calibrate	8,800.00	8,800.00
	Shipping	3,500.00	3,500.00
	Crane Service Estimate To Set Scale.	2,800.00	2,800.00
	Options		
0	Remove old scale and stack load on truck.	3,600.00	0.00
0	Crane Service Estimate To Remove Scale.	2,800.00	0.00
0	Truck To Haul Scale Away.	1,250.00	0.00
	**As Bid Customer Responsible For Any Necessary Foundation Modifications or Construction, Permits, Testing, Site Prep, Electrical Or Conduit Work And Spoils Disposal. Any Road Access And Rock Ramps To Be Supplied By Others. Foundation Design Requires Minimum Of 3000 PSF Soil Bearing Capacity.		
	Scale will be built to match existing foundation.		
	Sales tax will be added at your applicable tax rate. Shipping costs are estimates only.		

Thank you for considering Scales NW!

Total $100,750.00

ACCEPTANCE OF PROPOSAL: Please accept this signed document as our formal purchase order for the equipment/services stated above. the undersigned agent has full authority and responsibility to make this contract. I understand that a SALES ORDER will be issued with final specifications.

Date: / / P.O# Signature: Title:

Agenda Item Request

Date of Meeting: March 18, 2026

Subject:

Approval of Agreement for Operation and Management of the COCC/Crook County Open Campus Building

Background and Policy Implications:

Budget/Fiscal Impacts:

Legal Review (only if requested):

Elected official sponsor (if applicable):

AMENDMENT 1
to
Agreement for Operation and Management of
The COCC / Crook County Open Campus Building

This Amendment 1 modifies that certain Agreement for Operation and Management of the COCC/Crook County Open Campus Building (hereinafter "the Agreement,") made by and between the Central Oregon Community College (hereinafter "COCC") and Crook County, a political subdivision of the State of Oregon (hereinafter "County.") Collectively, COCC and County may be referred to as "the Parties," and individually as "a Party."

RECITALS

A) *Whereas*, Crook County was the recipient of the Broadband Technology Opportunity Grant ("BTOP Grant") from the National Telecommunications and Information Administration for the acquisition of equipment and teaching facilities to promote technology learning opportunities in Central Oregon, and COCC contributed $1 million to this endeavor as well; and

B) *Whereas*, COCC and Crook County collaborated in the construction of the Open Campus Building (hereinafter "Campus"), located at 510 SE Lynn Boulevard, Prineville, and share in its ownership; and

C) *Whereas*, the Parties executed the Agreement on or about November 1, 2015, to describe the manner in which the Campus would be operated and describing the responsibilities of each Party; and

D) *Whereas*, the Agreement provided for the creation of three separate reserve accounts, for Building Maintenance, IT Equipment, and Furnishings. The Agreement specified the maximum amounts for each of the three reserve accounts, and describes how the Parties will contribute into them; and

E) *Whereas*, the Parties are interested in modifying how the three reserve accounts are managed, and making other modifications, as described in this Amendment 1.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the sufficiency of which are acknowledged, the Parties agree as follows:

1) Adoption of Recitals: The above Recitals are incorporated into and made a part hereof, as terms of contract and not mere recitals.

2) Effective Date: This Amendment 1 becomes effective when signed by both Parties.

3) Modification of Reserve Account Management: Section 2 of the Agreement is deleted in its entirety, and replaced with the following:

Section 2. Annual Operation Budget

COCC shall be responsible for the operation budget of the Campus in accordance with COCC's budgeting policies. Revenues from the operation of the building will be managed by COCC as part of the operation budget of the Campus. COCC and County contribution requests to the reserve accounts (as described in Section 3 "Reserve Fund," below) shall be identified during the annual operating budget process no later than March 1st of each year. Each Party will contribute the sum specified on the schedule below, or 50% of the sum necessary to reach the maximum amount described in Section 3 below, whichever is less.

- Fiscal Year 2026-27: $70,000.00.
- Fiscal Year 2027-28: $80,000.00.
- Fiscal Year 2028-29: $90,000.00.
- Fiscal Year 2029-30, and each fiscal year thereafter: $100,000.00.

4) <u>Modification of Reserve Fund</u>: Section 3 of the Agreement is deleted in its entirety, and replaced with the following:

Section 3. Reserve Fund and Spending Authority

County shall serve as the custodian of the single Reserve Fund set aside for the following purposes: 1) Information Technology, voice-over-internet, and telephones; 2) furnishings; and 3) building maintenance. Except as otherwise provided herein, operational costs will be paid by COCC. The maximum accumulation of the Reserve Fund will be: $1,000,000.00.

COCC will submit requests for reimbursements for qualified expenses to County, and County will thereafter reimburse COCC for qualified expenses from the Reserve Fund. Allocations out of the Reserve Fund must be approved by each Party, confirmed in writing, regardless of dollar value. Each Party will designate in writing the person(s) authorized to approve such purchases, which each Party may update from time to time.

5) [RESERVED]

6) <u>Update to Termination Notice Addresses</u>: The addresses listed in Section 18 "Termination" are deleted in their entirety and replaced with the following:

For COCC:
Vice President of Finance
and Operations
2600 NW College Way
Bend, OR 97703

For County:
Crook County Manager
Attn: Termination Notice
300 NE 3rd Street
Prineville, OR 97754

7) <u>[RESERVED]</u>

8) Except as modified by this Amendment 1, the Agreement remains in full force and effect.

9) Counterparts: This Amendment 1 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 Amendment 1 on the date(s) signified below.

Central Oregon Community College	**Crook County**, a political subdivision of the State of Oregon
Michael LaLonde 02/24/2026 Michael LaLonde (Feb 24, 2026 20:50:47 GMT-3)	
Signature / Date	Signature / Date
Michael LaLonde	
Print Name and Title	Print Name and Title

Agenda Item Request

Date of Meeting: March 18, 2026

Subject:

Supplemental Budget Resolution – Resolution 2026-11 Adopting a Supplemental Budget for Crook County Fiscal Year 2026

Background and Policy Implications:

This resolution proposes a supplemental budget for Crook County to accept revenue and adjust expenditure budget appropriations for County funds for Fiscal Year 2026.

Budget/Fiscal Impacts:

Will not have needed appropriation authority for certain County funds through June 30, 2026 unless the supplemental budget is adopted.

Requester:

Jamie Berger, Budget Manager

Presenter(s):

Christina Haron, Finance Director
Jamie Berger, Budget Manager

Legal Review (only if requested):

Elected official sponsor (if applicable):

IN THE STATE OF OREGON
FOR THE COUNTY OF CROOK

IN THE MATTER OF **RESOLUTION # 2026-11**
A Resolution Adopting a Supplemental Budget for Fiscal Year 2025-2026

WHEREAS, This resolution proposes a supplemental budget for Crook County to accept revenue, change related appropriations, and adjust expenditure budget appropriations for County funds for Fiscal Year 2025-2026.

WHEREAS, This resolution is made in accordance with ORS 294.471(1)(a) which provides that the County may make a supplemental budget for an occurrence or condition that is not ascertained when preparing the original budget for the current year that requires a change in financial planning.

General Fund (Fund 101)

Resources:	**Adopted**	**Changes**	**Adjusted**
Intergovernmental	2,347,000	38,000	2,385,000
Miscellaneous	536,000	6,000	542,000
Other Adopted Resources	22,197,000	-	22,197,000
Fund 101 Resources Total	**25,080,000**	**44,000**	**25,124,000**
Appropriations:			
Special Payment	976,000	44,000	1,020,000
All Other Appropriations	24,104,000	-	24,104,000
Fund 101 Appropriation Total	**25,080,000**	**44,000**	**25,124,000**

To appropriate grant resources and interest earnings so that distribution of ODA Wolf Depredation Grants funds planned for the prior year can be completed in Fiscal Year 2026 instead.

NOW, THEREFORE BE IT RESOLVED that the Crook County Board of Commissioners hereby adopts this Resolution for the purposes detailed above for the fiscal year ending June 30, 2026.

DATED this 18th day of March 2026.

CROOK COUNTY BOARD OF COMMISSIONERS:

____
SETH CRAWFORD, County Commissioner, Chair

____
BRIAN BARNEY, County Commissioner

____
SUSAN HERMRECK, County Commissioner

Agenda Item Request

Date of Meeting: March 18, 2026

Subject:
Fairgrounds Grant Awards Acceptance Consideration — Facebook, and Crooked River Roundup Foundation

Background and Policy Implications:
Award of $15,000 for Carey Foster Hall Media Upgrade

Crooked River Roundup Fondation Donation of 40 new Livestock Panels $25K

Budget/Fiscal Impacts:
None

Requester:
Casey Daly, Fairgrounds Manager

Presenter(s):
Casey Daly, Fairgrounds Manager

Legal Review (only if requested):

N/A

Elected official sponsor (if applicable):

None

Agenda Item Request

Date of Meeting: March 18, 2026

Subject:
Fee Waiver Request — Tri County High School Rodeo and Oregon High School Rodeo State Finals

Background and Policy Implications:
Requesting facility rent for Tri County High School Rodeo and Oregon High School Rodeo State Finals. We appreciate the previous years of help from the Crook County Commissioners, we love coming to Prineville to host our annual events and are looking forward to our 2026 events.

Budget/Fiscal Impacts:
Tri County HS Rodeo - May 1-3, 2026 - $2621
State Finals Rodeo - June 10-13, 2026 - $6501

Requester:
Bobbi Aldrich, OHSRA Secretary

Presenter(s):
Bobbi Aldrich, OHRSA Secretary
Brady Bafford, Tri County HS Advisor

Legal Review (only if requested):

Elected official sponsor (if applicable):

Agenda Item Request

Date of Meeting: March 18, 2026

Subject:

Carey Foster Hall Rental Fee Waiver Request – Crook County Stock Growers Association

Background and Policy Implications:

CCSGA Annual Banquet will be held Saturday March 28th during their weekend event including Dog Trial, Horse Show, Ranch Roping and Banquet March 27-29th. This is our annual fundraising event for all scholarships and other programs in the community we support throughout the year.

Budget/Fiscal Impacts:

The whole event cost at fairgrounds will be $4791.00. We would appreciate if the Carey Foster Hall and kitchen fee of $720 be waived. This will help keep some of our fundraising efforts from the weekend to be able to give more to the community this year.

Requester:

Holli Kingsbury, Treasurer

Presenter(s):

Holli Kingsbury, Treasurer

Legal Review (only if requested):

Elected official sponsor (if applicable):

Agenda Item Request

Date of Meeting: March 18, 2026

Subject:
Community Development January and February Update

Background and Policy Implications:
Update on Department services, including permit and application activity.

Budget/Fiscal Impacts:
None

Requester:
John Eisler, Community Development Director

Presenter(s):
John Eisler, Community Development Director
Randy Davis, 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 Board of Commissioners

FROM: John Eisler, Community Development Director
Randy Davis, Building Official

DATE: February 5, 2026

SUBJECT: Community Development Activity Update – January 2026

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

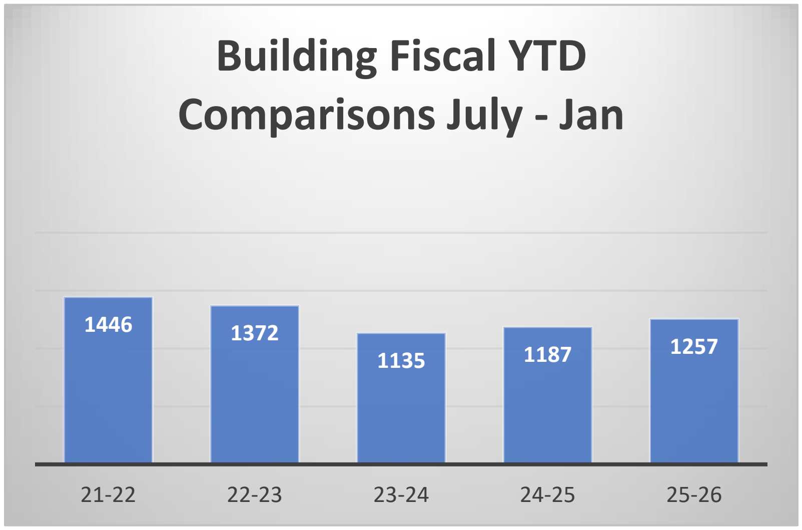
Building:

Permits issued summary (January):

Permit Type	Number of Permits
New Residential Dwellings (Site Built or Manufactured)	15
Commercial (plumbing, electrical, structural, etc.)	31
Residential Permits (plumbing, electrical, mechanical etc.)	80
Residential Structural (shops, etc.)	16
Other (e.g. demo)	2
TOTAL	**144**

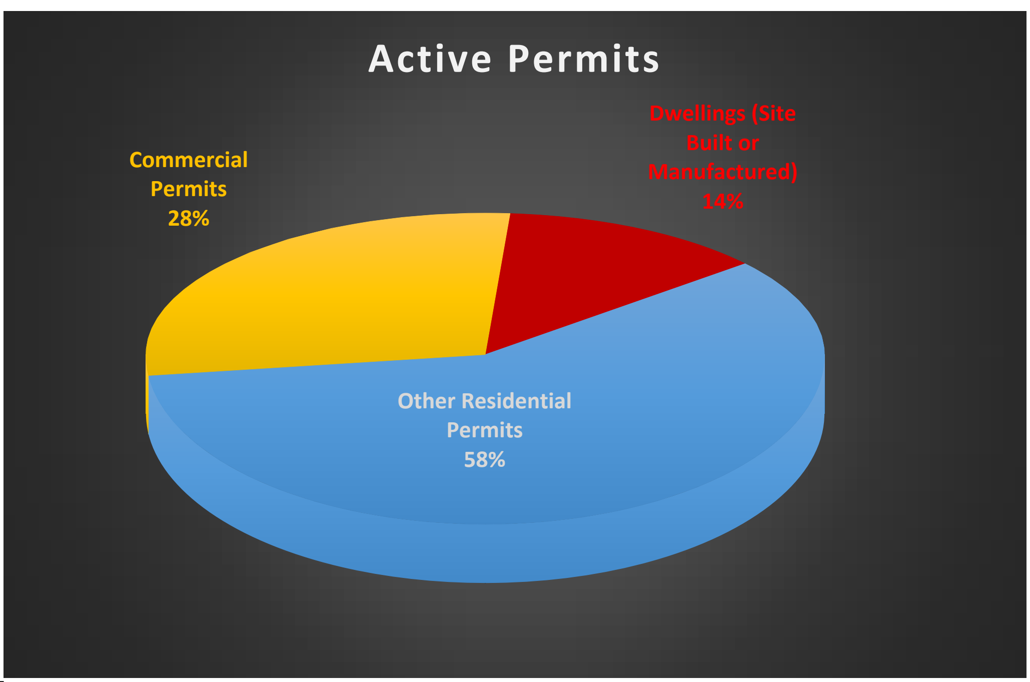
Comparisons:

Time Frame	Permits
January 2026	144
January 2025	123
YTD 2026	144
YTD 2025	123
Fiscal YTD 2025-26	1257
Fiscal YTD Comparison 2024-25	1187



Active Permits:

Permit Type	Amount Still Active as of end of January
Dwellings (Site Built or Manufactured)	165
Other Residential Permits	686
Commercial Permits	337



Daily Inspections:

Inspection Type	Amount this month
Residential	581
Commercial	167
All	748

Larger Projects Under Construction:

Apple Data Center
PRN1 Retrofit
Reserve at Ochoco Creek - Apartments
Cabins at Brasada Ranch
9,000 SQ FT Commercial Office & Shop for Auto Detailing
Oppidan Data Center
Forest Service Bldg – Lamonta
Prineville Apartments (Ochoco Lumber)
Crooked Tails Addition
CV International – 72,187 sq ft Manufacturing Facility
River View Court RV Park Expansion
Central OR Processing Expansion
Cadillac's

Larger Projects Under Review or Incoming:

Brasada Ranch Addition "The Barn"

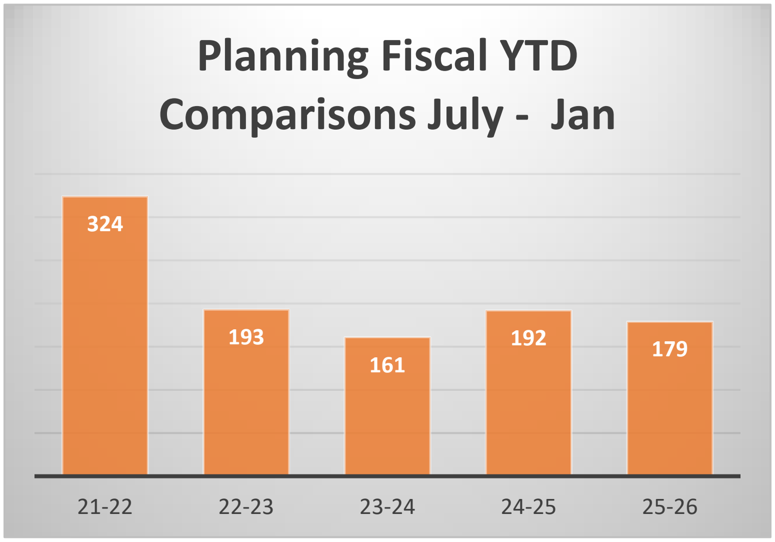
Planning:

Applications received:

Application Type	# of Applications (January)	YTD
Appeals	0	0
Variance	0	0
Site Plan Review	18	18
Agricultural Exempt	0	0
Land Partition	0	0
Combine/Un-Combine Lots	0	0
Road Approach	1	1
Boundary Line Adjustment	1	1
Destination Resort	0	0
Conditional Use	1	1
Miscellaneous	0	0
Flood Hazard	0	0
Sign	0	0
Extension	0	0
Subdivision	0	0
Amendment	0	0
Road Name/Rename	0	0
Lot of Record	0	0
Vested Right	0	0
TOTAL	**21**	**21**

Comparisons:

Time Frame	Permits
January 2026	21
January 2025	31
YTD 2026	21
YTD 2025	31
Fiscal YTD 2025-26	179
Fiscal YTD Comparison 2024-25	192



Notable County Land Use Applications:

Request	Status
Verizon Tower	PC Hearing Continued to Feb 11
Transportation Safety Action Plan	Paused
Aggregate Mining Conditional Use – Hegele – O'Neil	PC Hearing TBD
Hidden Canyon Phase 1	PC Hearing tentatively April 8
Aggregate Mining Comp Plan Amendment & CU – GP LLC – O'Neil	PC Hearing tentatively March 11

Notable City Land Use Applications:

Request	Status
Barnes Butte Pool and Rec Center	Working on finalizing Feasibility Study. Toured the new Redmond facility.
Middle-Income Revolving Loan program (MIRL)	Looking into how this State program could be utilized in our community.
Economic Opportunity Analysis (EOA)	Tentative adoption April 2026. Waiting for management to give the green light.
New Subdivision in Ironhorse South of BBE	Mostly finalized – awaiting application
Housing Development in NW portion of City	Prelim work/discussions with landowners – ongoing
ASR 2 well	Well complete – awaiting building construction.

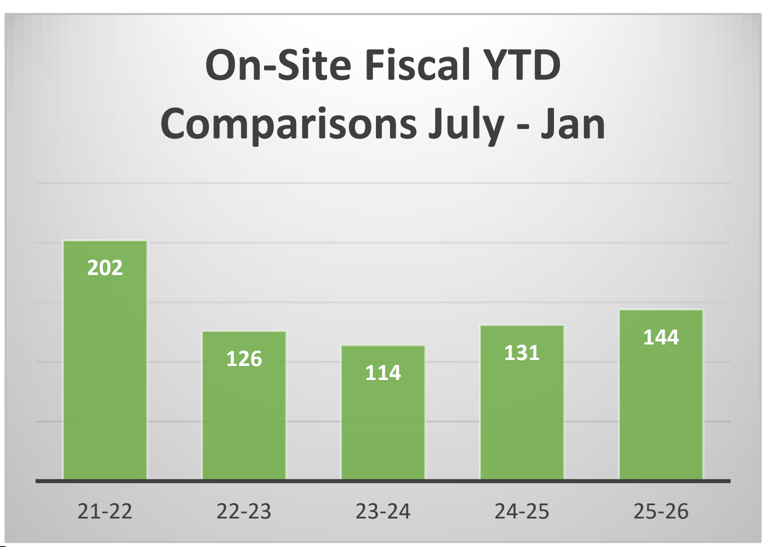
On-Site:

Applications (January):

Application Type	Number of Applications
Residential Authorization	3
Commercial Authorization	0
Construction Permit (Residential)	9
Construction Permit (Commercial)	0
Repair (Major) - Residential	2
Repair (Minor) - Residential	1
Repair (Major) – Commercial	0
Repair (Minor) - Commercial	0
Residential Site Evaluation	2
Commercial Site Evaluation	0
Alteration (Minor) – Residential	0
Alteration (Major) – Residential	0
Alteration (Minor) - Commercial	0
TOTAL	**17**

Comparisons:

Time Frame	Permits
January 2026	17
January 2025	16
YTD 2026	17
YTD 2025	16
Fiscal YTD 2025-26	144
Fiscal YTD Comparison 2024-25	131



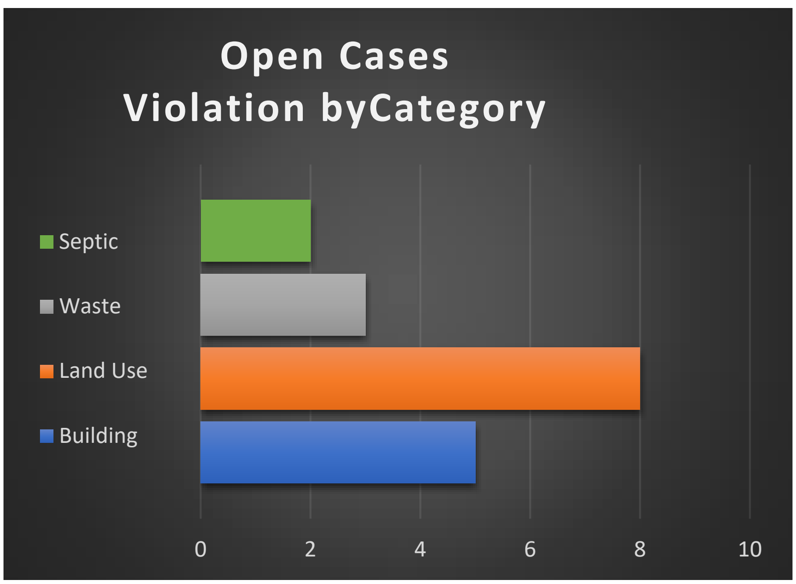
Code Compliance:

Case Activity:

Opened in January: 11
Closed in January: 3

Case Load (Total violations from open cases):

Year	Building	Land Use	Waste	Septic
YTD 2026	5	8	3	2



Community Development Department

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

MEMO

TO: Crook County Board of Commissioners

FROM: John Eisler, Community Development Director
Randy Davis, Building Official

DATE: March 9, 2026

SUBJECT: Community Development Activity Update – February 2026

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

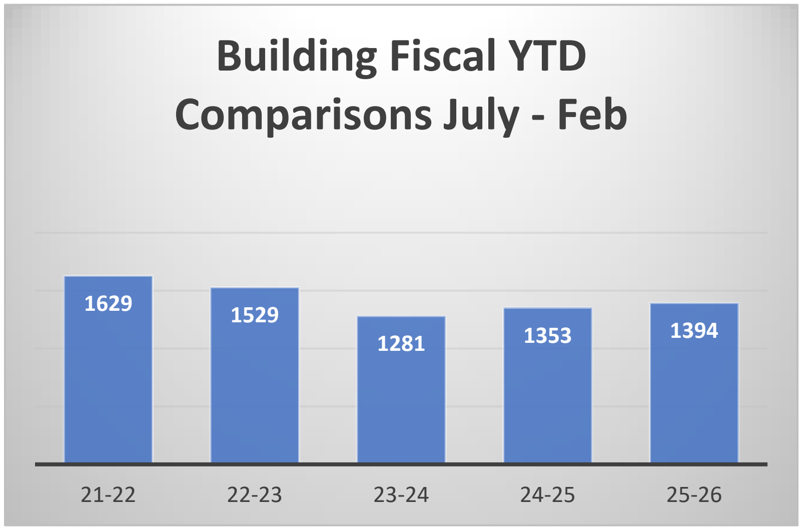
Building:

Permits issued summary (February):

Permit Type	Number of Permits
New Residential Dwellings (Site Built or Manufactured)	14
Commercial (plumbing, electrical, structural, etc.)	22
Residential Permits (plumbing, electrical, mechanical etc.)	79
Residential Structural (shops, etc.)	19
Other (e.g. demo)	1
TOTAL	**135**

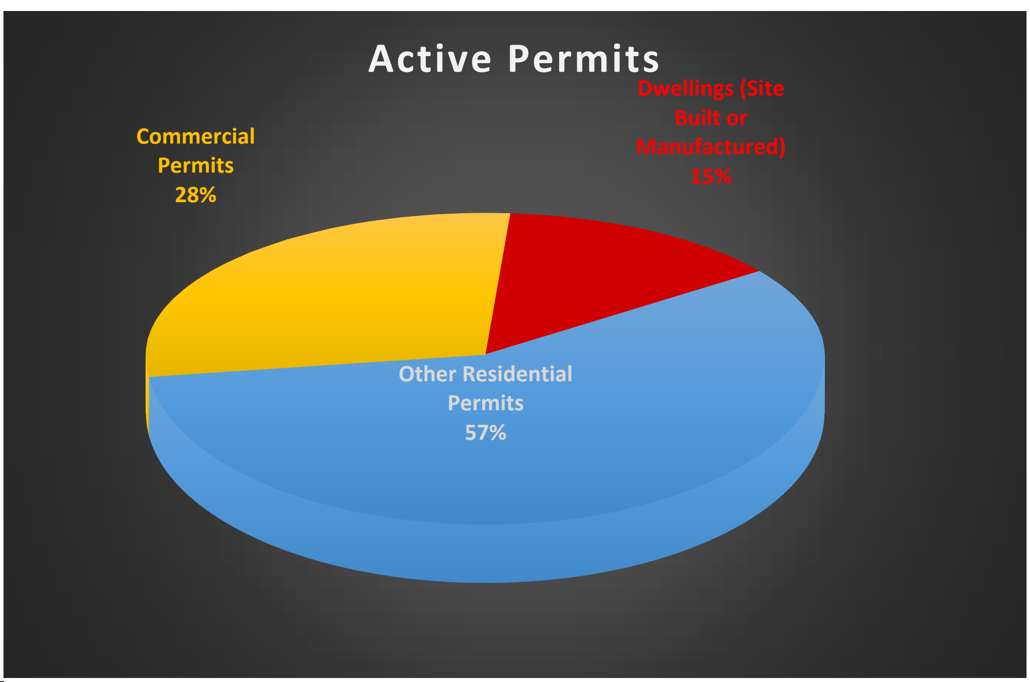
Comparisons:

Time Frame	Permits
February 2026	135
February 2025	163
YTD 2026	281
YTD 2025	288
Fiscal YTD 2025-26	1394
Fiscal YTD Comparison 2024-25	1353



Active Permits:

Permit Type	Amount Still Active as of end of February
Dwellings (Site Built or Manufactured)	168
Other Residential Permits	638
Commercial Permits	321



Daily Inspections:

Inspection Type	Amount this month
Residential	624
Commercial	245
All	869

Larger Projects Under Construction:

Apple Data Center
PRN1 Retrofit
Reserve at Ochoco Creek - Apartments
9,000 SQ FT Commercial Office & Shop for Auto Detailing
Oppidan Data Center
Forest Service Bldg – Lamonta
Prineville Apartments (Ochoco Lumber)
Crooked Tails Addition
CV International – 72,187 sq ft Manufacturing Facility
River View Court RV Park Expansion
Central OR Processing Expansion
Cadillac's
Brasada Ranch Addition "The Barn"

Larger Projects Under Review or Incoming:

Ochoco Manor Remodel – 28 Units

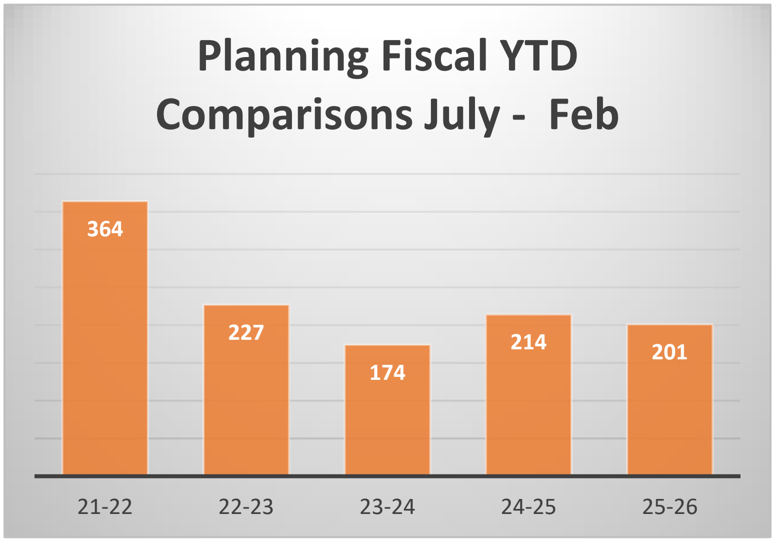
Planning:

Applications received:

Application Type	# of Applications (February)	YTD
Appeals	0	0
Variance	0	0
Site Plan Review	17	35
Agricultural Exempt	0	0
Land Partition	2	2
Combine/Un-Combine Lots	0	0
Road Approach	2	3
Boundary Line Adjustment	1	2
Destination Resort	0	0
Conditional Use	0	1
Miscellaneous	0	0
Flood Hazard	0	0
Sign	0	0
Extension	0	0
Subdivision	0	0
Amendment	0	0
Road Name/Rename	0	0
Lot of Record	0	0
Vested Right	0	0
TOTAL	**22**	**43**

Comparisons:

Time Frame	Permits
February 2026	22
February 2025	24
YTD 2026	43
YTD 2025	53
Fiscal YTD 2025-26	201
Fiscal YTD Comparison 2024-25	214



Notable County Land Use Applications:

Request	Status
Verizon Tower	PC deliberations March 11
Transportation Safety Action Plan	Paused
Aggregate Mining Conditional Use – Hegele – O'Neil	PC Hearing TBD
Hidden Canyon Phase 1	PC Hearing tentatively April 22
Aggregate Mining Comp Plan Amendment & CU – GP LLC – O'Neil	Comp Plan Amendment PC Hearing scheduled March 25

Notable City Land Use Applications:

Request	Status
Housing Analysis	State is working out final scope with 3J consulting. Still trying to get money for code updates.
Grocery Bandit vacant lot zone change – industrial to commercial	Approved by Council - Done
Economic Opportunity Analysis (EOA)	Hearing set for April 14, 2026. Waiting for management to give the green light.

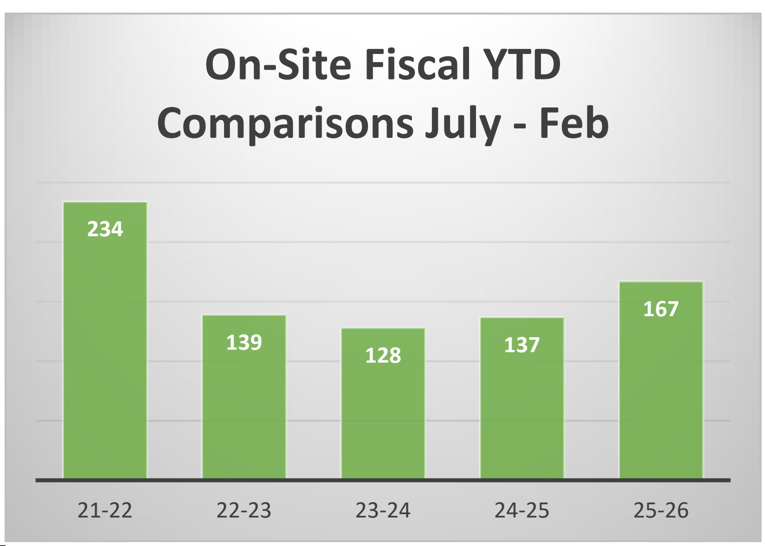
On-Site:

Applications (February):

Application Type	Number of Applications
Residential Authorization	2
Commercial Authorization	0
Construction Permit (Residential)	8
Construction Permit (Commercial)	0
Repair (Major) - Residential	3
Repair (Minor) - Residential	0
Repair (Major) – Commercial	0
Repair (Minor) - Commercial	1
Residential Site Evaluation	9
Commercial Site Evaluation	0
Alteration (Minor) – Residential	0
Alteration (Major) – Residential	0
Alteration (Minor) - Commercial	0
TOTAL	**23**

Comparisons:

Time Frame	Permits
February 2026	23
February 2025	6
YTD 2026	40
YTD 2025	22
Fiscal YTD 2025-26	167
Fiscal YTD Comparison 2024-25	137



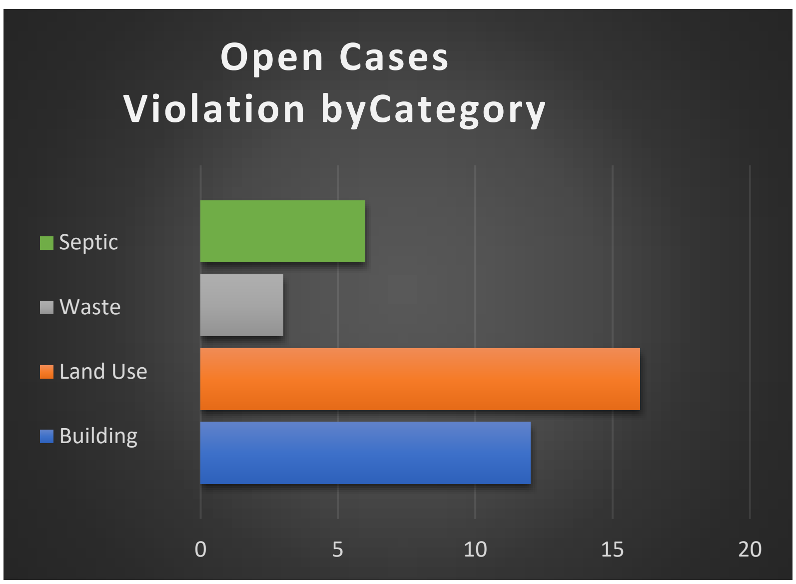
Code Compliance:

Case Activity:

Opened in February: 13 Total Opened YTD: 24
Closed in February: 3 Total Closed YTD: 6

Case Load (Total violations from open cases):

Year	Building	Land Use	Waste	Septic
YTD 2026	12	16	3	6



Agenda Item Request

Date of Meeting: March 18, 2026

Subject:
IGA No. 057226-0, Regarding Psychiatric Security Review Board Tort Liability Assistance

Background and Policy Implications:
The Psychiatric Security Review Board is a state agency responsible for oversight of those individuals who are charged with crimes but who are found not guilty by reason of insanity. The County may be responsible for providing certain healthcare services through its Community Mental Health Program to such individuals. To assist with the expenses of tort liabilities which may follow such services, the State offers the attached IGA for insurance coverage.

If the County approves the IGA, and if it subcontracts any portion of the related services, the County will need to execute an amendment to the subcontract to include this coverage. There is a pre-generated form the State issues that Crook County may use to assist in this endeavor.

Budget/Fiscal Impacts:
This agreement does not require the direct expenditure of County funds.

Requester:
Eric Blaine, County Counsel

Presenter(s):
Eric Blaine, County Counsel

Legal Review (only if requested):

Elected official sponsor (if applicable):

AGENDA ITEM REQUEST

Date:
March 9, 2026

Meeting date desired:
March 18, 2026

Subject:
IGA No. 057226, regarding Psychiatric Security Review Board tort liability assistance

Background and policy implications:
The Psychiatric Security Review Board is a state agency responsible for oversight of those individuals who are charged with crimes but who are found not guilty by reason of insanity. The County may be responsible for providing certain healthcare services through its Community Mental Health Program to such individuals. To assist with the expenses of tort liabilities which may follow such services, the State offers the attached IGA for insurance coverage.

If the County approves the IGA, and if it subcontracts any portion of the related services, the County will need to execute an amendment to the subcontract to include this coverage. There is a pre-generated form the State issues that Crook County may use to assist in this endeavor.

Budget/fiscal impacts:
This agreement does not require the direct expenditure of County funds.

Requested by:
Eric Blaine; County Counsel
Eric.Blaine@CrookCountyOR.gov
541-416-3919

Presenters:
Eric Blaine; County Counsel

Legal review (only if requested):
Legal drafted

Elected official sponsor (if applicable): *N/A*

In compliance with the Americans with Disabilities Act, this document is available in alternate formats such as Braille, large print, audio recordings, Web-based communications and other electronic formats. To request an alternate format, please send an e-mail to dhs-oha.publicationrequest@state.or.us or call 503-378-3486 (voice) or 503-378-3523 (TTY) to arrange for the alternative format.

INTERGOVERNMENTAL AGREEMENT # 44300-00057226
TORT LIABILITY COVERAGE AS A PROVIDER FOR PSYCHIATRIC SECURITY REVIEW BOARD

This Agreement is between the State of Oregon acting by and through its Oregon Health Authority hereinafter referred to as "OHA," and **Crook County** hereinafter referred to as "County."

1. **Term.** This Agreement shall become effective on January 1, 2026, regardless of the date it was actually signed by every party. Unless otherwise terminated or extended, this Agreement expires on June 30, 2027 or when the Financial Assistance Agreement (FAA) between OHA and County during January 1, 2026 through June 30, 2027 is terminated, whichever occurs earlier.

2. **Statutory Authority.**

a. Pursuant to ORS 278.315, OHA may provide tort liability coverage through the Oregon Department of Administrative Services to any County or private community care provider (CMHP) that has contracted with OHA to provide supervision, care, treatment, or training of persons under the jurisdiction of the Psychiatric Security Review Board, hereinafter referred to as "PSRB," or OHA under ORS 161.315 to 161.351. The coverage provided shall be self-insurance by the State of Oregon to the limits contained in ORS 30.260 to 30.300.

b. Pursuant to ORS 278.405, the Oregon Department of Administrative Services has the authority to direct and manage all risk management and insurance programs of state government except for employee benefit insurance programs as otherwise provided in ORS Chapter 243.

c. Pursuant to ORS 278.320, ORS 30.260 to 30.300 does not apply to claims against private community care providers (CMHPs) by reason of the provision of tort liability coverage to those providers pursuant to ORS 278.315. Private community care providers that are provided tort liability coverage under ORS 278.315 remain liable for any damages, including the cost of defense, in excess of the coverage provided under ORS 278.315.

County's tort liability coverage under ORS 278.315 is to the limits contained in ORS 30.260 to 30.300 and per Section 3. Indemnity by State. County remains liable for any damages, including the cost of defense, in excess of this limit.

3. **Indemnity by State.**

From funds available in that portion of the Insurance Fund dedicated for state insurance programs, the state of Oregon, acting by and through DAS, and subject to ORS 278.120(1) and rules and policies adapted by DAS in administration of the state's insurance and risk management activities, shall defend and indemnify county or private community care provider and its employees, but only up to the limits for tort claims specified in ORS 30.271 and 30.273 (including the costs of defense; defense cost is inside the limit, not in addition to the limit), for damages and costs of claims for torts committed or alleged to have been committed by county, private community care provider or its employees in the course of county's or private community care provider's delivery of professional services under this agreement. Subject to ORS 278.120(1), the monetary limits stated above, and rules and policies adapted by DAS in administration of the state's insurance and risk management activities, county or private community care provider and its employees are entitled to the same defense and indemnification that qualifying agents of OHA would receive under 30.260 to 30.300. However, none of the terms of this agreement are intended to – and none do – make county, private community care provider or its employees the agents or employees of OHA, DAS, or the state of Oregon generally. County or private community care provider remains liable for any damages, including the cost of defense, in excess of this Indemnity.

All private community care providers must maintain the private community care provider's own insurance in the amount required by Exhibit H, Insurance Requirements, from the County Financial Assistance Agreement (CFAA). Provider must maintain the certificate of insurance and provide it to DAS Risk upon request. The County or private community care provider must immediately notify DAS Risk Management if a claim is reported to them. They must provide a copy of the notice or lawsuit immediately upon receiving. The above information should be sent to:

Department of Administrative Services
Attn: Risk Management / EGS
P.O. Box 12009
Salem, OR 97309-0009

Website: www.oregon.gov/das/risk/pages/index.aspx
If questions: 503-373-7475

4. Statement of Work and Consideration.

a. The County shall continue to provide PSRB Mental Health Services, as specified in Exhibit B, Subsection 3.c.(2) of the 2026-2027 CFAA.

b. The County shall submit a quarterly report of all PSRB clients that are enrolled in an educational program or that are currently independently employed or currently receiving supported employment services.

c. OHA obligates itself to provide liability coverage, up to the limits contained in ORS 30.260 to 30.300, to the County while delivering PSRB services to the extent that any tort claim arises out of the County's provision of supervision, care, treatment or training of persons pursuant to the terms of the 2026-2027 CFAA.

5. Funds Available. OHA has sufficient funds currently available and authorized for expenditure to finance the costs of this Agreement within OHA's biennial appropriation or limitation. The County understands and agrees that OHA's payment of amounts under this Agreement are attributable to work performed after the last day of the current biennium and are contingent on OHA receiving, from the Oregon Legislative Assembly, appropriations, limitation, or other expenditure authority sufficient to allow OHA, in the exercise of its reasonable administrative discretion, to continue to make payments under this Agreement. In the event the Oregon Legislative Assembly fails to approve sufficient appropriations, limitations, or other expenditure authority, OHA may terminate this Agreement without penalty or liability to OHA, effective upon the delivery of written notice to the County, with no further liability to the County, except that termination shall not prejudice County's right to tort liability coverage under this Agreement for any covered liability incurred prior to the date of termination.

6. Termination

a. This Agreement may be terminated by written mutual consent of both parties or by either party upon 30 calendar days written notice to the other party.

b. OHA may terminate this Agreement effective upon delivery of written notice to the County or at such later date as may be established by OHA under any of the following conditions:

(1) The County is deficient in providing PSRB Services as outlined in Exhibit B, Subsection 3.c.(2) of the 2026-2027 CFAA within the time specified herein or any extension thereof.

(2) OHA's 2026-2027 CFAA with County is terminated.

c. Termination under this Section shall not prejudice County's right to tort liability coverage under this Agreement for any covered liability incurred prior to the date of termination.

7. Records Maintenance and Access. County shall maintain all financial records relating to this Agreement in accordance with generally accepted accounting principles. In addition, County shall maintain any other records, books, documents, papers, plans, records of shipments and payments, and writings of County, whether in paper, electronic, or other form that are pertinent to this Agreement in such a manner as to clearly document County's performance. All financial records, other records, books, documents, papers, plans, records of shipments and payments, and writings of County whether in paper, electronic, or other form that are pertinent to this Agreement are collectively referred to as "Records." County acknowledges and agrees that OHA and the Oregon Secretary of State's Office and the federal government and their duly authorized representatives shall have access to all Records to perform examinations and audits and make excerpts and transcripts. County shall retain and keep accessible all Records for a minimum of six years, or such longer period as may be required by applicable law, following final payment and expiration or termination of this Agreement, or until the conclusion of any audit, controversy, or litigation arising out of or related to this Agreement, whichever date is later. County shall maintain Records in accordance with the records retention schedules set forth in OAR Chapter 166.

8. Compliance with Applicable Law. The County shall comply with all federal, state, and local laws and ordinances applicable to the services being provided under this Agreement. The County, its officers, and employees are not agents of OHA for the purposes of ORS 30.260 to 30.300. Without limiting the generality of the foregoing, County expressly agrees to comply with:

a. Title VI of the Civil Rights Act of 1964;

b. Section V of the Rehabilitation Act of 1973;

c. The Americans with Disabilities Act of 1990;

d. ORS 659A.142, and all regulations and administrative rules established pursuant to those laws; and

e. All other applicable requirements of federal and state civil rights and rehabilitation statutes, rules, and regulations.

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

10. Merger Clause. This Agreement and the attachments constitute the entire Agreement between the parties. No waiver, consent modification, or change of terms of this Agreement shall bind either party unless in writing and signed by all signatories to this Agreement. Such waiver, consent modification, or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. The County, by the signature below of its authorized representative, hereby acknowledges that he or she has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

IN WITNESS WHEREOF, the parties hereto have executed this amendment as of the dates set forth below their respective signatures.

11. Signatures:

Crook County
By:

Authorized Signature	Title	Date

State of Oregon acting by and through its Oregon Health Authority
By:

Authorized Signature	Title	Date

Approved by: Director, OHA Health Systems Division
By:

Authorized Signature	Title	Date

Approved by the Department of Administrative Services:
By:

Approved by Shelly Hoffman, Risk Manager, Department of Administrative Services, on April 25, 2025; letter in contract file.

Agenda Item Request

Date of Meeting: March 18, 2026

Subject:
Consider approval of lease-to-own contractual arrangement with Lease Servicing Center, Inc., doing business as NCL Government Capital, as a Sourcewell interstate cooperative procurement participating entity, and adoption of Order and Resolution 2026-12 regarding determination of need and authorization for acceptance.

Background and Policy Implications:

Budget/Fiscal Impacts:

Legal Review (only if requested):

Elected official sponsor (if applicable):

MASTER LEASE PURCHASE AGREEMENT

Lessee	Lessor
Crook County, Oregon	**Lease Servicing Center, Inc. dba NCL Government Capital**
300 NE 3rd St	**510 22nd Ave E., Ste 501**
Prineville, OR 97754	**Alexandria, MN 56308**

Dated as of <u>March 18, 2026</u>

This Master Lease Purchase Agreement dated as of the date listed above is between Lessor and Lessee listed directly above. Lessor desires from time to time to lease the Equipment described in Equipment Schedules (each a "Schedule") to be attached hereto to Lessee and Lessee desires to lease such Equipment from Lessor subject to the terms and conditions of this Agreement, which are set forth below, and the applicable Schedule.

I. Definitions:

<u>Section 1.01. Definitions.</u> The following terms will have the meanings indicated below unless the context clearly requires otherwise:
"Agreement' means this Master Lease Purchase Agreement.
"Budget Year" means the Lessee's fiscal year.
"Commencement Date" is the date when Lessee's obligation to pay rent begins.
"Equipment" means the items of Equipment listed on Exhibit "A" to each Schedule and all replacements, restorations, modifications and improvements.
"Lease" means this Agreement and an individual Schedule hereto, which shall collectively constitute the terms and conditions applicable to the lease of the Equipment subject thereto.
"Lessee" means the entity listed above as Lessee and which is leasing the Equipment from Lessor under the provisions of this Agreement and a Schedule.
"Lessor" means the entity originally listed above as Lessor or any of its assignees.
"Lease Term" means the Original Term and all Renewal Terms applicable to a Lease.
"Original Term" means the period from the Commencement Date until the end of the Budget Year of Lessee.
"Renewal Term" means the annual term which begins at the end of the Original Term and which is simultaneous with Lessee's Budget Year.
"Rental Payments" means the payments Lessee is required to make under this Agreement as set forth on Exhibit "B" to each Schedule made subject thereto.
"Schedule" means a schedule substantially in the form attached hereto and all exhibits thereto pursuant to which Lessor and Lessee agree to the lease of the Equipment described therein and which together with the terms of the Agreement applicable thereto constitutes an individual Lease.
"State" means the state in which Lessee is located.

II. Lessee Warranties

<u>Section 2.01. With respect to the Lease, Lessee represents, warrants and covenants as follows for the benefit of Lessor or its assignees:</u>

(a) Lessee is the State or a political subdivision of the State within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") or a constituted authority authorized to issue obligations on behalf of the State or political subdivision of the State within the meaning of the treasury regulations promulgated under the Code.
(b) Lessee is authorized under the Constitution and laws of the State to enter into this Agreement and each Schedule, and has used such authority to properly execute and deliver this Agreement and each Schedule. Lessee has followed all proper procedures of its governing body in executing this Agreement and each Schedule. The authorized representatives of Lessee executing this Agreement and each Schedule has the authority to execute and deliver this Agreement and such Schedule. This Agreement and each Schedule constitute a legal, valid, binding and enforceable obligation of the Lessee in accordance with their terms.
(c) Lessee has complied with all statutory laws and regulations that may be applicable to the execution of this Agreement and each Schedule.
(d) Lessee shall use the Equipment only for essential, traditional government purposes.
(e) Should the Lessee cease to be an issuer of tax exempt obligations or if the obligation of Lessee created under any Lease ceases to be a tax exempt obligation for any reason, then Lessee shall be required to pay additional sums to the Lessor or its assignees so as to bring the after tax yield on any Lease to the same level as the Lessor or its assignees would attain if the transaction continued to be tax-exempt.
(f) Lessee, to its knowledge, has never non-appropriated funds under an agreement similar to this Agreement.
(g) Lessee will submit to the Secretary of the Treasury a IRS Form 8038-G as required by the Code with respect to the Lease.
(h) Upon request by Lessor, Lessee will provide Lessor with all publicly available financial statements, reports, budgets or other relevant fiscal information.
(i) Lessee shall retain the Equipment free of any hazardous substances as defined in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et. seq. as amended and supplemented.
(j) Lessee presently intends to continue each Lease for the Original Term and all Renewal Terms as set forth on Exhibit "B" to the Schedule relating thereto. The official of Lessee responsible for budget preparation will include in the budget request for each Budget Year the Rental Payments to become due in such Budget year, and will use all reasonable and lawful means available to secure the appropriation of money for such Budget Year sufficient to pay the Rental Payments coming due therein. Lessee reasonably believes that moneys can and will lawfully be appropriated and made available for this purpose.

<u>Section 2.02. Escrow Agreement</u>. In the event both Lessor and Lessee mutually agree to utilize Lessor's internal escrow account, which is attached hereto as Exhibit D and which shall be executed simultaneous with the Agreement. Such Lease shall take effect only upon execution and delivery of the escrow agreement by the parties thereto. Upon execution of this Agreement and the Exhibit D, Lessor shall immediately deposit or cause to be deposited the sum specified in such Exhibit B and which shall be held, invested and disbursed in accordance with the escrow agreement.

<u>Section 2.03. Lessor Warranties.</u> With respect to the Lease, Lessor represents, warrants and covenants as follows for the benefit of Lessee or its assignees:

(a) At all times during execution and through the Original Term of this Agreement, Lessor is a Sourcewell Awarded Government Financing & Leasing Partner, #092424-NCL

(b) Lessor shall act as preparer of IRS Form 8038-G and shall cooperate with Lessee as is reasonably necessary to assist Lessee in submitting any documentation to the Secretary of the Treasury, with respect to this Lease.

III. Acquisition of Equipment, Rental Payments and the Purchase Option Price

<u>Section 3.01. Acquisition:</u> Lessee shall advise Lessor of its desire to lease Equipment and of the desired lease terms. Upon agreement by Lessor and Lessee as to the lease of such Equipment and such terms, Lessee shall be solely responsible for the ordering of the Equipment and the delivery and installation thereof. Lessor shall furnish to Lessee a Schedule relating to such Equipment, which shall become effective upon the execution and delivery of such Schedule, all documents contemplated hereby and thereby with respect to such Schedule, and the earlier of Lessee's written acceptance of such Equipment or the deposit into escrow of moneys to pay for such Equipment as provided in Section 2.02. Nothing herein shall obligate Lessor to lease any Equipment to Lessee until Lessor shall have concurred in writing to the lease of such Equipment.

Section 3.02. Rental Payments. Lessee shall promptly pay Rental Payments under each Schedule, from any and all legally available funds, exclusively to Lessor or its assignees, in lawful money of the United States of America. The Rental Payments shall be sent to the location specified by the Lessor or its assignees. The Rental Payments shall constitute a current expense of the Lessee and shall not constitute an indebtedness of the Lessee. Lessor shall have the option to charge interest at 9% per annum on any Rental Payment received later than the due date. The Rental Payments will be payable without notice or demand.

Section 3.03. Rental Payments Unconditional. Except as provided under Section 4.01, THE OBLIGATIONS OF LESSEE TO MAKE RENTAL PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS CONTAINED IN THIS AGREEMENT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE.

Section 3.04. Purchase Option Price. With respect to each Schedule, upon 30 days written notice, Lessee shall have the option to pay, in addition to any Rental Payment due thereunder, the corresponding Purchase Option Price which is listed on the same line on Exhibit B to such Schedule. If Lessee chooses this option and pays the Purchase Option Price to Lessor then Lessor will transfer any and all of its rights, title and interest in the Equipment subject to such Lease to Lessee.

Section 3.05. Extension of Lease Term. The Lease Term shall be the Original Term and all Renewal Terms thereunder until all the Rental Payments due thereunder are paid as set forth in the applicable Schedule except as provided under Section 4.01 and Section 9.01 below. If, after the end of the budgeting process which occurs at the end of the Original Term or any Renewal Term, Lessee has not terminated the Lease pursuant to Section 4.01 hereof then the Lease Term for such Lease shall be extended into the next Renewal Term and the Lessee shall be obligated to make the Rental Payments that come due during such Renewal Term.

Section 3.06. Disclaimer of Warranties. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, EXCEPT AS IDENTIFIED ABOVE, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, AND FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER WARRANTY WITH RESPECT TO THE EQUIPMENT. LESSOR SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE ARISING OUT OF THE INSTALLATION, OPERATION, POSSESSION, STORAGE OR USE OF THE EQUIPMENT BY LESSEE.

IV. Non-Appropriation

Section 4.01. Non-Appropriation. If Lessee elects to non-appropriate funds in Lessee's budget for the next Budget Year to make the Rental Payments for the next Renewal Term under any Lease, then Lessee shall have the option to non-appropriate the funds to pay the Rental Payments for the next Renewal Term with respect to such Lease. Noon-appropriation shall be evidenced by the passage of an ordinance or resolution by the governing body of Lessee specifically prohibiting Lessee from performing its obligations under such Lease for a designated Budget Year and all subsequent Budget Years. If Lessee chooses this option, then all obligations of the Lessee under such Lease regarding Rental Payments for all remaining Renewal Terms shall be terminated at the end of the then current Original Term or Renewal Term without penalty or liability to the Lessee of any kind provided that if Lessee has not delivered possession of the Equipment subject to such Lease to Lessor as provided herein and conveyed to Lessor or released its interest in such Equipment by the end of the last Budget Year for which Rental Payments were paid, the termination shall nevertheless be effective but Lessee shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments thereafter coming due under Exhibit "B" to the Schedule for such Lease which are attributable to the number of days after such Budget Year during which Lessee fails to take such actions and for any other loss suffered by Lessor as a result of Lessee's failure to take such actions as required. Lessee shall immediately notify the Lessor as soon as the decision to non-appropriate is made. If such non-appropriation occurs, then Lessee shall deliver the Equipment to Lessor or to a location designated by Lessor at Lessee's expense and located within located within the city boundaries of Portland, Oregon, or Eugene, Oregon. Lessee shall be liable for all damage to the Equipment other than normal wear and tear. If Lessee fails to deliver such Equipment to Lessor, then Lessor may enter the premises where such Equipment is located and take possession of the Equipment and charge Lessee for costs incurred.

V. Insurance, Damage, Insufficiency of Proceeds, Lessee Negligence

Section 5.01. Insurance**.** Lessee shall maintain both casualty insurance and liability insurance at its own expense with respect to the Equipment. Lessee shall be solely responsible for selecting the insurer(s) and for making all premium payments and ensuring that all policies are continuously kept in effect during the term of any Lease. Lessee shall provide Lessor with a Certificate of Insurance, which lists the Lessor and/or assigns as a loss payee and an additional insured on the policies with respect to the Equipment.

(a) Lessee shall insure the Equipment against any loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount at least equal to the then applicable Purchase Option Price of the Equipment. Alternatively, Lessee may insure the Equipment under a blanket insurance policy or policies.

(b) The liability insurance shall insure Lessor from liability and property damage in any form and amount satisfactory to Lessor.

(c) Provided that, with Lessor's prior written consent, Lessee may self-insure against the risks described in (a) and (b) above. Lessee shall furnish Lessor evidence of such self-insurance coverage throughout each Lease Term. Lessee shall not materially modify or cancel such self-insurance coverage without first giving written notice thereof to Lessor at least 10 days in advance of such cancellation or modification.

(d) All insurance policies issued or affected by this Section shall be so written or endorsed such that the Lessor and its assignees are named additional insured and loss payees and that all losses are payable to Lessee and Lessor or its assignees as their interests may appear. Each policy issued or affected by this Section shall contain a provision that the insurance company shall not cancel or materially modify the policy without first giving thirty 30 days advance notice to Lessor or its assignees. Lessee shall furnish to Lessor certificates evidencing such coverage throughout each Lease Term.

Section 5.02. Damage to or Destruction of Equipment. Lessee assumes the risk of loss or damage to the Equipment. If the Equipment or any portion thereof is lost, stolen, damaged, or destroyed by fire or other casualty, Lessee will immediately report all such losses to all possible insurers and take the proper procedures to attain all insurance proceeds. At the option of Lessor, Lessee shall either (1) apply the Net Proceeds to replace, repair or restore the Equipment or (2) apply the Net Proceeds to the applicable Purchase Option Price. For purposes of this Section and Section 5.03, the term Net Proceeds shall mean the amount of insurance proceeds collected from all applicable insurance policies after deducting all expenses incurred in the collection thereof.

Section 5.03. Insufficiency of Net Proceeds. If there are no Net Proceeds for whatever reason or if the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement of the Equipment, then Lessee shall, at the option of Lessor, either complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds or apply the Net Proceeds to the Purchase Option Price and pay the deficiency, if any, to the Lessor.

Section 5.04. Lessee Negligence. Lessee assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Equipment and for injury to or death of any person or damage to any property whether such injury or death be with respect to agents or employees of Lessee or of third parties, and whether such property damage be to Lessee's property or the property of others including, without limitation, liabilities for loss or damage related to the release or threatened release of hazardous substances under the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act or similar or successor law or any state or local equivalent now existing or hereinafter enacted which in any manner arise out of or are incident to any possession, use, operation, condition or storage of any Equipment by Lessee which is proximately caused by the negligent conduct of Lessee, its officers, employees and agents. Lessee hereby assumes responsibility for and agrees to reimburse Lessor for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses including reasonable attorneys' fees of whatsoever kind and nature, imposed on, incurred by or asserted against Lessor that in any way relate to or arise out of a claim, suit or proceeding, based in whole or in part upon the negligent conduct of Lessee, its officers, employees and agents, to the maximum extent permitted by law.

VI. Title and Security Interest

Section 6.01. Title. Title to the Equipment shall vest in Lessee when Lessee acquires and accepts the Equipment. Title to the Equipment subject to a Lease will automatically transfer to the Lessor in the event Lessee non-appropriates under Section 4.01 with respect to such Lease or in the event Lessee defaults under Section 9.01 with respect to such Lease. In either of such events, Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of legal title to the Equipment subject to such Lease to Lessor.

Section 6.02. Security Interest. To secure the payment of all Lessee's obligations under each Lease, Lessee hereby grants to Lessor a security interest under the Uniform Commercial Code constituting a first lien on the Equipment described more fully on Exhibit "A" to each Schedule. The security interest established by this section includes not only all additions, attachments, repairs and replacements to the Equipment but also all proceeds therefrom. Lessee agrees that Lessor or its assignee may execute such additional documents including financing statements, affidavits, notices, and similar instruments, for and on behalf of Lessee which Lessor deems necessary or appropriate to protect Lessor's interest in the Equipment and in this Agreement and each Lease. Lessee authorizes Lessor to record such documentation as necessary for Lessor to perfect its security interest.

Section 6.03. Personal Property. The Equipment is and shall at all times be and remain personal property notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner affixed or attached to or embedded in or permanently rested upon real property or any building thereon or attached in any manner to what is permanent by means of cement, plaster, nails, bolts, screws or otherwise.

VII. Assignment

Section 7.01. Assignment by Lessor. All of Lessor's rights, title and/or interest in and to each Lease may be assigned and reassigned in whole or in part to one or more assignees or sub-assignees (including a registered owner for lease participation certificates) by Lessor at any time without the consent of Lessee. No such assignment shall be effective as against Lessee until the assignor shall have filed with Lessee written notice of assignment identifying the assignee. Lessee shall pay all Rental Payments due under each Lease to or at the direction of Lessor or the assignee named in the notice of assignment. Except for any defenses, set-offs or counterclaims arising from Lessor's obligations to finance the purchase of the Equipment assignee's rights shall be free from all defenses, set-offs or counterclaims which Lessee may be entitled to assert against Lessor, and Lessor's obligations hereunder and under each Lease shall not be binding on any assignee or sub-assignee. Lessee shall keep a complete and accurate record of all such assignments.

Section 7.02. Assignment by Lessee. None of Lessee's right, title and interest under this Agreement, each Lease and in the Equipment may be assigned by Lessee unless Lessor approves of such assignment in writing before such assignment occurs and only after Lessee first obtains an opinion from nationally recognized counsel stating that such assignment will not jeopardize the tax-exempt status of the obligation.

VIII. Maintenance of Equipment

Section 8.01. Lessee shall keep the Equipment in good repair and working order. Lessor shall have no obligation to inspect, test, service, maintain, repair or make improvements or additions to the Equipment under any circumstances. Lessee will be liable for all damage to the Equipment, other than normal wear and tear, caused by Lessee, its employees or its agents. Lessee shall pay for and obtain all permits, licenses and taxes necessary for the installation, operation, possession, storage or use of the Equipment. If the Equipment includes any titled vehicles, then Lessee is responsible for obtaining such titles from the State and also for ensuring that Lessor is listed as first lien holder on all of the titles. Lessee will not knowingly use the Equipment to haul, convey or transport hazardous waste as defined in the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et. seq. Lessee shall not during the term of this Agreement create, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipment except those created by this Agreement. The Equipment is and shall at all times be and remain personal property. Lessee shall allow Lessor to examine and inspect the Equipment at all reasonable times.

IX. Default

Section 9.01. Events of Default. The following events shall constitute an "Event of Default" with respect to a Lease:

(a) Failure by Lessee to pay any Rental Payment listed on Exhibit "B" to the Schedule for fifteen 15 days after such payment is due according to the Payment Date listed on Exhibit "B".

(b) Failure to pay any other payment required to be paid under this Agreement and the Schedule at the time specified herein and therein and a continuation of said failure for a period of fifteen 15 days after written notice by Lessor that such payment must be made. If Lessee continues to fail to pay any payment after such period, then Lessor may, but will not be obligated to, make such payments and charge Lessee for all costs incurred plus interest at the Agreement rate (9% per annum).

(c) Failure by Lessee to observe and perform any warranty, covenant, condition, promise or duty under this Agreement or the Schedule for a period of thirty 30 days after written notice specifying such failure is given to Lessee by Lessor, unless Lessor agrees in writing to an extension of time. Lessor will not unreasonably withhold its consent to an extension of time if corrective action is instituted by Lessee. Subsection (c) does not apply to Rental Payments and other payments discussed above.

(d) Any statement, material omission, representation or warranty made by Lessee in or pursuant to this Agreement or the Schedule which proves to be false, incorrect or misleading on the date when made regardless of Lessee's intent and which materially adversely affects the rights or security of Lessor under this Agreement or the applicable Schedule.

(e) Any provision of this Agreement or the Schedule which ceases to be valid for whatever reason and the loss of such provision, would materially adversely affect the rights or security of Lessor.

(f) Other than as defined in Section 4.01, Lessee admits in writing its inability to pay its obligations. Lessee defaults on one or more of its other obligations. Lessee applies or consents to the appointment of a receiver or a custodian to manage its affairs. Lessee makes a general assignment for the benefit of creditors.

Section 9.02. Remedies on Default. Whenever any Event of Default exists with respect to any Lease, Lessor shall have the right to take one or any combination of the following remedial steps:

(a) With or without terminating the Lease, Lessor may declare all Rental Payments and other amounts payable by Lessee thereunder to the end of the then current Budget Year to be immediately due and payable.

(b) With or without terminating the Lease, Lessor may require Lessee at Lessee's expense to redeliver any or all of the Equipment subject thereto to Lessor to a location specified by Lessor and that is located within the city boundaries of Portland, Oregon, or Eugene, Oregon. Such delivery shall take place within 15 days after the event of default occurs. If Lessee fails to deliver such Equipment, Lessor may enter the premises where such Equipment is located and take possession of such Equipment and charge Lessee for cost incurred. Notwithstanding that Lessor has taken possession of such Equipment, Lessee shall still be obligated to pay the remaining Rental Payments under the Lease due up until the end of the then current Original Term or Renewal Term. Lessee will be liable for any damage to such Equipment caused by Lessee or its employees or agents.

(c) Lessor may take whatever action at law or in equity that may appear necessary or desirable to enforce its rights.

Section 9.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Lease now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or shall be construed to be a waiver thereof,

X. Miscellaneous

Section 10.01. Notices. All notices shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business as first set forth herein or as the parties shall designate hereafter in writing.

Section 10.02. Binding Effect. This Agreement and each Schedule shall inure to the benefit of and shall be binding upon Lessee and Lessor and their respective successors and assigns.

Section 10.03. Severability. In the event any provision of this Agreement or any Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 10.04. Amendments, Addenda, Changes or Modifications. This Agreement and each Lease may be amended, added to, changed or modified by written agreement duly executed by Lessor and Lessee.

Section 10.05. Execution in Counterparts: Electronic Execution. This Agreement may be signed by the parties in counterparts which together shall constitute one and the same agreement among the parties. Each party hereby acknowledges and agrees that this Agreement constitutes an Electronic Record and may be executed using Electronic Signatures (including, without limitation, facsimile, .pdf and DocuSign) and shall be considered original signatures for all purposes, and shall have the same legal effect, validity and enforceability as a paper record. For purposes hereof, "Electronic Record" and "Electronic Signature" shall have the meanings assigned to them, respectively, by 15 USC §7006, as it may be amended from time to time."

Section 10.06. Captions. The captions or headings in this Agreement do not define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 10.07. Entire Writing. This Agreement and all Schedules executed hereunder constitute the entire writing between Lessor and Lessee. No waiver, consent, modification or change of terms of this Agreement or any Lease shall bind either party unless in writing and signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations, conditions, or warranties, express or implied, which are not specified herein regarding this Agreement or any Lease or the Equipment leased thereunder. Any terms and conditions of any purchase order or other documents submitted by Lessee in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement or any Lease will not be binding on Lessor and will not apply to this Agreement or any Lease.

Section 10.08. Jurisdiction and Venue. Lessee irrevocably submits to the nonexclusive jurisdiction of any Federal or state court sitting in Oregon, over any suit, action or proceeding arising out of or relating to this Agreement.

Section 10.09. Choice of Laws. The Contract shall be governed by the law of Oregon without regard to principles of conflicts of law.

Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives listed below.

Lessee: Crook County, Oregon

By: ______________________

Typed: **Seth Crawford**

Title: **Crook County Commissioner**

Date: ______________________

BY: ______________________

TYPED: **Susan Hermreck**

TITLE: **Crook County Commissioner**

DATE: ______________________

BY: ______________________

TYPED: **Brian Barney**

TITLE: **Crook County Commissioner**

DATE: ______________________

Lessor: Lease Servicing Center, Inc. dba NCL Government Capital

By: ______________________

Print: ______________________

Title: ______________________

Date: ______________________

Exhibit A

DESCRIPTION OF EQUIPMENT OF LEASE AGREEMENT

RE: Master Lease Purchase Agreement dated as of 3/18/2026 between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Crook County, Oregon (Lessee) and Schedule No. 001 thereto dated as of March 18, 2026.

Below is a detailed description of all the items of Equipment including quantity, model number and serial number where applicable:

Quantity	VIN #/Serial Number	Type, Make, Model
4	VIN: 5KKMBWFG6VPWY9817 5KKMBWFG6VPWY9818 5KKMBWFG6VPWY9819 5KKMBWFG6VPWY9820	2026 Western Star 49X Dump Truck with Upfitting

The following schedule identifies all additions and attachments that are not subject to this Agreement but that may be incorporated into or attached to the Equipment:

Quantity	VIN #/Serial Number	Type, Make, Model
2		Extendaplows

EQUIPMENT LOCATION Complete only if equipment will not be located at Lessee's address

---

BILLING ADDRESS: 300 NE 3rd St
Prineville, OR 97754
GARAGING ADDRESS: 1306 N Main St
Prineville, OR 97754

Lessee authorizes Lessor or its assigns to insert or modify, if needed, the Vehicle Identification Number ("VIN"), or Serial Number, in the above description of the Equipment to correspond to the final delivered and accepted Equipment as shown on the respective invoice or other supporting documents.

Lessee: Crook County, Oregon

By: ______________________

Typed: **Seth Crawford**

Title: **Crook County Commissioner**

Date: ______________________

Lessor: Lease Servicing Center, Inc. dba NCL Government Capital

By: ______________________

Print: ______________________

Title: ______________________

Date: ______________________

EXHIBIT B

SCHEDULE OF PAYMENTS

Interest Rate = 5.719%
Amount Financed = $1,158,302.00
Start Date = 3/20/2026

Number	Date	Payment	Interest	Principal	Purchase Option *
1	8/1/2026	$178,194.91	$24,657.23	$153,537.68	N/A
2	8/1/2027	$178,194.91	$57,462.48	$120,732.43	$932,653.64
3	8/1/2028	$178,194.91	$50,557.79	$127,637.12	$797,996.48
4	8/1/2029	$178,194.91	$43,258.22	$134,936.69	$655,638.27
5	8/1/2030	$178,194.91	$35,541.19	$142,653.72	$505,138.60
6	8/1/2031	$178,194.91	$27,382.82	$150,812.09	$346,031.84
7	8/1/2032	$178,194.91	$18,757.88	$159,437.03	$177,825.78
8	8/1/2033	$178,194.91	$9,639.67	$168,555.24	$0.00

***Assumes that all rental payments and other amounts due on and prior to that date have been paid.**

Lessee: Crook County, Oregon

BY: ______________________

TYPED: **Seth Crawford**

TITLE: **Crook County Commissioner**

DATE: ______________________

Crook County Counsel's Office

Mailing Address: 300 NE Third St., Prineville, OR 97754 • Phone: 541-416-3919
Physical Address: 305 NE 3rd St., Prineville, OR 97754 • Fax: 541-447-6705

OPINION OF COUNSEL

March 18, 2026

Lease Servicing Center, Inc. dba NCL Government
Capital 510 22nd Ave E., Ste 501
Alexandria, MN 56308

Re: Master Lease Purchase Agreement dated as of 3/18/2026, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Crook County, Oregon (Lessee) and Schedule No. 001 thereto dated as of March 18, 2026.

Ladies and Gentlemen:

As legal counsel to Lessee, I have examined the foregoing Agreement and Schedule (the "Lease") and such other opinions, documents and matters of law, as I have deemed necessary in connection with this Lease. Based on the foregoing, I am of the following opinions:

- Lessee is the State or a duly organized political subdivision of the State within the meaning of Section 103 the Internal Revenue Code of 1986, as amended (the Code), or a constituted authority authorized to issue obligations on behalf of the State of a political subdivision thereof within the meaning of the treasury regulations promulgated under the Code.
- Lessee has the requisite power and authority to purchase the Equipment and to execute and deliver the Lease and to perform its obligations under the Lease. The Lease and the other documents either attached hereto or required herein have been duly authorized, approved and executed by and on behalf of Lessee, and the Lease is a legal, valid and binding obligation of Lessee enforceable in accordance with its terms.
- The authorization, approval and execution of the Lease and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state and federal laws.
- There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Lease or the security interest of Lessor or its assigns, as the case may be, in the Equipment. All capitalized terms herein shall have the same meaning as in the foregoing Agreement.
- The above opinion is for the sole benefit of the Lessor listed above and can only be relied upon by the Lessor or any permitted assignee or sub assignee of Lessor under the Lease.

Signature of Legal Counsel

Eric Blaine, County Counsel • Alex Solterbeck, Office Manager

EXHIBIT E

IN THE BOARD OF COMMISSIONERS OF THE STATE OF OREGON
FOR THE COUNTY OF CROOK

IN THE MATTER OF THE MASTER LEASE PURCHASE AGREEMENT BETWEEN LEASE SERVICING CENTER, INC. AND CROOK COUNTY, OREGON	)))))	RESOLUTION AND ORDER NO. 2026-12

WHEREAS, Lease Servicing Center, Inc., doing business as NCL Government Capital, provides contracts for the lease-to-own of capital assets such as heavy equipment and Class 4 through 8 trucks; and

WHEREAS, the Board of County Commissioners is the governing body of Crook County, a political subdivision of the State of Oregon. The Board is employed to execute leases for the acquisition of personal property under the provisions of Oregon Revised Statute 203.015. The Board of Commissioners met on Wednesday, March 18, 2026, in a duly convened public meeting; and

WHEREAS, the members of the Board of Commissioners are: Commissioner Seth Crawford, Commissioner Susan Hermreck, and Commissioner Brian Barney; and

WHEREAS, the Board of Commissioners has been presented with a proposed Master Lease Purchase Agreement, whereby the County would lease from NCL Government Capital certain capital assets as described in the Schedule attached thereto; and

WHEREAS, the Board of Commissioners has determined that the execution of the Master Lease Purchase Agreement is in the best interest of the County as contracting agency, and adopts this Resolution and Order 2026-12 in furtherance thereof.

NOW, THEREFORE, the Crook County Board of Commissioners adopts the recitals above as its Findings of Fact, and RESOLVES and ORDERS, based upon the above recitals, that:

Section One: Determination of Need. The Crook County Board of Commissioners, as governing body of the County as Lessee, has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit A of the Master Lease Purchase Agreement dated as of March 18, 2026, between Crook County as Lessee, and Lease Servicing Center, Inc., d/b/a NCL Government Capital as Lessor.

Section Two: Approval of Authorization. The Board of Commissioners has determined that the Agreement and Schedules, substantially in the form presented to this meeting, are in the best interest of the County as Lessee for the acquisition of such Equipment, and the Board of Commissioners hereby approves the entering into of the Agreement and Schedule by the County, and hereby designates and authorizes the following person(s) to execute and deliver the Agreement and Schedule on the County's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Agreement and Schedule. Crook County is authorized to enter the lease/purchase financing agreement with Lease Servicing Center, Inc., d/b/a NCL Government Capital to finance their equipment purchase from Freightliner NW in the amount of $1,158,302.00 at 5.719% interest per annum as identified in the Master Lease Purchase Agreement with 8 annual payments of $178,194.91.

Authorized signers: The signature of any one of these individuals will be sufficient.

- Brad Haynes, County Road Superintendent;
- Commissioner Seth Crawford;
- Commissioner Susan Hermreck; or
- Commissioner Brian Barney.

Crook County may from time to time update this list of individuals by providing the Lessor with written confirmation of such update.

Section Three: Adoption of Resolution and Order 2026-12. The signatures below from the members of the Crook County Board of Commissioners evidence the adoption by the Board of Commissioners of this Resolution and Order.

Section Four: Savings Clause. If any court of competent jurisdiction should invalidate any portion of this Resolution and Order 2026-12, the remaining portions will continue in full force and effect.

Section Five: Correction of Scriveners' Errors: In the event that typos, misspellings, misformattings, or other nonsubstantive scriveners' errors are discovered after the adoption of this Resolution and Order 2026-12, County staff are authorized to correct such errors outside of a meeting of the Board of Commissioners. This may include, subject to the approval of the County Clerk of Crook County, obtaining new

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signatures from the commissioners and submission of the revised Resolution and Order 2026-12 for recordation in the appropriate index of the official records of Crook County.

DATED this _____ day of ____________________, 2026.

CROOK COUNTY BOARD OF COMMISSIONERS

____
Commissioner Seth Crawford

____
Commissioner Susan Hermreck

____
Commissioner Brian Barney

Vote:	Aye	Nay	Abstain	Excused
Seth Crawford	___	___	____	____
Susan Hermreck	___	___	____	____
Brian Barney	___	___	____	____

EXHIBIT F

BANK QUALIFIED CERTIFICATE

Re: Master Lease Purchase Agreement dated as of 3/18/2026, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Crook County, Oregon (Lessee) and Schedule No. 001 thereto dated as of March 18, 2026.

Whereas, Lessee hereby represents that it is a "Bank Qualified" Issuer for the calendar year in which this Agreement and Schedule are executed by making the following designations with respect to Section 265 of the Internal Revenue Code. (A "Bank Qualified Issuer" is an issuer that issues less than ten million ($10,000,000) dollars of tax-exempt obligations during the calendar year).

Now, therefore, Lessee hereby designates this Agreement and Schedule as follows:

1. **Designation as Qualified Tax-Exempt Obligation**. Pursuant to Section 265(b)(3)(B)(ii) of the Internal Revenue Code of 1986 as amended (the "Code"), the Lessee hereby specifically designates the Agreement and this Schedule as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, the Lessee hereby represents that the Lessee will not designate more than $10,000,000 of obligations issued by the Lessee in the calendar year during which the Agreement is executed and delivered as such "qualified tax-exempt obligations".

2. **Issuance Limitation.** In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Lessee hereby represents that the Lessee (including all subordinate entities of the Lessee within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year during which the Agreement and Supplement are executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code) in an amount greater than $10,000,000.

By: ______________________________

(Signature of individual authorized to execute this Exhibit)

Typed Name: **Seth Crawford**

(Typed name of individual who signed directly above)

EXHIBIT G

AGREEMENT TO PROVIDE INSURANCE

Lessee: Crook County, Oregon

Address: 300 NE 3rd St
Prineville, OR 97754

Phone: (541) 447-6554

Lessor: Lease Servicing Center, Inc. dba
NCL Government Capital AOIA

Address: 510 22nd Ave E., Ste 501
Alexandria, MN 56308

Phone: (320) 763-7600

Description of Equipment:

Quantity	VIN #/Serial Number	Type, Make, Model
4	VIN: 5KKMBWFG6VPWY9817 5KKMBWFG6VPWY9818 5KKMBWFG6VPWY9819 5KKMBWFG6VPWY9820	2026 Western Star 49X Dump Truck with Upfitting Value: $1,158,302.00

I understand that to provide protection from serious financial loss, should an accident or loss occur, my lease contract requires the equipment to be continuously covered with insurance against the risks of fire and theft, and that failure to provide such insurance gives the Lessor the right to declare the entire unpaid balance immediately due and payable. Accordingly, I have arranged for the required insurance through the insurance company shown below and have requested our insurance provider to note Lessor's interest in the equipment and name Lessor as additional insured.

NAME OF AGENT

Name: None

Address: ______________________

____

Phone: ______________________

Email: ______________________

INSURANCE COMPANY

Name: CityCounty Insurance Services

Policy #: BO-CRKC-2025-0

Lessee: Crook County, Oregon

BY: ______________________

TYPED: **Seth Crawford**

TITLE: **Crook County Commissioner**

DATE: ______________________

Exhibit H

LESSEE CERTIFICATE

RE: Master Lease Purchase Agreement dated as of 3/18/2026 between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Crook County, Oregon (Lessee) and Schedule No. 001 thereto dated as of March 18, 2026.

I, the undersigned, hereby certify that I am a duly qualified representative of Lessee and that I have been given the authority by the Governing Body of Lessee to sign this Certificate of Acceptance with respect to the above referenced Master Lease Purchase Agreement (the "Lease"). I hereby certify that:

1. Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments required to be paid under the Lease during the current Budget Year of Lessee, and such moneys will be applied in payment of all Rental Payments due and payable during such current Budget Year.

2. The governing body of Lessee has approved the authorization, execution and delivery of the Lease on its behalf by the authorized representative of Lessee who signed the Lease.

3. During the term of the Lease, the Equipment will be used for governmental functions. Such functions are:

   Any lawful purposes as determined by Crook County's Road Department, its authorized representatives, employees, and/or personnel.

4. The source of funds (fund Item in budget) for the Rental Payments that come due under Exhibit B of this Lease is as follows:

   Crook County Road Department Fund

5. Lessee reasonably expects and anticipates that adequate funds will be available for all future Rental Payments that will come due under Exhibit B because:

   County funding for the equipment financed under this Master Lease Purchase Agreement was built into the five-year and ten-year budget forecasting for Crook County's Road Department.

Lessee: Crook County, Oregon

BY: ______________________

TYPED: **Seth Crawford**

TITLE: **Crook County Commissioner**

DATE: ______________________

NOTICE OF ASSIGNMENT
AND
LETTER OF DIRECTION

Lease Servicing Center, Inc. dba NCL Government Capital ("Lessor") hereby gives notice to Crook County, Oregon ("Lessee") that it has assigned all of its rights to receive payments under the Master Lease Purchase Agreement dated March 18, 2026, Schedule No. 001 as set out in Section 7.01, and in any of the Equipment now or hereafter leased thereunder, including without limitation all amounts of rent, insurance, and condemnation proceeds, indemnity or other payment proceeds due to become due as a result of the sale, lease of other disposition of the Equipment, all rights to receive notices and give consents and to exercise the rights of the Lessor under the Lease, and all rights, claims and causes of action which Assignor may have against the manufacturer or seller of the Equipment in respect of any defects therein.

This Master Lease Purchase Agreement requires 8 annual payments of $178,194.91. As of the date of assignment, 8 annual payments of $178,194.91 remain on the contract and should be forwarded to the assignee at the following address:

"ASSIGNEE"

Santander Bank, N.A.
P. O. Box 847386
Boston, MA 02284-7386
1-800-238-4009

FEIN: 23-1237295

* Please list the following as lien holder on vehicle titles:

Santander Bank, N.A.
3 Huntington Quadrangle, #101N
Melville, NY 11747

Any assigned payments received by Lessor are received in trust for assignee and will be immediately delivered to Assignee.

LEASE SERVICING CENTER, INC. DBA NCL GOVERNMENT CAPITAL (Lessor/Assignor)	**CROOK COUNTY, OREGON** (Lessee)
BY: ______________________	BY: ______________________
PRINT: ______________________	TYPED: **Seth Crawford**
TITLE: ______________________	TITLE: **Crook County Commissioner**
DATE: ______________________	DATE: ______________________

Exhibit I

Internal Escrow Agreement

3/18/2026

Santander Bank, N.A.
3 Huntington Quadrangle, Suite 101N
Melville, NY 11747

RE: Exhibit I to Master Lease Purchase Agreement dated as of 3/18/2026 (the “Lease”), between Crook County, Oregon (Lessee) and Lease Servicing Center Inc. dba NCL Government Capital (Lessor), concurrently assigned to Santander Bank, N.A. (“Assignee”).

Ladies and Gentlemen:

Lessee and Lessor have entered into the above referenced Lease for the purpose of financing the equipment listed in Exhibit A of Master Lease Purchase Agreement dated as of 3/18/2026 in the amount of $1,158,302.00 (the "Financed Amount"). Lessee hereby requests that Lessor retain $1,158,302.00 (the "Retained Amount"). Lessee further requests that Lessor hold the Retained Amount in an internal escrow pending Lessor's receipt of confirmation from Lessee that the Equipment has been delivered, inspected and accepted for all purposes by the Lessee and that payment can be remitted to the vendor of such Equipment. There will be no separate escrow fee charged to Lessee for internally escrowing the Retained Amount.

Lessee understands and agrees that interest shall accrue on the entire Financed Amount as of the date hereof, and further understands and agrees that any interest earned on the Retained Amount shall be paid to Lessor in consideration of managing the internal escrow account.

Lessee acknowledges that Lessor may commingle the Retained Amount held by Lessor for the benefit of Lessee with other funds held by Lessor for its own account, so long as Lessor maintains segregation of such amounts on the books and records of Lessor.

This Exhibit I is attached to the parties’ Master Lease Agreement dated March 18, 2026 and is hereby incorporated therein.

Lessee: Crook County, Oregon

By: ____________________

Typed: **Seth Crawford**

Title: **Crook County Commissioner**

Date: ____________________

Lessor: Lease Servicing Center, Inc. dba NCL Government Capital

By: ____________________

Print: ____________________

Title: ____________________

Date: ____________________

BY: ____________________

TYPED: Susan Hermreck

TITLE: Crook County Commissioner

DATE: ____________________

BY: ____________________

TYPED: Brian Barney

TITLE: Crook County Commissioner

DATE: ____________________

LEASE PAYMENT INSTRUCTIONS

Lessee: Crook County

Tax ID#: ____________________

Invoice Mailing Address: 200 NE 2nd St # 100
Prineville, OR 97754

Mail invoices to the attention of: Crook County Finance
Phone: 541-447-6654
Fax: 541-416-2140
Email: finance@crookcountyor.gov

Approval of Invoices required by: Brad Haynes
Phone: 541-447-4644
Fax: 541-447-2977
Email: brad.haynes@crookcountyor.gov

Accounts Payable Contact: Laura Fladung
Phone: 541-447-6554
Fax: 541-416-2140
Email: accountspayable@crookcountyor.gov

Processing time for Invoices: 1-2 wks Approval: 1-2 days Checks: 2-3 days

Do you have a Purchase Order Number that you would like included on the invoice? No X Yes __
PO# ____________________

Description needed for Lease Payment Invoices (up to 54 characters including a PO#) : ____________
Road Dept Lease Dump Trucks

Does your PO# change annually? No X Yes ____
Processing time for new purchase orders:____________

EXHIBIT C-1

PAYMENT REQUEST AND PARTIAL ACCEPTANCE CERTIFICATE

RE: Master Lease Purchase Agreement dated as of March 18, 2026, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Crook County, Oregon (Lessee) and Schedule No. 001 thereto.

I, the undersigned, hereby certify that I am a duly qualified representative of Lessee and that I have been given the authority by the Governing Body of Lessee to sign this Certificate of Acceptance with respect to the above referenced Master Lease Purchase Agreement and Schedule No. 001 (the "Lease"). I hereby certify that:

1. The Equipment described below (comprising part of the Equipment described on Lease Exhibit A) has been delivered and installed in accordance with Lessee's specifications and Lessee hereby requests and authorizes Lessor to disburse, to Lessee or the vendor described below net proceeds of the Lease in the amount specified by wire transfer or by check. Such amount has not formed the basis for a previous request for payment.
2. Lessee has conducted such inspection and/or testing of such Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts such Equipment for all purposes.
3. Rental Payments are due and owing as set forth in Exhibit B to the Lease.
4. Lessee has obtained insurance coverage as required under the Lease.
5. Lessee is exempt from all personal property taxes and is also exempt from sales and/or use taxes with respect to the Equipment and the Rental Payments.
6. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.

Quantity	Year	Make	Type/Style/Model	VIN/Serial Number	Price
4	2026	Western Star	49X Dump Truck with Upfitting	5KKMBWFG6VPWY9817 5KKMBWFG6VPWY9818 5KKMBWFG6VPWY9819 5KKMBWFG6VPWY9820	$1,158,302.00
				Total Cost:	**$1,158,302.00**
				Down Payment	**$0**
				Total Amount Financed	**$1,158,302.00**

Vendor Name and Address: Gordon Truck Centers

1203 SW Lake Court

Redmond, OR 97756

Vendor Federal ID Number: ____________________

Lessee: Crook County, Oregon

BY: ____________________

TYPED: Brad Haynes

TITLE: Road Superintendent

DATE: ____________________

EXHIBIT C-2

FINAL ACCEPTANCE

Re: Master Lease Purchase Agreement dated as of 3/18/2026, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Crook County, Oregon (Lessee) and Schedule No. 001 thereto.

I, the undersigned, hereby certify that I am a duly qualified representative of Lessee and that I have been given the authority by the Governing Body of Lessee to sign this Final Acceptance Certificate with respect to the above referenced Master Lease Purchase Agreement and Schedule No. 001 (the "Lease"). I hereby certify that:

1. All Equipment described on Exhibit A has been delivered and installed in accordance with Lessee's specifications and Lessee hereby requests and authorizes Lessor to direct the escrow agent to apply the remaining net proceeds of the Lease to Lessee's next Rental Payment due.
2. Lessee has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
3. Rental Payments with respect to such Equipment are due and owing as set forth in Exhibit B to the Lease.
4. Lessee has obtained insurance coverage as required under the Lease.
5. Lessee is exempt from all personal property taxes and is also exempt from sales and/or use taxes with respect to the Equipment and the Rental Payments.
6. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.

Lessee: Crook County, Oregon

BY: ______________________

TYPED: **Brad Haynes**

TITLE: **Road Superintendent**

DATE: ______________________