



CROOK COUNTY WORK SESSION AGENDA

Wednesday, July 12, 2023 at 9:00 am

**Crook County Administration Conference Room I 203 NE Court St. I
Prineville OR**

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

PUBLIC COMMENT

DISCUSSION

1. Discuss/Review Airport FBO Proposal

Requester: Kelly Coffelt

2. Amendment to the Septage Plant agreement between Crook County and Two Springs Ranch

Requester: Jeff Hurd

3. Secure Rural Schools (Title III) Allocation Elections

Requester: Christina Haron

EXECUTIVE SESSION

4. ORS 192.660(2)(h) Consulting with Counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed

NOTICE AND DISCLAIMER

The Crook County Court is the governing body of Crook County, Oregon, and holds work sessions to deliberate upon matters of County concern. As part of its efforts to keep the public apprised of its activities, the Crook County Court has published this PDF file. This files contains the material to be presented before the County Court for its next scheduled work session.

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 County Court meeting is held. The material contained herein may be changed at any time, with or without notice.

ANY WARRANTY OF MERCHANTABILITY, ACCURACY, FITNESS FOR A PARTICULAR PURPOSE, OR FOR ANY OTHER MATTER. THE COUNTY IS NOT RESPONSIBLE FOR POSSIBLE ERRORS, OMISSIONS, MISUSE, OR MISINTERPRETATION.

Please also note that this file does not contain any material scheduled to be discussed at an executive session, or material the access to which may be restricted under the terms of Oregon law.

If you are interested in obtaining additional copies of any of the documents contained herein, they may be obtained by completing a Crook County Public Records Request form. Request forms are available on the County's website or at the County Administration office at 203 NE Court Street, in Prineville.

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 447-6555. Assistance to handicapped individuals is provided with advance notice.

Contact: Seth Crawford (seth.crawford@co.crook.or.us (541) 447-6555) | Agenda published on 07/05/2023 at 3:52 PM

AGENDA ITEM REQUEST



Date:

June 27, 2023

Meeting date desired:

July 12, 2023 Work session

Subject:

Discuss / review airport FBO proposal

Background and policy implications:

FBO (fixed base operator) proposal to provide fuel and aviation services.

Budget/fiscal impacts:

Based on budget review providing these services through a contractor will provide a net gain in airport revenue and also provide aviation services not currently available.

Requested by:

Kelly Coffelt - Airport manager 541.420.3789

Presenters:

Kelly Coffelt / Andy Parks

Legal review (only if requested):

Elected official sponsor (if applicable):

/

AGENDA ITEM REQUEST



Date:

7/3/2023

Meeting date desired:

7/12/2023

Subject:

Amendment to the Septage Plant agreement between Crook County and Two Springs Ranch.

Background and policy implications:

Two Springs Ranch has operated the septage plant at the County Landfill since 2009 in which Two Springs Ranch utilizes tanks to receive liquid waste (septic tanks, grease traps, porta potties) and then treat and land apply. Two Springs Ranch is increasing their fee to the individual haulers therefore the contract needs to be amended.

Budget/fiscal impacts:

The agreement will be changed to increase the fee by 1.5 cents from 11 cents to 12.5 cents. Two springs will receive one additional cent and the County will receive 0.05 additional cents.

Requested by:

Jeff Hurd, Public Works Director

Presenters:

Jeff Hurd, Public Works Director

Legal review (only if requested):

Legal prepared the amendment.

Elected official sponsor (if applicable):

N/A

AMENDMENT
To Contract for Operation of Septage Plant

This Amendment is entered into by **Bryan and Shanna Sproat, d/b/a Two Springs Ranch** (hereinafter “Contractor”), and **Crook County**, a political subdivision of the State of Oregon (hereinafter “County”); collectively, Contractor and County may be referred to as “the Parties.”

RECITALS

WHEREAS, Contractor and County are parties to that certain Contract for Operation of Septage Plant (hereinafter “the Agreement”) effective June 1, 2019, for the provision of sewage and sewage sludge treatment services as more fully described in the Agreement; and

WHEREAS, the Parties have agreed to a new rate of compensation for the services described above; and

WHEREAS, the Parties wish to continue the terms of the Agreement as modified by this Amendment.

AGREEMENT

NOW, THEREFORE, in exchange for the mutual covenants contained below, Contractor and County agree as follows:

Section One: The Recitals listed above are incorporated herein by reference.

Section Two: Paragraph 7 of the Agreement hereby amended to read as follows:

County shall be responsible for collection of septage fees from individual haulers at the rate of \$0.125 per gallon based upon sums actually collected. Contractor shall be paid \$0.09 per gallon based upon sums actually collected. County shall retain the balance of \$0.035 per gallon of all sums collected.

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

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

IN WITNESS WHEREOF, Contractor and County have executed this Amendment effective the date last signed below.

CONTRACTOR

COUNTY

Bryan and Shanna Sproat, d/b/a 2 Springs Ranch

Crook County Court

By: _____
Bryan Sproat

Seth Crawford, County Judge

Date _____

Jerry Brummer, County Commissioner

By: _____
Shanna Sproat

Brian Barney, County Commissioner

Date _____

Date: _____

CONTRACT FOR OPERATION OF SEPTAGE PLANT

This Contract is made and entered into by and between CROOK COUNTY, a political subdivision of the State of Oregon ("County") and BRYAN & SHANNA SPROAT, d/b/a TWO SPRINGS RANCH ("Contractor").

RECITALS

- A. WHEREAS, County operates a Landfill for the disposal of solid waste materials. The collection of recyclable materials is made through private and commercial disposal at the Crook County Landfill; and
- B. WHEREAS, County originally operated a septage plant located on the County Landfill property; and
- C. WHEREAS, pursuant to a contract for the operation of a septage plant dated September 16, 2009, Contractor has maintained and operated the septage plant on the real property used for the Crook County Landfill; and
- D. WHEREAS, Contractor has approximately 6,000 acres of land currently permitted for land application of lime-stabilized septage under DEQ WPCF Permit No. 101422, File No. 109044; and
- E. WHEREAS, the original 2009 contract is set to expire on October 10, 2019, and County and Contractor wish to continue their contractual relationship as described herein.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants contained herein, County and Contractor agree as follows:

- 1. Incorporation of Recitals. The recitals stated above are intended to be covenants of the parties and are a material part of this agreement and binding on the parties.
- 2. Term of Contract. The Contract term shall be for five (5) years commencing on the first of the month following full execution by both parties, and, subject to either party's right to terminate as set forth below, shall be renewable. If this Contract is not in default, Contractor shall have the option to renew this Contract for one consecutive term of five (5) years as follows:
 - (a) The renewal term shall commence on the day following expiration of the preceding term.
 - (b) The option shall be automatic, without the necessity of prior notice to County. Should Contractor decide not to exercise the option, Contractor shall give written notice to County not less than 90 days prior to the last day of the expiring term.
 - (c) The terms and conditions of the Contract for the renewal term shall be identical with the original term, except for compensation. Compensation for the renewal term shall be mutually agreed upon between County and Contractor before commencement of the renewal term.

3. Scope of Services. Contractor shall be responsible for all treatment of sewage and sewage sludge at the Crook County Landfill. Contractor shall treat the sewage according to federal, state and local regulations and shall thereafter apply the septage to Contractor's land permitted for sewage application.
4. Labor and Costs. Contractor shall, at its sole cost and expense, furnish all labor and equipment required to perform the treatment and application of septage.
5. Safety Requirements. Contractor shall comply with OSHA, BOLI, and all other federal, state and local laws and regulations applicable to the operation.
6. Schedule of Performance. Contractor shall perform the services set forth above in a timely manner and on a schedule acceptable to County.
7. Compensation. County shall be responsible for collection of septage fees from individual haulers at the rate of 11¢ per gallon based upon sums actually collected. Contractor shall be paid 8¢ per gallon based upon sums actually collected. County shall retain the balance of 3¢ per gallon of all sums collected.
8. Septage Defined. For the purpose of this Contract, "septage" means the domestic liquid and solid sewage pumped from septic tanks, cesspools, holding tanks, vault toilets, chemical toilets or other similar domestic sewage treatment components or systems and other sewage sludge not derived at sewage treatment plants.
9. DEQ Permit. Upon termination or expiration of this Contract, Contractor shall immediately execute a name change and/or transfer of ownership of Permit No. 101422 from Contractor to County.
10. Independent Contractor. Contractor shall perform all work and services described in this Agreement as an independent contractor and not as an officer, agent, servant or employee of County. Contractor shall have exclusive control of and exclusive right to control the details of the work performed under this Agreement and shall be solely responsible for the acts and omissions of its officers, agents, employees, contractors and subcontractors, if any. Nothing in this Contract shall be construed as creating a partnership or joint venture between County and Contractor. No person performing any of the work or services described under this Contract shall be considered an officer, agent, servant or employee of County, nor shall any such person be entitled to any benefits available or granted to employees of County. Contractor shall not enter into any subcontracts for performance of its responsibilities under this Contract without the written consent of County.
11. Non-Assignment. Contractor shall not assign, transfer or convey Contractor's rights, duties or obligations under this Contract or any part of it without the previous written consent of County.
12. Permits and Licenses. Contractor shall, at its sole cost and expense, obtain and maintain throughout the term of this Contract all permits, licenses, and approvals necessary or required for Contractor to perform the work and services described herein.
13. Compliance with Laws and Regulations. Contractor agrees that, in the performance of work and services under this Contract, Contractor will comply with any and all federal, state and local

laws and regulations now in effect or later enacted during the term of this Contract which are applicable to Contractor, its employees, agents or subcontractors, if any, with respect to the work services described.

14. Insurance. Contractor shall properly safeguard County against liability for injuries to persons, including injuries resulting in death and loss of and damage to property, by obtaining and maintaining in force insurance with responsible insurers in amounts equal to the liability limits as set by the Oregon Revised Statutes for a public entity (ORS 30.260 *et seq.*) aggregate, containing the complete statement "Crook County is named as an additional insured," it being the intent of the parties that Contractor's insurance will provide contractual liability and additional insured coverage for County consistent to cover Contractor's indemnity obligations under the "Indemnification and Hold Harmless" paragraph of this Agreement. All insurance policies shall provide for a minimum of 30 days advance notice to Contractor of any change in or termination of said policies.
15. Indemnification and Hold Harmless. Contractor agrees to indemnify, hold harmless and defend County, its officers, employees, agents and servants from and against any and all liability, claims, demands, actions or suits, of whatever kind or nature, arising or resulting from, or in any way connected with Contractor's performance of this Contract, the operations of Contractor, its agents, employees or subcontractors, or the failure of Contractor to comply with provisions and requirements of all applicable permits, licenses, laws or regulations.
16. Termination. Notwithstanding anything to the contrary contained in this Contract, Contractor and County shall each have the right at any time to cancel this Contract without cause upon providing not less than thirty (30) days written notice to the other, and from and after the date of such termination have no further obligations or liabilities under this Contract except for those obligations or liabilities that arose prior to said termination. Except with County's prior written consent, this Contract shall also terminate automatically upon sale, bankruptcy or liquidation of Contractor or upon sale or closure of the Landfill by Crook County.

In the event Contractor defaults in the performance of any of the covenants or agreements to be kept, done or performed by it under the terms of this Contract, County shall notify Contractor in writing of the nature of such default. Within ten (10) days following such notice, Contractor shall:

1. Correct the default; or
2. In the case of a default not capable of being corrected within ten (10) days, Contractor shall commence correcting the default within ten (10) days of County's notification, and afterwards correct the default with diligence.
3. If Contractor fails to correct the default as provided above, County, without further notice, shall have all of the following rights and remedies, which County may exercise singly or in combination:
 - (a) The right to declare this Contract, together with all rights granted Contractor under this Contract as terminated, effective upon such date as County shall designate.

(b) The right to license others to perform the services otherwise to be performed by Contractor under this Contract, or to perform such services itself.

17. Notices. All notices required or contemplated by this Contract shall be personally served or mailed, postage prepaid, addressed to the parties as follows:

To County:

Crook County Landfill
Attn: Landfill Manager
110 SW Landfill Rd.
Prineville, OR 97754

To Contractor:

Bryan and Shanna Sproat
d/b/a 2 Springs Ranch
PO Box 77
Powell Butte, OR 97753

or such other address as the parties may address in writing.

18. Waiver. A Waiver of any breach of any provision of this Contract shall not constitute or operate as a waiver of any other breach of such provision or of any other provisions, nor shall any failure to enforce any provision of this Contract operate as a waiver of such provision or of any other provision.

19. Governing Law. This Contract is entered into and is to be performed in the State of Oregon. County and Contractor agree that the laws of the State of Oregon shall govern the rights, obligations, duties and liabilities of the parties to this Contract and shall govern the interpretation of this Contract. Venue for any dispute shall in Crook County, Oregon.

20. Amendment/Assignment. This Contract may be modified or amended only by a written agreement duly executed by the parties or their representatives. Neither party may assign this Contract without the prior written consent of the other party.

21. Entirety/Severance. This Contract signed by both parties is the final and entire agreement and supersedes all prior and contemporaneous oral or written communications between the parties, their agents, and representatives. If any part of this Contract shall be held unenforceable, the rest of this Contract will remain in full force and effect.

22. Contractor's Representations. Contractor represents that Contractor is duly organized and existing in good standing under the laws of the State of Oregon; that Contractor has the power, authority and legal right to enter into and perform its obligations set forth in this Contract and the execution, delivery and performance have been duly authorized ; and this Contract has been duly entered into and delivered and, as of the date of this Contract, constitutes a legal, valid and binding obligation of Contractor, enforceable in accordance with its terms.

23. Taxes. Contractor shall pay all taxes assessed upon or levied against all improvements, machinery, equipment or other property installed or used in the performance of its obligations stated herein.

24. Employer Taxes and Other Liabilities. Contractor shall protect and indemnify County against any payroll taxes or contributions imposed with respect to any employees of Contractor by any applicable law dealing with old age pensions , unemployment compensation, accident compensation, health insurance and related subjects. Contractor shall, at Contractor's own cost

and expense, insure each person employed in, about or on the premises the compensation provided for by law with respect to Worker's compensation and employer's liability insurance.

25. No Interference with County's Operation. Contractor will conduct operations in such a way that they do not disrupt County Landfill operations.
26. Tax Duties and Liabilities. Neither federal, nor state, nor local income tax or payroll tax of any kind will be withheld or paid by County. Contractor is responsible to pay, according to law, CONTRACTOR's income tax and self-employment tax, if applicable.
27. Attorney Fees. In the event an action, lawsuit, or proceeding, including appeal therefrom, is brought for failure to observe any of the terms of this Contract, each party shall bear its own attorney fees, expenses, costs, and disbursements for said action, lawsuit, proceeding, or appeal.
28. Waiver. The failure of either party at any time or from time to time to enforce any of the terms of this Contract shall not be construed to be a waiver of such term or of such party's right to thereafter enforce each and every provision of the Contract.
29. Counterparts. This Contract 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 Contract for Operation of Septage Plant, effective the first of the month following the date when both parties sign the Contract.

Bryan and Shanna Sproat, d/b/a 2 Springs Ranch

Bryan Sproat
Bryan Sproat
Date: 5/10/2019

Shanna Sproat
Shanna Sproat
Date: 5/10/2019

Crook County, a political subdivision of the State of Oregon

Seth Crawford
Seth Crawford, Judge
Date: 5-13-19

Jerry M. Brummer
Jerry Brummer, Commissioner
Date: 5/13/19

Brian Barney
Brian Barney, Commissioner
Date: 5/13/19



Agenda Item Request

Date:

July 5, 2023

Meeting date desired:

July 12, 2023 – Work Session

Subject:

Secure Rural Schools (Title III) Allocation Elections

Background and policy implications:

Each year the County is required to make an election for the allocation of the Secure Rural Schools Act payment allocated to Crook County. The allocation divides the funds between Title I (Schools and Public Roads in the County), Title II (Special Project funds which the Federal Government keeps), and Title III (County Funds to be used as authorized by law). This year the County has an additional option to elect to receive 25% of the 7-year rolling average of USFS annual timber harvest receipts or their portion of the Secure Rural Schools Act State Funds.

Budget/fiscal impacts:

This decision will affect the dollars received from the state for the Schools, Public Roads, and Title III.

Requested by:

Christina Haron, CPA 541-416-3808 christinaharon@co.crook.or.us

Presenters:

Christina Haron, CPA Acting Finance Director

Legal review (only if requested):

NA

Elected official sponsor (if applicable):

NA

Memo:

To: Seth Crawford, County Judge
Brian Barney, County Commissioner
Jerry Brummer, County Commissioner

From: Christina Haron, CPA Acting Finance Director

Date: July 12, 2023

RE: SRS/Title III Election

Each year the County is required to make an election for the allocation of the Secure Rural Schools Act payment allocated to Crook County. The allocation divides the funds between Title I (Schools and Public Roads in the County), Title II (Special Project funds which the Federal Government keeps), and Title III (County Funds to be used as authorized by law).

The election provides two options, for the county to receive a share of the State's 25-percent payment based on the 7-year rolling average of USFS annual timber harvest receipts or a share of the Secure Rural Schools Act State payment.

If the County elects to receive a share of the Secure Rural Schools Act State payment, we must make an additional election to allocate the state payment between Title I, II, and III. The County must allocate between 15% and 20% of its share to Title II, Title III or a combination of both. The allocation for Title III must not exceed 7% with the remainder allocated to Title II to make up at least the minimum 15% but no greater than 20%. The County may also elect to return its allocation in part or in full to the Federal Government.

The attached example provides an estimate of the FY 23 payment showing the differences between the SRS payment amount and the 25% of the 7-year rolling average USFS Timber Harvest receipts.

In the past, the County has not had the option to choose between 25% of 7 year rolling average of USFS Timber Harvest receipts or a share of the Secure Rural Schools Act State payment. Historically, counties have automatically received their allocated share of the Secure Rural Schools Act State payment and been able to choose the allocation. For reference, the County has elected the following in the past:

Title I 85%
Title II 8%
Title III 7%

Based upon the calculation estimates provided, I believe it is in the County's best interest to elect to receive a share of the Secure Rural Schools Act State payment and allocate it consistently with the past allocation. Please let me know if you have any questions. Once agreed upon the form will need to be signed and sent to the State on or before July 12th.

Table 3: USFS Timber Harvest Receipts and SRS Payments Comparison

County FY 24

County	SRS Full Payment Amount	25% 7 Year Rolling Average	Difference SRS – USFS
Baker	\$931,900	\$136,300	\$795,600
Benton	\$131,600	\$21,200	\$110,400
Clackamas	\$1,182,100	\$477,200	\$704,900
Clatsop	\$0	\$0	\$0
Columbia	\$0	\$0	\$0
Coos	\$227,400	\$61,300	\$166,100
Crook	\$1,326,700	\$59,700	\$1,267,000
Curry	\$1,802,500	\$623,400	\$1,179,100
Deschutes	\$1,148,700	\$569,000	\$579,700
Douglas	\$6,914,300	\$1,050,800	\$5,863,500
Gilliam	\$0	\$0	\$0