



CROOK COUNTY WORK SESSION AGENDA

Wednesday, December 11, 2024 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. COIC Requests Board Approval for Crook County STIF and FTA 5310 Projects (2025-2027) and Updated Committee Roster

Requester: Derek Hofbauer

COIC Outreach and Engagement Administrator

2. Amendment #7 for Intergovernmental Agreement for the Financing of Community Mental Health, Addiction Treatment, Recovery & Prevention, and Problem Gambling Treatment (Agreement #PO-44300-00026007).

Requester: Camille Krueger

Health & Human Services Deputy Director

3. Oregon MRC (Mattress Recycling Council) Program

Requester: Jacquie Davis

Landfill Manager

4. Upgrade current ERP with Central Square to new version

Requester: Christina Haron

Presenters: Christina Haron / Stephen Chellis

5. 2025 Update to County's Airport Hangar Lease Policy

Requester: John Eisler

Presenters: John Eisler / Kelly Coffelt

6. Community Development Monthly Update

Requester: Katrina Weitman

Presenters: Katrina Weitman / Randy Davis

MANAGER REPORT

COMMISSIONER UPDATES

EXECUTIVE SESSION

NOTICE AND DISCLAIMER

The Crook County Board of Commissioners 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 Board of Commissioners has published this PDF file. This file contains the material to be presented before the County Board of Commissioners for its next scheduled work session.

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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

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.

AGENDA ITEM REQUEST



Date:

Meeting date desired:

Subject:

Background and policy implications:

Budget/fiscal impacts:

Requested by:

Presenters:

Legal review (only if requested):

Elected official sponsor (if applicable):

Memorandum



To: Crook County Board of Commissioners

From: Derek Hofbauer, COIC Outreach and Engagement Administrator

CC: Brad Haynes, Crook County Road Superintendent and STIF Program Coordinator

Date: December 6, 2024

Subject: Request to approve Crook County 2025-2027 Biennium STIF and FTA 5310 Projects and reappoint Advisory Committee members

Background

COIC was delegated by Crook County to administer its Statewide Transportation Improvement Fund (STIF) Program. The Crook County STIF advisory committee met on October 23, 2024 to review, prioritize, and approve Crook County STIF projects for the 2025-2027 biennium. The advisory committee also approved the Federal Transit Administration (FTA) 5310 project that was included in the same solicitation cycle. The Crook County STIF and FTA 5310 projects are presented in Attachments A and B.

STIF Advisory Committee Member Update

COIC is seeking the Crook County Board of Commissioner's consideration of approval for the updated committee roster presented in Attachment C of this memo, as well as term renewals for member appointments that expire in December 2024. The updated advisory committee list includes five voting members that meet all required criteria within the Crook County STIF bylaws. COIC will recruit new members to the Crook County STIF Advisory Committee in 2025 to increase the number of individuals participating.

COIC staff recommendation

COIC staff recommend the Crook County Board of Commissioner's approval of the Crook County 2025-2027 biennium STIF and FTA 5310 projects, as well as approval of the updated advisory committee roster and term renewals for member appointments that expire in December 2024.

Example motion

If the Crook County Board of Commissioners chooses to approve the 2025-2027 STIF and FTA 5310 projects, in addition to the updated advisory committee roster presented in the attachments, an example motion is provided below:

"I move to approve the Crook County 2025-2027 biennium STIF Projects and FTA 5310 Projects as presented, as well as the updated Crook County Statewide Transportation Improvement Fund Advisory Committee member roster and two-year reappointments for member terms expiring in 2024."

Attachment A

Crook County STIF Project Summaries 2025-2027 Biennium

Total for COIC/CET subrecipient projects is \$1,890,935 including carry-over funds.

Project 1: Carry Over Program Reserve Funds

This project supports continuing Central Oregon Intergovernmental Council STIF projects, such as operations, administration, capital projects and capital match or subrecipient projects as needed. Also provide grant match support for other state or federal funds as needed.

Subrecipient	FY 2026	FY 2027	Total
COIC / Cascades East Transit	\$500,000	-	\$500,000

Project 2: STIF Program Administration

This project supports the continuation of administration, planning, supporting, marketing and supervising both the Cascade East Transit and Crook County STIF programs without interruption. These activities include: STIF program management, supervision, and oversight, STIF quarterly reporting, STIF committee creation, STIF bylaw adherence, STIF outreach and promotion. This project will also support planning for future transit expansion and needs, as well as provide grant match support for other state or federal funds as needed.

Subrecipient	FY 2026	FY 2027	Total
COIC / Cascades East Transit	\$100,000	\$100,000	\$200,000

Project 3: STIF Program Operations

Funding supports Dial-A-Ride services in Prineville, as well as rural veterans' health care transportation services and future expanded Dial-A-Ride boundaries. Funding also supports continued operations of CET Community Connector routes directly and indirectly serving Crook County, including routes 26, 24, and future increases in service frequency and future route expansion. Continue to provide funding to support the already established Central Oregon vanpool program, along with expansion efforts to this program for vanpools originating in Crook County. Also provide grant match support for other state or federal funds as needed.

Subrecipient	FY 2026	FY 2027	Total
COIC / Cascades East Transit	\$570,468	\$570,468	\$1,140,935

Project D: CET Capital Projects & Capital Match Funds

This project is for capital expenses including signage, equipment and bus stops. This also provides grant match support for other state and federal funds as needed.

Subrecipient	FY 2026	FY 2027	Total
COIC / Cascades East Transit	\$25,000	\$25,000	\$50,000

Attachment B

FTA Section 5310 Project Summary, 2025-2027

Project 1: Crook County Purchased Services for Dial-A-Ride in Prineville

This project supports older adults and individuals with disabilities by providing Dial-A-Ride in Prineville and Community Connector Routes 24 and 26 that directly and indirectly serve Crook County.

Subrecipient	Grant Amount	Match Amount	Total Project Cost
CET/COIC	\$186,387	\$21,333	\$207,720

Attachment C

Updated Crook County STIF Advisory Committee Roster

Proposed Consolidated STIF Advisory Committee Roster: 6 Voting Members				
Name	Proposed New Term Expiration Date	STIF Membership Representation	Geographic Representation	Occupation/Affiliation
Andrea Breault Bob Townsend*	2025	Public Transportation Service Provider	Crook County and Regional	Transportation Director for Cascades East Transit
George McCart**	2025	Veterans People with disabilities	Crook County	Veteran advocate; former STIF Advisory Committee Member
Dennis Marston	2024 2026	Individuals age 65 or older	Prineville	Works at Prineville Senior Center
Allen Dendy	2025	Veterans People with disabilities	Crook County	Crook County Band of Brothers
Keya Rohovit-Wrolson	2025	People with disabilities Low-income individuals	Crook County	Case manager for Aging and People with Disabilities
Kim Curley (Vice Chair)	2024 2026	Low-income individuals Employers Educational institutions	Crook County and Regional	Commute Options employee
Josh Smith (Chair)	2025	Local governments, including land use planners	Prineville	City of Prineville Community Development Director
Rachel Zakem	2024	Public Transportation Service Provider	Crook County and Regional	Transit Planning Specialist for Cascades East Transit

Summary of Crook County STIFAC member roster updates and recommendations

* Robert (Bob) Townsend is CET’s new Transportation Director and will replace Andrea Breault, who no longer works for Cascades East Transit.

** George McCart no longer participates on the advisory committee

***Rachel Zakem no longer works for Cascades East Transit

COIC is seeking BOCC approval to reappoint members with 2024 terms to serve another two years on the committee, with those terms set to expire in 2026. Those committee members are Dennis Marston and Kim Curley.



STIF Plan 2025-27

- [STIF Program Guidebook](#)
- [STIF Plan Application Instructions](#)

For alternative formats / accessibility questions please reach out to:
The Regional Transit Coordinator in your region or Brian Roth: brian.roth@odot.oregon.gov

Sections 1-5 Visibility *

Show Hide

1. Qualified Entity

Qualified Entity Name *

Qualified Entity Address *

STIF Plan Contact Name *

STIF Plan Contact Title *

STIF Plan Contact Email *

STIF Plan Contact Phone Number *

Employer Identification Number (EIN) *

Will any of the projects in this STIF Plan use funds jointly managed with one or more other Qualified Entities? *

1.2 Sub-Recipients in STIF Plan

⊗ Provider 1

Are any Sub-Recipients included in this STIF Plan? *

Yes

Provider Name *

Central Oregon Intergovernmental Council

Sub-Recipient Contact Name *

Bob Townsend

Sub-Recipient Contact Title *

Transportation Director

Sub-Recipient Phone Number *

(541) 548-8163

Sub-Recipient Email *

rtownsend@coic.org

Sub-Recipient Type *

Intergovernmental Entity

Sub-Recipient Employer Identification Number (EIN) *

930620261

Sub-Recipient Website *

www.coic.org

+ Add Provider

2. Advisory Committees

2.1 Advisory Committee Website

By checking this box, I agree that all the requirements for Advisory Committees set out in OARs 732-040-0030, 732-040-0035 and 732-042-0020 have been met, including, but not limited to the following:

- The Advisory Committee is guided by written bylaws that contain all the information required in OAR 732-040-0030(5)(a).
- The Advisory Committee’s bylaws, meeting notices, and meeting minutes have been made available to the public in a reasonable and timely manner and are retained for the period required by Oregon public records laws.
- The Advisory Committee has the membership composition required by OAR 732-040-0035.
- For all Projects submitted as part of this application and/or any sub-recipient application, the Advisory Committee has engaged in the review process described by OAR 732-042-0020, to recommend approval or rejection of all proposed Projects and to recommend prioritization of approved Projects.

Please include a link to an Advisory Committee Website.

<https://www.coic.org/transportation/stif/>

This website should include the information required by OARs **732-040-0030**, **732-040-0035** and **732-042-0020**, and show how the Advisory Committee’s bylaws, meeting notices, and meeting minutes are made available to the public.

If some or all of the information required by OARs 732-040-0030, 732-040-0035 and 732-042-0020 is not available on a website, please upload any additional documentation showing how you met the Advisory Committee requirements and how the Advisory Committee’s bylaws, meeting notices, and meeting minutes are made available to the public.

or drag files here.

Limit 100 MB

Did the QE’s Advisory Committee or Governing Body convene an optional work group as outlined in OAR 732-040-0030? *

- Yes
- No

3. Local Plan Compliance

3.1 Existing Local Plans from which project(s) are derived.

Remember to add more than one plan if you are using a combination of multiple plans to meet this requirement.

⊗ **Local Plan 1**

Local Plan Name *

CET 2040 Transit Master Plan

Governing Body that adopted Local Plan *

Central Oregon Intergovernme

Plan Adoption Date *

9/30/2020 

Local Plan Web Address *

<https://cascadeseasttransit.com/about/2040-transit-master-plan/>

Upload copy of Local Plan if it is not available on a website.

or drag files here.

Limit 100 MB

⊗ **Local Plan 2**

Local Plan Name *

Central Oregon Coordinated P

Governing Body that adopted Local Plan *

Crook County Board of Comm

Plan Adoption Date *

6/20/2018 

Local Plan Web Address *

https://www.coic.org/wp-content/uploads/2020/01/2018-11-06_central-or-coord-plan_final_sig

Upload copy of Local Plan if it is not available on a website.

or drag files here.

Limit 100 MB

3.2 Local Plan requirements

I agree that the Local Plan(s), either separately or together, contain all of the information required by OAR 732-040-0005(19). *

- Yes
- No, the Local Plan(s) are not yet consistent with STIF rule requirements.

4. Accountability

4.1 Accountability methods

- Qualified Entity Accountability:** By checking this box, I affirm that all of the necessary policies and procedures are in place to provide reasonable assurance that compliance of the Qualified Entity with OAR 732, Divisions 40 and 42 is met, and to achieve the goals and outcomes specified in this STIF Plan, including, but not limited to: program and financial management, operations management, procurement, use and maintenance of equipment, records retention, compliance with state and federal laws, civil rights, and compliance with ADA.
- Sub-Recipient Accountability:** By checking this box, I affirm that all of the necessary policies and procedures are in place to provide reasonable assurance that compliance of all Sub-Recipients with OAR 732, Divisions 40 and 42 is met to achieve the goals and outcomes specified in this STIF Plan, address deficiencies in Sub-Recipient performance, and to provide reasonable assurance that the Qualified Entity can accomplish the applicable requirements of these rules, including but not limited to: audit and compliance requirements, accounting requirements, capital asset requirements, and reporting requirements.

4.2 Sub-Allocation method

You may insert a web address in place of a description or document upload, as long as the website includes all the information needed to support approval of the STIF Plan and comply with STIF Rule.

- By checking this box, I affirm that all data used to develop the sub-allocation method was shared with each Public Transportation Service Provider and other potential sub-recipients, as relevant.

Describe the Qualified Entity’s method for sub-allocating STIF Formula Fund moneys and the collaborative process used to work with Public Transportation Service Providers and other potential Sub-Recipients, as relevant, to develop the sub-allocation method. *

The population of Crook County is 27,527; Prineville is 12,031; Juniper Canyon is 4,500, and Powell Butte is 2,903. Crook County will consider where payroll tax originated (by city or region), using population as a proxy for payroll. Crook County will support projects that serve and connect all communities within the County and fund multi-county projects proportionately based on their value to residents. Crook County will support projects formally funded by STF that serve older adults and people with disabilities, as well as projects more efficiently and effectively served by other Providers to create employer vanpools and connections outside Central Oregon. The amount of sub allocation is not considered a guaranteed entitlement, but rather is looked at as a starting point for Crook County to consider the overall reach or priority of projects individually and as a whole.

Limit 1000 Characters

Upload Response

or drag files here.

Limit 100 MB

4.3 High Percentage of Low-Income Households

You may insert a web address in place of a description or document upload, as long as the website includes all the information needed to support approval of the STIF Plan and comply with STIF Rule.

Explain how the STIF Plan defines and identifies communities with a high percentage of Low-Income Households. *

Crook County defines a high percentage of Low-Income Households as a census tract or census designated place with a higher percent of Low-Income Households than the statewide average.

The definition should also be in your STIF Advisory Committee's bylaws.

Limit 1000 Characters

Upload Response

Upload or drag files here.

Limit 100 MB

5. STIF Plan Period and Adoption

5.1 Period Covered By STIF Plan

Provide start and end dates for projects proposed for funding in this STIF Plan. The earliest possible start date is July 1, 2025.

Start Date: *

7/1/2025 

End Date *

6/30/2027 

5.2 STIF Plan Adoption

STIF Plan Advisory Committee recommendation date *

10/23/2024 

STIF Plan Governing Body adoption date *

12/11/2024 

Website where Governing Body adoption document is located *

<https://www.coic.org/transportation/stif/>

Upload Governing Body adoption document if website is unavailable.

or drag files here.

Limit 100 MB

Did the Governing Body modify the Advisory Committee's recommended STIF Plan? *

No 

6. Projects

You may upload Sub-Recipient Project Applications instead of manually entering the information for each sub-recipient. All uploaded Sub-Recipient Project Applications must have been submitted to the Qualified Entity's STIF Advisory Committee, approved by the Qualified Entity's Governing Body, and will be part of the Qualified Entity's STIF Plan.

In addition to this, any Qualified Entities with their own Projects may enter that information directly into the STIF Plan, or may choose to upload their own Sub-Recipient Project Application. In all cases, you cannot split information for a single entity between the STIF Plan and an uploaded Sub-Recipient Project Application. All project information for a given entity must be contained either solely within the Sub-Recipient Project Application or STIF Plan itself.

Important note: If you'd like to use this optional upload feature, please enter the total amount from each Sub-Recipient Project Application in the conditional boxes that will appear below (this information can be found in the last section of the Sub-Recipient Project Application). This will ensure that the sum of all Qualified Entity and sub-recipient projects are included in STIF Plan section 7. STIF Plan Summary.

Would you like to upload any approved Sub-Recipient Project Applications for this STIF Plan? *

Yes


No

6.1 Project Detail Entry

Sub-Recipient 1

Upload Project Application Here *

or drag files here.

 [Crook County Subrecipient Project Application 2025-27 Submitted.pdf](#) ↓ ⊗
1.2 MB

Sub-Recipient Name *

Central Oregon Intergovernmental Council

Sub-Recipient Project Application Total *

\$1,890,935.00

Planned Carry Forward *

\$0.00

FY 2026 Total STIF Funds *

\$1,195,468.00

FY 2027 Total STIF Funds *

\$695,467.00

FY 2026 Student STIF Funds *

\$107,046.80

FY 2027 Student STIF Funds *

\$57,046.70

**FY 2026
Percent of STIF
Funds
supporting
student
transportation ***
9%

**FY 2027
Percent of STIF
Funds
supporting
student
transportation ***
8%

**FY 2026 Older
and Disabled
Persons STIF
Funds**

**FY 2027 Older
and Disabled
Persons STIF
Funds**

\$157,046.80

\$57,046.70

**FY 2026 Total
STIF
Funds From
Previous Cycle ***

**FY 2027 Total
STIF
Funds From
Previous Cycle ***

\$500,000.00

*Includes Prior Biennia
STIF Funds, Prior
Biennia Interest Accrued
(FY 23-25)*

*Includes Prior Biennia
STIF Funds, Prior
Biennia Interest
Accrued (FY 23-25)*

+ Add Sub-Recipient

6.1 Project Detail Entry

Project 1

Project Visibility *

Show Hide

+ Add Project

7. STIF Plan Summary

STIF Plan Grand Total

\$1,890,935.00

STIF Plan Grand Total: Includes STIF Plan Total, as well as Prior Biennia STIF Funds and Prior Biennia Interest Accrued (FY 23-25)

Planned Carry Forward Total

\$0.00

Planned Carry Forward Total: The total amount of funding that is set aside to pay for project expenses in a future biennium.

STIF Plan Total (Plan Maximum)

\$1,390,935.00

STIF Plan Total: The total amount of funding that ODOT will be authorized to distribute under this plan when it is approved by the OTC. This does not include Prior Biennia STIF Funds or Prior Biennia Interest Accrued (FY 23-25).

FY 2026 Total Prior Biennia Funds

\$500,000.00

The total of Prior Biennia STIF Funds and Prior Biennia Interest Accrued (FY 23-25)

FY 2027 Total Prior Biennia Funds

\$0.00

The total of Prior Biennia STIF Funds and Prior Biennia Interest Accrued (FY 23-25)

FY 2026 Total STIF Funds

\$1,195,468.00

FY 2027 Total STIF Funds

\$695,467.00

FY 2026 Total STIF Funds from Sub-Recipient Applications

\$1,195,468.00

FY 2027 Total STIF Funds from Sub-Recipient Applications

\$695,467.00

FY 2026 Student STIF Funds

\$107,046.80

FY 2027 Student STIF Funds

\$57,046.70

<p>FY 2026 Percent of STIF Funds supporting student transportation</p> <p>8.95%</p>	<p>FY 2027 Percent of STIF Funds supporting student transportation</p> <p>8.20%</p>
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Unless it is not practicable, each year, the percentage of STIF Funds supporting student transportation must equal or exceed 1% of the FY Total STIF Funds.

<p>FY 2026 Older and Disabled Persons STIF Funds</p> <p>\$157,046.80</p>	<p>FY 2027 Older and Disabled Persons STIF Funds</p> <p>\$57,046.70</p>
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<p>FY 2026 Percent of STIF Funds supporting older and disabled persons transportation</p> <p>13.14%</p>	<p>FY 2027 Percent of STIF Funds supporting older and disabled persons transportation</p> <p>8.20%</p>
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The amount of STIF Funds that support transit services for Older and Disabled Persons. This amount must equal or exceed the Qualified Entity’s allocation of population-based formula funds.

Effective Date

This STIF Plan shall become effective as of the date it is approved by the Oregon Transportation Commission and it shall terminate as of the end date specified in Section 5 of the approved STIF Plan.

Signature

This STIF Plan serves as a legally binding agreement between the Qualified Entity and the State of Oregon, acting by and through its Department of Transportation.

Download the signature page here:

[STIF Plan Signature Page](#)

Upload signature page here. *

Upload

or drag files here.

Limit 100 MB

Submit STIF Plan

Save

FY 2025-2027 Statewide Transportation Improvement Fund Formula Fund STIF Plan Certification of Agreement

This STIF Plan submitted by _____, a Qualified Entity, serves as a legally binding agreement between the Qualified Entity and the State of Oregon, acting by and through its Department of Transportation.

By signing below, I certify that I am authorized to execute this STIF Plan on behalf of _____, a Qualified Entity as defined in ORS 184.752 (2), under the direction or approval of the Qualified Entity’s Governing Body, and to legally bind the Qualified Entity.

I further acknowledge and represent on behalf of the Qualified Entity each of the following:

- The Qualified Entity, through its agents, officers or employees responsible to administer the STIF Plan and oversee completion of the projects included in the STIF Plan, has read and understands ORS 184.751 through ORS 184.766 and OAR chapter 732, divisions 40 and 42;
- The Qualified Entity agrees to be bound by ORS 184.751 through ORS 184.766 and OAR chapter 732, divisions 40 and 42 and any other laws applicable to STIF Formula Fund program administration and to the completion of the projects described in this STIF Plan;
- The associated STIF Plan is complete and includes all of the required documentation and information;
- The STIF Plan does not contain and is not based on any false or fraudulent information;
- The STIF Plan does not contain any statement or representation that is untrue in whole or part;
- The STIF Plan does not omit information that could have a material effect on the value, validity or authenticity of the STIF Formula Fund distributions made to the Qualified Entity;
- The Qualified Entity agrees to deliver the project(s) described in this STIF Plan within the identified timelines; and
- The Qualified Entity understands that it may request STIF Formula Fund distributions from the Oregon Department of Transportation after the Oregon Transportation Commission has approved the STIF Plan, but may not make a request prior to July 1, 2025.
- Payments to the Qualified Entity are conditioned on the Qualified Entity satisfying all terms and conditions of this agreement.
- The Qualified Entity is required to repay, in full, any distributions paid to the Qualified Entity if the Oregon Transportation Commission determines that the recipient has failed to meet any terms or conditions of this agreement.

Name of authorized representative: _____

Authorized representative signature: _____

Date of authorized representative’s certification, acknowledgement and representation: _____

Name of authorized representative: _____

Authorized representative signature: _____

Date of authorized representative's certification, acknowledgement and representation: _____



AGENDA ITEM REQUEST

Date:

12/02/2024

Meeting date desired:

12/11 & 12/18

Subject:

Amendment #7 for Intergovernmental Agreement for the Financing of Community Mental Health, Addiction Treatment, Recovery & Prevention, and Problem Gambling Treatment (Agreement #PO-44300-00026007).

Background and policy implications:

Historically, Deschutes County has been the fiscal agent of these funds. Amendment 7 authorizes the direct allocation of MHS 25 funds to Crook County. This funding is used to support the Mobile Crisis Intervention Services that our county mental health provider, BestCare, provides.

Budget/fiscal impacts:

There are no suspected budget or fiscal impacts.

Requested by:

Camille Krueger, Health & Human Services Deputy Director
ckruger@crookpublichealthor.gov 541-447-5165

Presenters:

Camille Krueger, Health & Human Services Deputy Director

Legal review (only if requested):

Legal has reviewed

Elected official sponsor (if applicable):

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@odhsoha.oregon.gov or call 503-378-3486 (voice) or 503-378-3523 (TTY) to arrange for the alternative format.

AGREEMENT # PO-44300-00026007

**SEVENTH AMENDMENT TO
OREGON HEALTH AUTHORITY
2024-2025 INTERGOVERNMENTAL AGREEMENT
FOR THE FINANCING OF COMMUNITY MENTAL HEALTH, ADDICTION TREATMENT,
RECOVERY, & PREVENTION, AND PROBLEM GAMBLING SERVICES**

This **Seventh** Amendment to Oregon Health Authority 2024-2025 Intergovernmental Agreement for the Financing of Community Mental Health, Addiction Treatment, Recovery, & Prevention, and Problem Gambling Services effective as of January 1, 2024 (as amended, the “Agreement”), is entered into, as of the date of the last signature hereto, by and between the State of Oregon acting by and through its Oregon Health Authority (“OHA”) and **Crook County** (“County”).

RECITALS

WHEREAS, OHA and County wish to modify the Financial Assistance Award set forth in Exhibit C of the Agreement.

NOW, THEREFORE, in consideration of the premises, covenants and agreements contained herein and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. The financial and service information in the Financial Assistance Award is hereby amended as described in Attachment 1 attached hereto and incorporated herein by this reference. Attachment 1 must be read in conjunction with the portion of Exhibit C of the Agreement that describes the effect of an amendment of the financial and service information.
2. Capitalized words and phrases used but not defined herein shall have the meanings ascribed thereto in the Agreement.
3. County represents and warrants to OHA that the representations and warranties of County set forth in section 4 of Exhibit F of the Agreement are true and correct on the date hereof with the same effect as if made on the date hereof.
4. Except as amended hereby, all terms and conditions of the Agreement remain in full force and effect.
5. This Amendment may be executed in any number of counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of this Amendment so executed shall constitute an original.

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

6. Signatures.

Crook County

By:

_____	_____	_____	_____
Authorized Signature	Printed Name	Title	Date

State of Oregon, acting by and through its Oregon Health Authority

By:

_____	_____	_____	_____
Authorized Signature	Printed Name	Title	Date

Approved by: Director, OHA Health Systems Division

By:

_____	_____	_____	_____
Authorized Signature	Printed Name	Title	Date

Approved for Legal Sufficiency:

Exempt per OAR 137-045-0050(2)

_____	_____
Oregon Department of Justice	Date

ATTACHMENT 1

EXHIBIT C Financial Pages

MODIFICATION INPUT REVIEW REPORT

MOD#: M1003

CONTRACT#: 026007

CONTRACTOR: CROOK COUNTY

INPUT CHECKED BY: _____ DATE CHECKED: _____

SE#	FUND	PROJ	CPMS PROVIDER	EFFECTIVE DATES	SLOT CHANGE/TYPE	RATE	OPERATING DOLLARS	STARTUP PART DOLLARS ABC	PART IV	PAAF CD	BASE	CLIENT CODE	SF#
FISCAL YEAR: 2023-2024													
	BASE	COMMUNITY CRISIS SER											
25	804	CRISIS		1/1/2024 - 6/30/2024	0 /NA	\$0.00	\$72,189.25	\$0.00	A	1	Y		1
TOTAL FOR SE# 25							\$72,189.25	\$0.00					
TOTAL FOR 2023-2024							\$72,189.25	\$0.00					
FISCAL YEAR: 2024-2025													
	BASE	COMMUNITY CRISIS SER											
25	804	CRISIS		7/1/2024 - 6/30/2025	0 /NA	\$0.00	\$144,378.50	\$0.00	A	1	Y		1
TOTAL FOR SE# 25							\$144,378.50	\$0.00					
TOTAL FOR 2024-2025							\$144,378.50	\$0.00					
TOTAL FOR M1003 026007							\$216,567.75	\$0.00					

OREGON HEALTH AUTHORITY
Financial Assistance Award Amendment (FAAA)

CONTRACTOR: CROOK COUNTY
DATE: 11/15/2024

Contract#: 026007
REF#: 009

REASON FOR FAAA (for information only):

Mobile Crisis Intervention Services (MHS 25) funds added.

The following special condition(s) apply to funds as indicated by the special condition number in column 9. Each special condition set forth below may be qualified by a full description in the Financial Assistance Award.

M1003 1 These funds are for MHS 25 Mobile Crisis Intervention Services.

Confidential
CONTRACTOR TAX IDENTIFICATION INFORMATION
For Accounting Purposes Only

The State of Oregon requires contractors to provide their Federal Employer Identification Number (FEIN) or Social Security Number (SSN). This information is requested pursuant to ORS 305.385 and OAR 125-246-0330(2). Social Security numbers provided pursuant to this section will be used for the administration of state, federal and local tax laws. The State of Oregon may report this information to the Internal Revenue Service (IRS). Contractors must keep this information current at all times. Contractors are required to notify the State of Oregon contract administrator within 10 business days if this information changes. The State of Oregon reserves the right to ask contractors to update this information at any time during the document term.

Document number: 026007-7-7

Legal name *(tax filing)*: _____

DBA name *(if applicable)*: _____

Billing address: _____

City: _____

Phone: _____

FEIN: _____

- OR -

SSN: _____

Certificate Of Completion

Envelope Id: 997527062CA244B0913F35CD687F24C3	Status: Sent
Subject: PO-44300-00026007-7 Crook County Amendment	
Source Envelope:	
Document Pages: 5	Signatures: 0
Certificate Pages: 2	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Larry Briggs
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	Larry.O.Briggs@odhsoha.oregon.gov
	IP Address: 209.112.106.2

Record Tracking

Status: Original	Holder: Larry Briggs	Location: DocuSign
11/19/2024 12:32:33 PM	Larry.O.Briggs@odhsoha.oregon.gov	
Security Appliance Status: Connected	Pool: StateLocal	
Storage Appliance Status: Connected	Pool: Carahsoft OBO Oregon Health Authority - CLM	Location: DocuSign

Signer Events	Signature	Timestamp
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Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Jon Collins
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Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Ebony Clarke
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Electronic Record and Signature Disclosure:
Not Offered via DocuSign

In Person Signer Events	Signature	Timestamp
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Editor Delivery Events	Status	Timestamp
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Agent Delivery Events	Status	Timestamp
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Alex Solterbeck
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Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Intermediary Delivery Events	Status	Timestamp
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Certified Delivery Events	Status	Timestamp
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Carbon Copy Events	Status	Timestamp
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Carbon Copy Events	Status	Timestamp
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Electronic Record and Signature Disclosure:
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Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Witness Events	Signature	Timestamp
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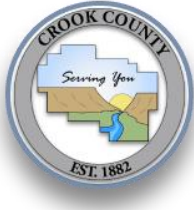
Notary Events	Signature	Timestamp
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Payment Events	Status	Timestamps
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AGENDA ITEM REQUEST



Date:

Meeting date desired:

Subject:

Background and policy implications:

Budget/fiscal impacts:

Requested by:

Presenters:

Legal review (only if requested):

Elected official sponsor (if applicable):

/



BECOMING A NO-COST MATTRESS COLLECTION SITE

In March 2022, Oregon passed the Mattress Stewardship Act (SB 1576), establishing a statewide mattress recycling program administered by the bedding industry.

The industry created the Mattress Recycling Council (MRC), a nonprofit organization, to administer this program. Bye Bye Mattress is the consumer-facing brand MRC created to promote the program.

By joining MRC's Bye Bye Mattress program, you'll provide your community a no-cost option for diverting valuable material from the waste stream, support local green jobs and help reduce illegal dumping.

Overview

MRC's Bye Bye Mattress program begins in Oregon on Jan. 1, 2025, and is similar to MRC's existing programs in California, Connecticut and Rhode Island.

Oregon's program is made possible by a stewardship assessment that

is collected when mattresses and box springs are sold for use in the state.

Oregon's Department of Environmental Quality approved MRC's plan to administer and operate this program.

Program and Non-Program Products

Program Products:

Participants must agree to accept at no-cost all program mattresses and foundations (also commonly called box springs) in any condition. The product must have been used in Oregon.

Non-Program Products:

- Adjustable bases not covered in ticking or fabric
- Air mattresses that contain no upholstery material
- Car beds
- Collapsible roll-away beds
- Fold-out sofa beds
- Futons and furniture
- Infant carriers, lounge pads or crib bumpers
- Juvenile products such as carriages, baskets, cribs, bassinets, dressing tables, strollers and playpens or their pads
- Loose bedding, blankets or sheets
- Mattress pads or toppers
- Mattresses stripped of padding components (partial units)
- Metal bed frames
- Pillows and cushions
- Sleeping bags
- Water beds

What We Provide

- Collection containers at your site
- Compensation for all program products collected (including those too damaged for program containers and requiring disposal)
- Transportation from your site to the contracted recycler
- Mattress recycling services
- Assistance with residential education

Participant Benefits

Participating facilities no longer incur mattress disposal costs. MRC uses the collected stewardship assessments to pay for the transportation and recycling of the mattresses.

Program participants divert mattresses from waste-to-energy facilities and landfills and allow materials like steel, foam, fiber and wood to be reused.

Participation Requirements

- Must register with MRC Program Coordinator for no-cost recycling services
- Provide a secure site for the collection container
- Keep mattresses dry and segregated
- Pack mattresses efficiently to maximize container capacity
- Complete required paperwork to track outgoing shipments

DARCY PEREZ
OREGON PROGRAM COORDINATOR
 (971) 339-1339
 dperez@mrc-us.org
 www.MattressRecyclingCouncil.org



Enrolled
Senate Bill 1576

Sponsored by Senators MANNING JR, BEYER, DEMBROW, SOLLMAN, Representative BYNUM;
Senators FREDERICK, PATTERSON, PROZANSKI, TAYLOR, WAGNER, Representatives
ALONSO LEON, FAHEY, HELM, HOLVEY, MEEK, NATHANSON, REYNOLDS, SCHOUTEN,
WILDE (Presession filed.)

CHAPTER

AN ACT

Relating to mattresses; creating new provisions; amending ORS 459.995; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

MATTRESS STEWARDSHIP

SECTION 1. The Legislative Assembly finds and declares that:

(1) It is in the best interests of the State of Oregon for producers of mattresses to take responsibility for developing, implementing and administering a statewide system for the financing, collection and environmentally sound management of discarded mattresses; and

(2) It is the State of Oregon's policy that a statewide system for the financing, collection and environmentally sound management of discarded mattresses:

(a) Provide free, convenient and accessible opportunities for collection of mattresses discarded in this state from any person, in both the urban and rural areas of this state;

(b) Be technologically feasible and economically practical; and

(c) Be consistent with the policies for materials management set forth in ORS 459.015 (2).

SECTION 2. As used in sections 1 to 14 of this 2022 Act:

(1) "Brand" means a name, symbol, word or mark that attributes a mattress to the producer of the mattress.

(2) "Consumer" means a person who is the purchaser, by retail sale, of a mattress for final delivery and use in this state.

(3) "Discarded mattress" means a mattress that has been used, and abandoned or discarded, in this state.

(4) "Environmentally sound management" includes, but is not limited to, the following management practices, implemented in a manner that is designed to protect public health and safety and the environment:

(a) Adequate record keeping;

(b) Keeping detailed documentation of the methods used to:

(A) Manage discarded mattresses; and

(B) Track and document the fate of discarded mattresses from collection through final disposition within this state and outside this state;

(c) Performance audits and inspections of recyclers, haulers and other parties as determined by a stewardship organization;

(d) Compliance with worker health and safety requirements; and

(e) Maintenance of adequate liability insurance for a stewardship organization and contractors working for the stewardship organization.

(5) "Final disposition" means the point beyond which no further processing takes place and a discarded mattress and its components have been recycled, renovated or disposed of.

(6) "Foundation" means a ticking-covered structure that is used to support a mattress or sleep surface and that may be constructed of frames, foam, box springs or other materials, used alone or in combination.

(7)(a) "Mattress" means:

(A) A resilient material or combination of materials that is enclosed by a ticking, is used alone or in combination with other products and is intended for or promoted for sleeping upon; or

(B) A foundation.

(b) "Mattress" does not mean:

(A) An unattached mattress pad or unattached mattress topper, with or without resilient filling or ticking, that is intended to be used with or on top of a mattress;

(B) A sleeping bag;

(C) A pillow;

(D) A car bed, crib mattress or bassinet mattress;

(E) A carriage, basket, dressing table, stroller, playpen, infant carrier, lounge pad, crib bumper or other product manufactured for young children or the pad for a product described in this subparagraph;

(F) A water bed, an air mattress or another product that contains liquid- or gas-filled ticking and that does not contain upholstery material between the ticking and the mattress core; or

(G) A foldout sofa bed, futon, futon mattress or upholstered furniture.

(8) "Mattress core" means the principal support system that is present in a mattress and that may be constructed of materials such as springs, foam, air or water bladders or resilient filling.

(9) "Mattress stewardship assessment" means the amount added at retail sale to the purchase price of a mattress to cover the costs of a mattress stewardship program.

(10) "Mattress stewardship program" means a statewide program for the collection of discarded mattresses and environmentally sound management of program mattresses that is operated by a stewardship organization pursuant to a plan approved by the Department of Environmental Quality under section 6 of this 2022 Act.

(11) "Mattress topper" means any item that contains resilient filling, with or without ticking, that is intended to be used with or on top of a mattress.

(12) "Nonprofit organization" means an organization or group of organizations described in section 501(c)(3) of the Internal Revenue Code that is exempt from income tax under section 501(a) of the Internal Revenue Code.

(13) "Person" means the United States, the state or a public or private corporation, local government unit, public agency, individual, partnership, association, firm, trust, estate or other legal entity.

(14) "Premium service" means a service such as at-home pickup service, including curbside pickup service.

(15) "Producer" means any person, irrespective of the selling technique used, including that of remote sale, that:

(a) Manufactures a mattress that is sold, offered for sale or distributed in this state;

(b) Is the owner of a trademark or brand under which a mattress is sold, offered for sale or distributed in this state, whether or not such trademark or brand is registered in this state; or

(c) Imports a mattress into the United States that is sold or offered for sale in this state.

(16)(a) "Program mattress" means a discarded mattress that a stewardship organization will provide environmentally sound management for under a mattress stewardship program.

(b) "Program mattress" does not mean a mattress transported from outside this state to be discarded in this state.

(17)(a) "Renovate" means to alter a discarded mattress for resale through replacing the ticking or filling, adding additional filling or replacing components of the discarded mattress with new or recycled materials.

(b) "Renovate" does not mean:

(A) Stripping a discarded mattress of the ticking or filling without adding new material; or

(B) The sanitization or sterilization of a discarded mattress without other alteration to the discarded mattress.

(18) "Renovator" means a person that renovates discarded mattresses.

(19) "Retailer" means a person that offers new, used or renovated mattresses for retail sale.

(20) "Retail sale" means sale to a consumer in this state by any means and for any purpose other than resale, including but not limited to sale by remote offerings such as sales outlets, catalogs or the Internet.

(21) "Sanitization" means the direct application of chemicals to a mattress to kill pathogens that cause human disease.

(22) "Sterilization" means the mitigation of any deleterious substances or organisms, including pathogens that cause human disease, fungi and insects, from a mattress or filling material using a chemical or heat process.

(23) "Stewardship organization" means a nonprofit organization designated by a producer or group of producers to implement a mattress stewardship program.

(24)(a) "Ticking" means the outermost layer of fabric or related material of a mattress.

(b) "Ticking" does not mean any layer of fabric or material quilted together with, or otherwise attached to, the outermost layer of fabric or material of a mattress.

SECTION 3. (1) Except as provided in subsection (3) of this section, a producer, renovator or retailer may not sell or offer for sale any mattress to any person in this state unless the producer, renovator or retailer is registered with a stewardship organization with a plan approved by the Department of Environmental Quality under section 6 of this 2022 Act.

(2) On and after the date that a mattress stewardship program is implemented, a retailer:

(a) May purchase a mattress only from a producer or renovator that is registered with a stewardship organization as of the date of purchase as evidenced by information made available by a stewardship organization pursuant to subsection (4) of this section;

(b) Shall collect, at the point of retail sale, the mattress stewardship assessment established pursuant to a plan approved by the department under section 6 of this 2022 Act and remit the mattress stewardship assessment to the stewardship organization that implements the mattress stewardship program; and

(c) Shall provide to consumers, at the point of retail sale, information on available collection opportunities for discarded mattresses through the mattress stewardship program.

(3) A retailer registered with a stewardship organization that purchased a mattress from a producer or renovator in compliance with subsection (2)(a) of this section is not in violation of subsection (1) of this section if, at the time the retailer sells the mattress to a consumer, the producer or renovator that the retailer purchased the mattress from is no longer registered with a stewardship organization.

(4) A stewardship organization shall make available on the stewardship organization's website and on request:

(a) Information on the brands owned by all producers and renovators registered with the stewardship organization;

(b) Information on available collection opportunities; and

(c) Any other information necessary for retailers to comply with subsection (2) of this section.

(5) A retailer shall identify the mattress stewardship assessment as a separate line item on the receipt for a mattress provided to a consumer at the point of sale. The mattress stewardship assessment may not be described on the receipt as an Oregon recycling fee.

(6)(a) Subject to paragraph (b) of this subsection, a stewardship organization may use a mattress stewardship assessment collected in this state only to pay the costs necessary to plan, implement, administer and operate a mattress stewardship program in this state.

(b) A stewardship organization may not use any moneys collected through a mattress stewardship assessment to pay penalties assessed against the stewardship organization under ORS 459.995.

(7) Nothing in this section prevents a stewardship organization from, with notice to the department, coordinating efforts for carrying out a mattress stewardship program in this state with programs for the collection and environmentally sound management of discarded mattresses in other states.

(8) The department shall maintain on its website a list of all producers, renovators and retailers that are in compliance with sections 1 to 14 of this 2022 Act.

SECTION 4. (1) In a form and manner prescribed by the Department of Environmental Quality, a stewardship organization shall submit to the department a plan for the development and implementation of a mattress stewardship program. The plan must:

(a) Describe how the stewardship organization will manage and administer a mattress stewardship program.

(b) Identify program mattresses.

(c) Describe how discarded mattresses that are received through collection sites or collection events and that are not program mattresses will be handled.

(d) Identify each producer, renovator and retailer that is registered with the stewardship organization as of 30 days before the plan is submitted to the department.

(e) Include a description of how the stewardship organization will provide for the environmentally sound management of program mattresses, regardless of the producer, with no charge at the point of collection of discarded mattresses, except that the stewardship organization may allow for a person that provides a premium service under the mattress stewardship program to charge for the additional cost of that premium service. The description shall include, at a minimum:

(A) Identification of the proposed transporters and recyclers that the stewardship organization will contract with to transport and process program mattresses and the recycling methods that the recyclers will use;

(B) The auditing, inspection and other procedures that will be used by the stewardship organization and the frequency at which the procedures will be implemented to ensure that all entities the stewardship organization contracts with to implement the mattress stewardship program engage in environmentally sound management practices; and

(C) A description of the processes that will be used to ensure that the recyclers contracted with by the stewardship organization to process program mattresses will comply with environmentally sound management practices.

(f) Provide service as described in section 5 of this 2022 Act.

(g) Establish performance goals for:

(A) The collection target and recycling rates of program mattresses; and

(B) Public awareness of the mattress stewardship program.

(h) Include an anticipated annual operating budget, as described in subsection (2) of this section, for the mattress stewardship program for two years of operation of the program, beginning with the year in which the plan is submitted to the department.

(i) Include a proposed mattress stewardship assessment method for collecting the mattress stewardship assessment from retailers and a method for ensuring the assessment is remitted to the stewardship organization. The mattress stewardship assessment must be a flat amount that applies equally to each mattress sold to a consumer in this state and must be sufficient to recover, but not exceed, the costs of establishing and administering the mattress stewardship program, including but not limited to all costs incurred for the environmentally sound management of program mattresses during each stage of management, from collection of the program mattresses through final disposition of the program mattresses.

(j) Provide a mechanism to mitigate the costs associated with collection and management of discarded mattresses that are illegally dumped. The proposed mechanism must take into account the cost of one or more incentives to encourage collectors to properly dispose of discarded mattresses and discourage illegal dumping, and may include but need not be limited to proposals for funding of cleanup activities, for education and outreach or for studies to evaluate the causes of illegal dumping. The proposed mechanism may not require the stewardship organization or collectors to enter private property without authorization from the property owner or other appropriate authority.

(k) Provide for public education, advertising and promotion of discarded mattress collection opportunities statewide and on a regular basis.

(L) Include a closure plan that addresses how the stewardship organization will settle the affairs of the mattress stewardship program in the event of dissolution of the stewardship organization or cessation of operations of the mattress stewardship program by the stewardship organization in this state.

(m) Describe methods that will be used by the stewardship organization to coordinate activities with existing recycling programs, including existing nonprofit organizations that are mattress recyclers, to further the environmentally sound management of discarded mattresses.

(n) Address procedures for identifying substantial or material changes to the system for collecting discarded mattresses for which a plan amendment will be required under section 7 of this 2022 Act.

(2) The anticipated annual operating budget for a mattress stewardship program shall include, but need not be limited to, budget line items relating to:

(a) The collection, transportation and processing of program mattresses;

(b) The administrative costs of the mattress stewardship program to the stewardship organization;

(c) The costs of compensating collection sites for their reasonable actual costs to collect and manage discarded mattresses;

(d) The anticipated amount of moneys that the stewardship organization will hold in un-allocated reserve funds for the mattress stewardship program; and

(e) The annual fee to be paid to the department pursuant to section 9 (3) of this 2022 Act.

(3) In operating a mattress stewardship program, a stewardship organization shall:

(a) Meet the requirements of the plan submitted under this section, as approved by the department pursuant to section 6 of this 2022 Act.

(b) Meet or exceed the service requirements described in section 5 of this 2022 Act.

SECTION 5. (1)(a) A plan submitted under section 4 of this 2022 Act must provide for convenient service through, at a minimum:

(A) Providing for at least one permanent collection site in every county with a population of 10,000 people or more and an additional 25 collection sites distributed throughout this state in a manner to extend convenient service to residents;

(B) Holding at least one collection event per year in counties that have a population of less than 10,000 people and that do not have a permanent collection site;

(C) Providing for permanent collection sites that are in a county with a population of 10,000 people or more, to be staffed and open to the public at least six days per week;

(D) Providing for permanent collection sites that are in a county with a population of less than 10,000 people, to be staffed and open to the public at least one day per week; and

(E) Providing a convenient method for the public to access a list of collection opportunities.

(b) A plan may provide for methods for providing convenient service that are alternative methods to those provided for in paragraph (a) of this subsection if, based on a geographic information systems analysis or additional information, the alternative methods will result in providing service to residents throughout this state at an equivalent level of convenient service compared with the methods provided for under paragraph (a) of this subsection.

(2) A stewardship organization shall:

(a) Establish and maintain collection sites at:

(A) Permitted solid waste facilities; or

(B) Other suitable sites for the collection of discarded mattresses, if the sites do not impose a fee for making space available for storage containers.

(b) Provide for storage containers at no charge at, and transportation and recycling of program mattresses from, collection sites described in paragraph (a) of this subsection.

(c) Provide financial compensation to collection sites described in paragraph (a) of this subsection for their reasonable actual costs to collect and manage discarded mattresses.

(d) Provide for bulk pickup service at no cost to collect a minimum of 100 properly source separated program mattresses at one time from persons including, but not limited to:

(A) Public bodies as defined in ORS 174.109;

(B) Retailers;

(C) Public or private disposal, transfer or material or energy recovery sites or facilities;

(D) Health care, educational or military facilities; and

(E) Hotels, motels, inns and other establishments that provide transient lodging.

(e) Offer organizations that recycle or renovate discarded mattresses the opportunity to participate as collection sites.

(f) Prioritize renovation or recycling over disposal in providing for the environmentally sound management and final disposition of program mattresses under the mattress stewardship program.

(g) Notify retailers that sell or offer for sale mattresses made or sold by producers or renovators registered with the stewardship organization about the mattress stewardship program and provide retailers with information necessary to comply with sections 1 to 14 of this 2022 Act.

SECTION 6. (1) The Department of Environmental Quality shall approve, reject or request additional information for a plan submitted under section 4 of this 2022 Act or an amendment to a plan submitted under section 7 of this 2022 Act no later than 90 days after the date the department receives the plan or plan amendment from the stewardship organization. The department shall post a plan or plan amendment on its website and provide for a public comment period of no less than 30 days before approving, rejecting or requesting additional information on the plan or plan amendment.

(2)(a) If the department rejects, or requests additional information for, the plan or plan amendment, the department must provide the stewardship organization with the reasons, in writing, that the plan or plan amendment does not meet the plan requirements of section 4 of this 2022 Act. The stewardship organization shall have 60 days from the date that the rejection or request for additional information is received to submit to the department any additional information necessary for the approval of the plan or plan amendment. The department shall review and approve or disapprove the revised plan or plan amendment no

later than 45 days after the date the department receives the revised plan or plan amendment.

(b) A stewardship organization may resubmit a revised plan or plan amendment to the department on not more than two consecutive occasions. If, after the second consecutive resubmission, the department determines that the revised plan or plan amendment does not meet the plan requirements of section 4 of this 2022 Act, the department shall modify the plan or plan amendment as necessary for the plan or plan amendment to meet the requirements of section 4 of this 2022 Act and approve the plan or amended plan.

(3) The department's rejection of, or request for additional information for, a plan amendment does not relieve a stewardship organization from continuing to implement a mattress stewardship program in compliance with a previously approved plan pending a final action by the department on the plan amendment.

(4) Beginning no later than 90 days after a plan or amended plan is approved under this section, a stewardship organization must implement a mattress stewardship program as described in the plan or amended plan.

(5)(a) Upon a written finding described in paragraph (b) of this subsection, and after providing the stewardship organization an opportunity to respond to the finding, the department may, in addition to any other penalty provided by law:

(A) Revoke approval of a plan or plan amendment under this section or require a stewardship organization to resubmit a plan or plan amendment; or

(B) Require a stewardship organization to meet reporting requirements in addition to those required under section 9 of this 2022 Act, as the Environmental Quality Commission determines by rule or order may be appropriate to avoid future violations.

(b) Paragraph (a) of this subsection applies only if the department finds:

(A) That a stewardship organization has violated a provision of sections 1 to 14 of this 2022 Act; and

(B) That the violation has a material impact on the implementation and administration of a plan previously approved by the department under this section.

SECTION 7. (1) A stewardship organization shall submit to the Department of Environmental Quality for approval an amendment to a plan that has been approved by the department under section 6 of this 2022 Act if, at any time:

(a) There is a substantial or material change, as provided for under section 4 (1)(n) of this 2022 Act, to the system for collecting discarded mattresses;

(b) The stewardship organization proposes a change to the mattress stewardship assessment; or

(c) The department requests an amendment to the plan in order to address a specific finding by the department that:

(A) The administrative costs of the stewardship organization for the mattress stewardship program equaled 20 percent or more of the organization's total annual operating budget for the program during the prior calendar year; or

(B) The unallocated reserve funds held by the stewardship organization for the mattress stewardship program during the prior calendar year equaled 75 percent or more of the organization's total annual operating budget for the program during the year.

(2) The department may not request an amendment under subsection (1)(c) of this section until two years after the implementation of a mattress stewardship program by the stewardship organization.

(3) Not less than once per month, a stewardship organization shall provide written notice to the department of any changes made during the previous month to a plan approved by the department under section 6 of this 2022 Act that are changes for which an amendment is not required under subsection (1) of this section. Changes subject to notice under this subsection include, but are not limited to:

(a) A change in the location or the number of permanent collection sites identified in the plan;

(b) A change in the producers or renovators that are registered with the stewardship organization; or

(c) A change in the recyclers or renovators that manage the discarded mattresses collected by the stewardship organization under the program.

(4) If the department determines that a change for which notice was given under subsection (3) of this section has a material impact on a previously approved plan, the department may require the stewardship organization to submit an amendment under subsection (1) of this section, regardless of whether the change has been implemented.

SECTION 8. (1)(a) A plan submitted under section 4 of this 2022 Act and approved by the Department of Environmental Quality under section 6 of this 2022 Act is valid for five years.

(b) At least 180 days before the expiration of a plan approved under section 6 of this 2022 Act, the stewardship organization shall submit the plan to the department to be reapproved for an additional five years. A plan submitted under this paragraph must include proposed improvements based on the results of the study conducted under section 9 (4)(a) of this 2022 Act.

(2) Notwithstanding section 4 of this 2022 Act, the initial plan submitted by a stewardship organization is not required to include the information described in section 4 (1)(g) or (L) of this 2022 Act. A stewardship organization operating a mattress stewardship program shall first submit the information described in section 4 (1)(g) and (L) of this 2022 Act pursuant to the notification procedures set forth in section 7 (3) of this 2022 Act no later than two years after implementation of the mattress stewardship program.

SECTION 9. (1) A stewardship organization that implements a mattress stewardship program pursuant to a plan approved by the Department of Environmental Quality under section 6 of this 2022 Act shall, no later than July 1 of each year, submit for review and approval to the department:

(a) The annual report provided for under subsection (2) of this section for the preceding calendar year;

(b) An updated budget for the upcoming calendar year that follows the budget requirements provided for in section 4 of this 2022 Act; and

(c) The annual fee required under subsection (3) of this section.

(2) The annual report submitted by a stewardship organization shall include, at a minimum, with respect to mattresses collected in this state:

(a) The mattress stewardship program's costs and revenues for the previous calendar year;

(b) Information on the number and tonnage of discarded mattresses collected pursuant to the mattress stewardship program during the previous calendar year at a sufficient level of disaggregation to determine how the program is performing in different regions of the state;

(c) Information on the number and tonnage of program mattresses collected pursuant to the mattress stewardship program for recycling during the previous calendar year at a sufficient level of disaggregation to determine how the program is performing in different regions of the state;

(d) Information on the number and tonnage of program mattresses collected pursuant to the mattress stewardship program for renovation during the previous calendar year at a sufficient level of disaggregation to determine how the program is performing in different regions of the state;

(e) The weight of mattress materials recycled and the final disposition of mattress materials, by weight and by material, sold as commodities in secondary markets;

(f) The weight of mattress materials sent for disposal at each of the following:

(A) Waste-to-energy facilities;

- (B) Landfills; and
 - (C) Any other facilities;
 - (g) An evaluation of why the mattress materials sent for disposal were not recycled and a description of efforts that will be taken to increase the recycling rate of mattress materials under the mattress stewardship program;
 - (h) The number of discarded mattresses received through collection that were not program mattresses, the number of discarded mattresses that were illegally dumped as reported to the department, an analysis of how the data required by this paragraph has changed over time and strategies the stewardship organization will take to address discarded mattresses that are not program mattresses and discarded mattresses that are illegally dumped;
 - (i) The total sales of mattresses sold to consumers in this state in the previous calendar year by producers, renovators and retailers registered with the stewardship organization;
 - (j) A summary of the public education offered in the previous calendar year that supports the mattress stewardship program and examples of public education materials;
 - (k) An evaluation of the effectiveness of methods and processes used to achieve the goals of the mattress stewardship program, information on progress made toward achieving the goals, an explanation of why any goals were not met during the previous calendar year and any efforts that will be taken to improve progress toward meeting the goals in the future, if applicable;
 - (L) A report by an independent certified public accountant, retained by the stewardship organization at the stewardship organization's expense, on the accountant's audit of the stewardship organization's financial statements;
 - (m) A report on the outcome of audits of entities the stewardship organization contracts with, as provided in section 4 (1)(e)(B) and (C) of this 2022 Act; and
 - (n) Recommendations for any changes to the mattress stewardship program, including the potential utility of a ban on disposal of mattresses and information relevant to compliance with the plan.
- (3) The department shall establish an annual fee to be paid by the stewardship organization that is reasonably calculated to cover the costs to the department to administer, implement and enforce sections 1 to 14 of this 2022 Act. The department shall provide notice to a stewardship organization no later than April 1 of each year of the annual fee for the upcoming calendar year. Fees collected by the department under this section shall be deposited in the State Treasury to the credit of the Mattress Stewardship Fund established under section 12 of this 2022 Act.
- (4) In addition to meeting the requirements of subsection (1) of this section, a stewardship organization shall:
- (a) Conduct during the third year of implementing a mattress stewardship program, and in consultation with community organizations, a study evaluating the most effective methods of providing discarded mattress collection services to low-income individuals and multifamily housing structures.
 - (b) Include in the annual report required for the third year of implementing a mattress stewardship program under a plan or initial plan approved under section 6 of this 2022 Act:
 - (A) A report to the department on the scope of discarded mattresses in this state that are not being collected as part of the stewardship organization's mattress stewardship program and recommendations on how to direct the discarded mattresses to, and include them, in the stewardship organization's program; and
 - (B) A life cycle assessment report of mattresses sold in this state.
- (5)(a) The department may require a stewardship organization to have a performance audit of the mattress stewardship program conducted and to include a report on the performance audit in the next required annual report. A performance audit required under this subsection must conform to audit standards established by nationally recognized entities in-

cluding, but not limited to, the United States Government Accountability Office and the National Association of State Auditors, Comptrollers and Treasurers.

(b) Except as provided in paragraph (c) of this subsection, the department may require a performance audit to be conducted under paragraph (a) of this subsection no more than once every five years. The department may not first request a performance audit to be conducted until the third year that a stewardship organization has implemented a mattress stewardship program.

(c) The department may require a performance audit to be conducted under paragraph (a) of this subsection less than five years after the last time that a performance audit was conducted, if the department determines that the performance audit is warranted based on information contained in a plan amendment submitted to the department under section 7 of this 2022 Act.

(6) The department may not disclose any confidential proprietary information obtained by the department under this section or section 4, 5, 6 or 7 of this 2022 Act.

SECTION 10. (1)(a) The Director of the Department of Environmental Quality shall appoint a mattress stewardship program advisory committee of not more than 10 members representing the interests of the following entities in the stewardship of discarded mattresses:

- (A) Local governments;
- (B) The solid waste industry;
- (C) The environmental community; and
- (D) The public.

(b) The director may not appoint to the advisory committee any person that has or who may have a pecuniary interest in any contract awarded by a stewardship organization as part of the implementation of a mattress stewardship program.

(2) The advisory committee shall meet not less than once annually and shall consult with stewardship organizations operating mattress stewardship programs and advise the Department of Environmental Quality regarding:

(a) The review and approval of any plan for the development and implementation of a mattress stewardship program submitted to the department under section 4 of this 2022 Act;

(b) The review and approval of any amendment to a plan submitted under section 7 of this 2022 Act; and

(c) The review of annual reports submitted by a stewardship organization under section 9 of this 2022 Act.

SECTION 11. (1) The Department of Environmental Quality shall have the power to enter upon and inspect, at any reasonable time, any public or private property, premises or place for the purpose of investigating either an actual or suspected violation of sections 1 to 14 of this 2022 Act.

(2) A stewardship organization shall retain all records related to implementation of a mattress stewardship program for not less than three years and make the records available for inspection by the department upon request.

SECTION 12. The Mattress Stewardship Fund is established, separate and distinct from the General Fund. All moneys in the Mattress Stewardship Fund are continuously appropriated to the Department of Environmental Quality and may be used only to pay the costs of administering, implementing and enforcing sections 1 to 14 of this 2022 Act.

SECTION 13. (1) The Legislative Assembly declares that the collaboration of producers and stewardship organizations to develop and implement mattress stewardship programs is in the best interests of the public. Therefore, the Legislative Assembly declares its intent that the establishment, administration, collection or disbursement of the mattress stewardship assessment shall be exempt from state antitrust laws. The Legislative Assembly further declares its intent to provide immunity for the establishment, administration, collection or disbursement of the mattress stewardship assessment from federal antitrust laws.

(2)(a) This section does not authorize any person to engage in activities or to conspire to engage in activities that constitute per se violations of state or federal antitrust laws that are not authorized under sections 1 to 14 of this 2022 Act.

(b) This section does not apply to any activities related to:

(A) Pricing agreements for mattresses unrelated to the mattress stewardship assessment;

(B) Agreements regarding the output or production of mattresses; or

(C) Restrictions on the geographic area in which, or the consumers to whom, mattresses will be sold.

(3) The Department of Environmental Quality shall actively supervise the conduct of a stewardship organization in establishing, administering, collecting and disbursing the mattress stewardship assessment.

SECTION 14. The Environmental Quality Commission may adopt rules as necessary to implement sections 1 to 14 of this 2022 Act.

SECTION 15. ORS 459.995 is amended to read:

459.995. (1) Except as provided in subsection (2) of this section, in addition to any other penalty provided by law:

(a) Any person who violates ORS 459.205, 459.270, 459.272, 459.386 to 459.405, 459.705 to 459.790, 459A.005 to 459A.620, 459A.310 to 459A.335, 459A.860 to 459A.975 or 646A.080, or any rule or order of the Environmental Quality Commission pertaining to the disposal, collection, storage or reuse or recycling of solid wastes, as defined by ORS 459.005, or any rule or order pertaining to the disposal, storage or transportation of waste tires, as defined by ORS 459.705, or any rule or order pertaining to the sale of novelty items that contain encapsulated liquid mercury, incurs a civil penalty not to exceed \$25,000 per day for each day of the violation.

(b) Any person who violates the provisions of ORS 459.420 to 459.426 incurs a civil penalty not to exceed \$500 for each violation. Each battery that is disposed of improperly is a separate violation. Each day an establishment fails to post the notice required under ORS 459.426 is a separate violation.

(c) For each day a city, county or metropolitan service district fails to provide the opportunity to recycle as required under ORS 459A.005, the city, county or metropolitan service district incurs a civil penalty not to exceed \$500 for each violation.

(d) Any person who violates the provisions of ORS 459.247 (1)(f) incurs a civil penalty not to exceed \$500 for each violation. Each covered electronic device that is disposed of improperly is a separate violation.

(e) Any retailer that violates the provisions of ORS 459A.825 (1) or (2)(b) or section 3 of this 2022 Act incurs a civil penalty not to exceed \$100 per day for each day of the violation.

(f) Any producer or renovator that violates the provisions of ORS 459A.825 (1) or section 3 of this 2022 Act incurs a civil penalty not to exceed \$1,000 per day for each day of the violation.

(g) Any stewardship organization that violates the provisions of ORS 459A.825 (2)(a), 459A.827, 459A.830 to 459A.837 or 459A.842 or sections 1 to 14 of this 2022 Act incurs a civil penalty not to exceed \$1,000 per day for each day of the violation.

(2) Any product manufacturer or package manufacturer who violates ORS 459A.650 to 459A.665 or any rule adopted under ORS 459A.650 to 459A.665 incurs a civil penalty not to exceed \$1,000 per day for each day of the violation. A violation of ORS 459A.650 to 459A.665 is not subject to additional penalties under subsection (1) of this section.

(3) Any civil penalty authorized by subsection (1) or (2) of this section shall be imposed in the manner provided by ORS 468.135.

MISCELLANEOUS

SECTION 16. Sections 1 to 14 of this 2022 Act and the amendments to ORS 459.995 by section 15 of this 2022 Act apply to all producers, renovators and retailers engaging in the activities set forth in section 3 (1) of this 2022 Act on or after January 1, 2023.

SECTION 17. (1) Sections 1 to 14 of this 2022 Act and the amendments to ORS 459.995 by section 15 of this 2022 Act become operative on January 1, 2023.

(2) The Environmental Quality Commission and the Department of Environmental Quality may take any action before the operative date specified in subsection (1) of this section that is necessary for the commission and the department to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the commission and the department by sections 1 to 14 of this 2022 Act and the amendments to ORS 459.995 by section 15 of this 2022 Act.

SECTION 18. (1) Initial plans for mattress stewardship programs under sections 4 and 8 of this 2022 Act must be submitted to the Director of the Department of Environmental Quality no later than October 1, 2023.

(2) Notwithstanding section 6 (4) of this 2022 Act, a stewardship organization shall implement a mattress stewardship program as described in an initial plan submitted pursuant to subsection (1) of this section no later than seven months after the date that the initial plan is approved by the department under section 6 of this 2022 Act.

CAPTIONS

SECTION 19. The unit captions used in this 2022 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2022 Act.

EFFECTIVE DATE

SECTION 20. This 2022 Act takes effect on the 91st day after the date on which the 2022 regular session of the Eighty-first Legislative Assembly adjourns sine die.

Passed by Senate February 25, 2022

.....
Lori L. Brocker, Secretary of Senate

.....
Peter Courtney, President of Senate

Passed by House March 3, 2022

.....
Dan Rayfield, Speaker of House

Received by Governor:

.....M.,....., 2022

Approved:

.....M.,....., 2022

.....
Kate Brown, Governor

Filed in Office of Secretary of State:

.....M.,....., 2022

.....
Shemia Fagan, Secretary of State

AGENDA ITEM REQUEST



Date:

Meeting date desired:

Subject:

Background and policy implications:

Budget/fiscal impacts:

Requested by:

Presenters:

Legal review (only if requested):

Elected official sponsor (if applicable):

CentralSquare Solutions Agreement

This CentralSquare Solutions Agreement (the "**Agreement**"), effective as of the latest date shown on the signature block below (the "**Effective Date**"), is entered into between **CentralSquare Technologies, LLC** with its principal place of business in Lake Mary, FL ("**CentralSquare**") and **Crook County, OR** ("**Customer**"), together with CentralSquare, the "**Parties**", and each, a "**Party**".

WHEREAS, Customer entered into a prior agreement for Naviline Software products with CentralSquare Technologies, LLC; and

WHEREAS, Customer is a currently licensed end user of the Naviline Software; and

WHEREAS, Customer desires to discontinue use of the Naviline Software products and upgrade to the CentralSquare Software solution identified in Exhibit 1 to this Agreement; and

WHEREAS, this Agreement shall replace and supersede any and all prior agreements directly related to the Naviline Software products being replaced by this Agreement.

WHEREAS, CentralSquare licenses and gives access to certain software applications ("**Solutions**") to its customers and also provides maintenance, support, migration, installation and other professional services; and

WHEREAS, Customer desires to license and/or gain access to certain Solutions and receive professional services described herein, and CentralSquare desires to grant and provide Customer license and access to such offerings as well as to provide support and maintenance, subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, by the signatures of their duly authorized representative below, the Parties intending to be legally bound, agree to all of the following provisions and exhibits of this Agreement:

CentralSquare Technologies, LLC	Crook County
1000 Business Center Drive Lake Mary, FL 32746	200 NE 2nd Street Finance Dept ste 100, Prineville, OR , 97754
By:	By:
Print Name:	Print Name:
Print Title:	Print Title:
Date Signed:	Date Signed:

Solution: Finance Enterprise

Term.

Initial Term. The Initial Term of this Agreement commences as of the Effective Date and will continue in effect for five (5) year(s) from such date unless terminated earlier pursuant to any of the Agreement's express provisions (the "**Initial Term**").

Renewal Term. This Agreement will automatically renew for additional successive one (1) year terms unless earlier terminated pursuant to any of the Agreement's provisions (a "**Renewal Term**" and, collectively, with the Initial Term, the "**Term**").

Non-Renewal. Either Party may elect to end renewal of the Agreement by issuing a notice of non-renewal, in writing, to the other Party six (6) months prior to the expiration of the Agreement term.

Fees.

In consideration of the rights and services granted by CentralSquare to Customer under this Agreement, Customer shall make payments to CentralSquare pursuant to the amounts and payment terms outlined in Exhibit 1 (the Solution(s) and Services Fee Schedule).

All invoices shall be billed and paid in U.S. dollars (USD) and in accordance with the terms set forth in Exhibit 1. If Customer delays an invoice payment for any reason, Customer shall promptly notify CentralSquare in writing the reasons for such delay. Unless otherwise agreed by both Parties, CentralSquare may apply any payment received to any delinquent amount outstanding.

Standard Terms and Conditions

1. **Definitions.** Capitalized terms not otherwise defined in this Agreement have the meanings set forth below:
- 1.1. **"Affiliate"** means any other Entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Entity.
 - 1.2. **"Authorized User"** means Customer's employees, consultants, contractors, and agents who are authorized by Customer to access and use the Solutions pursuant to this Agreement, and for whom access to the Solutions has been purchased.
 - 1.3. **"Baseline Solution"** means the version of a Solution updated from time to time pursuant to CentralSquare's warranty services and maintenance, but without any other modification.
 - 1.4. **"CentralSquare Systems"** means the information technology infrastructure used by or on behalf of CentralSquare to deliver the Solutions, including all computers, software, hardware, databases, electronic systems (including database management systems), and networks, whether operated directly by CentralSquare or through the use of third-party services.
 - 1.5. **"Customer Data"** means information, data, and content, in any form or medium, collected, downloaded, or otherwise received, directly or indirectly from Customer, an Authorized User or end-users by or through the Solutions, provided the data is not personally identifiable and not identifiable to Customer.
 - 1.6. **"Customer Systems"** means the Customer's information technology infrastructure, including computers, software, hardware, databases, electronic systems (including database management systems), and networks, whether operated by Customer or through the third-party services.
 - 1.7. **"Defect"** means a material deviation between the Baseline Solution and its Documentation, for which Customer has given CentralSquare sufficient information to enable CentralSquare to replicate the deviation on a computer configuration that is both comparable to the Customer Systems and that is under CentralSquare's control. Further, with regard to any custom modification, Defect means a material deviation between the custom modification and the CentralSquare generated specification and Documentation for such custom modification, and for which Defect Customer has given CentralSquare sufficient information to enable CentralSquare to replicate the deviation on a computer configuration that is both comparable to the Customer Systems and that is under CentralSquare's control.
 - 1.8. **"Delivery"** means:
 - 1.8.1. For on-premise Solutions, Delivery shall be when CentralSquare delivers to Customer the initial copies of the Solutions outlined in Exhibit 1 by whichever the following applies and occurs first (a) electronic delivery, by posting it on CentralSquare's network for downloading, or similar suitable electronic file transfer method, or (b) physical shipment, such as on a disc or other suitable media transfer method, or (c) installation, or (d) delivery of managed services server. Physical shipment is on FOB - CentralSquare's shipping point, and electronic delivery is at the time CentralSquare provides Customer with access to download the Solutions.
 - 1.8.2. For cloud-based Solutions Delivery shall be whichever the following applies and occurs first when Authorized Users have (a) received log-in access to the Solution or any module of the Solution or (b) received access to the Solution via a URL.
 - 1.9. **"Documentation"** means any manuals, instructions, or other documents or materials that CentralSquare provides or makes available to Customer in any form or medium and which describe the functionality, components, features, or requirements of the Solution(s), including any aspect of its installation, configuration, integration, operation, use, support, or maintenance.
 - 1.10. **"End User Training"** means the process of educating general users of the Software on the operation of the Software.
 - 1.11. **"Entity"** means an individual, corporation, partnership, joint venture, limited liability entity, governmental authority, unincorporated organization, trust, association, or other organization.
 - 1.12. **"Hardware"** means any equipment, computer systems, servers, storage devices, peripherals, and any other tangible assets purchased under this Agreement.
 - 1.13. **"Intellectual Property Rights"** means any and all registered and unregistered rights granted, applied for, or otherwise now or hereafter in existence under or related to any patent, copyright, trademark, trade secret, database protection, or other intellectual property rights laws, and all similar or equivalent rights or forms of protection, in any part of the world.
 - 1.14. **"Managed Services Hardware"** means any equipment, computer systems, servers, peripherals, and any other tangible asset purchased as a subscription under this Agreement.
 - 1.15. **"Maintenance"** means optimization, error correction, modifications, and Updates (defined herein) to CentralSquare Solutions to correct any known Defects and improve performance. Maintenance will be provided for each Solution, the hours and details of which are described in Exhibit 2 (Maintenance and Support).
 - 1.16. **"New or Major Releases"** means new versions of a Baseline Solution (e.g., version 4.0, 5.0 etc.) not provided as part of Maintenance.

- 1.17. **"Personal Information"** means any information that does or can identify a specific individual or by or from which a specific individual may be identified, contacted, or located. Personal Information includes all "nonpublic personal information" as defined under the Gramm-Leach-Bliley Act, "protected health information" as defined under the Health and Insurance Portability and Accountability Act of 1996, "Personal Data" as defined in the EU General Data Protection Regulation (GDPR 2018), "Personal Information" as defined under the Children's Online Privacy Protection Act of 1998, and all rules and regulations issued under any of the foregoing.
- 1.18. **"Professional Services"** means configuration, installation, implementation, development work, training or consulting services including custom modification programming, support relating to custom modifications, on-site support services, assistance with data transfers, system restarts and reinstallations provided by CentralSquare.
- 1.19. **"Project Kickoff"** is a meeting to occur shortly after contract execution between CentralSquare and Customer in which goals and objectives are set forth, all parties relevant team members are identified, and scope, timelines, and milestones are reviewed.
- 1.20. **"Reliability Period"** is the time period in which the Software is tested and confirmed reliable by successfully completed fifteen (15) continuous days in a live environment with no repeatable Priority 1 or Priority 2 issues as defined in Exhibit 2, unless otherwise agreed in a statement of work.
- 1.21. **"Software"** means the software program(s) (in object code format only) identified on Exhibit 1 (Solution(s) and Services Fee Schedule). The term "Software" excludes any Third-Party Software.
- 1.22. **"Software Version"** means the base or core version of the Solution Software that contains significant new features and significant fixes and is available to the Customer. The nomenclature used for updates and upgrades consists of major, minor, build, and fix and these correspond to the following digit locations of a release, a,b,c,d. An example of which would be 7.4.1.3, where the 7 refers to the major release, the 4 refers to the minor release, the 1 refers to the build, and the 3 refers to a fix.
- 1.23. **"Solutions"** means the software, Documentation, development work, CentralSquare Systems and any and all other information, data, documents, materials, works, and other content, devices, methods, processes, hardware, software, technologies and inventions, including any deliverables, technical or functional descriptions, requirements, plans, or reports, provided or used by CentralSquare or any Subcontractor in connection with Professional Services or Support Services rendered under this Agreement.
- 1.24. **"Support Services"** means Maintenance, Enhancements, implementation of New Releases, and general support efforts to respond to incidents reported by Customer in accordance with Exhibit 2 (Maintenance & Support) and Exhibit 8 (Managed Services Provisions), if applicable.
- 1.25. **"Third-Party Materials"** means materials and information, in any form or medium, including any software, documents, data, content, specifications, products, related services, equipment, or components of or relating to the Solutions that are not proprietary to CentralSquare.

2. **License, Access, and Title.**

- 2.1. **License Grant.** For any Solution designated as a "license" on Exhibit 1, Customer is granted a perpetual (unless terminated as provided herein), nontransferable, nonexclusive right and license to use the Software for Customer's own internal use for the applications described in the Statement of Work, in the applicable environment (e.g., production, test, training, or disaster recovery system) and in the quantity set forth in Exhibit 1. Additional software licenses purchased after the execution of this Agreement shall also be licensed in accordance with the provisions of this section. Customer shall not use, copy, rent, lease, sell, sublicense, modify, create derivative works from/of, or transfer any software, or permit others to do said acts, except as provided in this Agreement. Any such unauthorized use shall be void and may result in immediate and automatic termination of the applicable license. In such event, Customer shall not be entitled to a refund of any license fees paid. Notwithstanding, Customer shall be entitled to use software at the applicable designated location for the purpose of the application(s) described in the Statement of Work to provide services for itself and other Affiliate governmental agencies/entities, provided that the Software is installed and operated at only one physical location. The Software license granted in this Agreement or in connection with it are for object code only and do not include a license or any rights to source code whatsoever.
- 2.2. **Access Grant.** For any Solution designated as a "subscription" on Exhibit 1, so long as subscription fees are paid and current, (unless terminated as provided herein), Customer is granted a nontransferable, nonexclusive right to use the software for the Customer's own internal use for the applications described in the Statement of Work, in the applicable environment (e.g., production, test, training, or disaster recovery system) and in the quantity set forth in Exhibit 1. Additional CentralSquare software subscriptions purchased after the execution of this Agreement shall also be accessed in accordance with the provisions of this section. Customer shall not use, copy, rent, lease, sell, sublicense, modify, create derivative works from/of, or transfer any software, or permit others to do said acts, except as provided in this Agreement. Any such unauthorized use shall be void and may result in immediate and automatic termination of the applicable access. In such event, Customer shall not be entitled to a refund of any subscription fees paid. Notwithstanding, Customer shall be entitled to use software at the applicable designated location for the purpose of the application(s) described in the Statement of Work to provide services for itself and other Affiliate governmental agencies/entities. The subscription access granted in this Agreement or in connection with it are for object code only and do not include a license or any rights to source code whatsoever.

- 2.3. Documentation License. CentralSquare hereby grants to Customer a non-exclusive, non-sublicensable, non-transferable license to use the Documentation during the Term solely for Customer's internal business purposes in connection with its use of the Solutions.
- 2.4. Application Programming Interface "API". If the Customer has purchased any Application Programming Interface (API) license or subscription, Customer may use such API for Customer's own internal use to develop interfaces which enable interfacing with the applicable CentralSquare Software purchased herein. The development and use of such interfacing applications is specifically permitted under the use granted herein and shall not be deemed derivative works provided that they are not, in fact, derived from the CentralSquare Software or the ideas, methods of operation, processes, technology or know-how implemented therein. Other than the usage rights granted herein, Customer shall not acquire any right, title or interest in the CentralSquare Software or API by virtue of the interfacing of such applications, whether as joint owner, or otherwise. Should Customer desire to provide or share the API to a third-party, the third-party must enter into an API Access Agreement by and between the third-party and CentralSquare directly to govern the usage rights and restrictions of the applicable API.
- 2.5. Hardware. Subject to the terms and conditions of this Agreement, CentralSquare agrees to deliver, through hardware vendors, the Hardware itemized on Exhibit 1. The risk of loss or damage will pass to Customer upon the date of delivery to the Customer specified facility. Upon delivery and full satisfaction of the Hardware payment obligations, Hardware shall be deemed accepted and Customer will acquire good and clear title to Hardware. All Hardware manufacturer warranties will be passed through to Customer. CentralSquare expressly disclaims, and Customer hereby expressly waives all other Hardware warranties, express or implied, without limitation, warranties of merchantability and fitness for a particular purpose.
- 2.6. Managed Services Hardware. Subject to the terms and conditions of this Agreement, CentralSquare agrees to deliver the Managed Services Hardware itemized on Exhibit 1. So long as the applicable subscription fees are paid and current, Customer shall maintain a limited right in possessory interest in the Managed Services Hardware. No title in the Managed Services Hardware will pass to Customer at any time or for any reason. Customer agrees to maintain adequate insurance against fire, theft, or other loss for the Managed Services Hardware full insurable value. CentralSquare shall coordinate any defect or warranty claims in accordance with Exhibit 8.
- 2.7. Reservation of Rights. Nothing in this Agreement grants any right, title, or interest in or to any Intellectual Property Rights in or relating to the Solutions, or Third-Party Materials, whether expressly, by implication, estoppel, or otherwise. All right, title, and interest in the Solutions, and the Third-Party Materials are and will remain with CentralSquare and the respective rights holders.

3. Use Restrictions. Authorized Users shall not:

- 3.1. copy, modify, or create derivative works or improvements of the Solutions, or rent, lease, lend, sell, sublicense, assign, distribute, publish, transfer, or otherwise make available any Solutions to any Entity, including on or in connection with the internet or any time-sharing, service bureau, software as a service, cloud, or other technology or service;
- 3.2. reverse engineer, disassemble, decompile, decode, adapt, or otherwise attempt to derive or gain access to the source code of the Solutions, in whole or in part;
- 3.3. bypass or breach any security device or protection used by Solutions or access or use the Solutions other than by an Authorized User through the use of his or her own then valid access;
- 3.4. input, upload, transmit, or otherwise provide to or through the CentralSquare Systems, any information or materials that are unlawful or injurious, or contain, transmit, or activate any harmful code (any software, hardware, device, or other technology, including any virus, worm, malware, or other malicious computer code, the purpose or effect of which is to (a) permit unauthorized access to, or to destroy, disrupt, disable, distort, or otherwise harm or impede any (i) computer, software firmware, hardware, system or network; or (ii) any application or function of any of the foregoing or the security, integrity, confidentiality, or use of any data processed thereby; or (b) prevent Customer or any Authorized User from accessing or using the Solutions as intended by this Agreement;
- 3.5. damage, destroy, disrupt, disable, impair, interfere with, or otherwise impede or harm in any manner the CentralSquare Systems, or CentralSquare's provision of services to any third-party, in whole or in part;
- 3.6. remove, delete, alter, or obscure any trademarks, specifications, Documentation, warranties, or disclaimers, or any copyright, trademark, patent, or other intellectual property or proprietary rights notices from any Documentation or Solutions, including any copy thereof;
- 3.7. access or use the Solutions in any manner or for any purpose that infringes, misappropriates, or otherwise violates any Intellectual Property Right or other right of any third-party, or that violates any applicable law;
- 3.8. access or use the Solutions for purposes of competitive analysis of the Solutions, the development, provision, or use of a competing software service or product or any other purpose that is to CentralSquare's detriment or commercial disadvantage or otherwise access or use the Solutions beyond the scope of the authorization granted in Section 2.

4. Audit.

- 4.1. CentralSquare shall have the right to audit Customer's use of the Software to monitor compliance with this Agreement. Customer shall permit CentralSquare and its directors, officers, employees, and agents to have on-site access at Customer's premises (or remote access as the case may be) during normal business hours to such systems, books, and

records for the purpose of verifying license counts, access counts, and overall compliance with this Agreement. Customer shall render reasonable cooperation to CentralSquare as requested. If as a result of any audit or inspection CentralSquare substantiates a deficiency or non-compliance, or if an audit reveals that Customer has exceeded the restrictions on use, Customer shall promptly reimburse CentralSquare for all its costs and expenses incurred to conduct such audit or inspection and be required to pay for any delinquencies in compliance and prompt payment of any underpayment of Fees.

5. Customer Obligations.

- 5.1. Customer Systems and Cooperation. Customer shall at all times during the Term: (a) set up, maintain, and operate in good repair all Customer Systems on or through which the Solutions are accessed or used; (b) provide CentralSquare Personnel with such access to Customer's premises and Customer Systems as is necessary for CentralSquare to perform the Support Services in accordance with the Support Standards and specifications and if required by CentralSquare, remote access in accordance with Exhibit 3 (CentralSquare Access Management Policy); and (c) provide all cooperation as CentralSquare may reasonably request to enable CentralSquare to exercise its rights and perform its obligations under this Agreement.
- 5.2. Effect of Customer Failure or Delay. CentralSquare is not responsible or liable for any delay or failure of performance caused in whole or in part by Customer's delay in performing, or failure to perform, any of its obligations under this Agreement.
- 5.3. Corrective Action and Notice. If Customer becomes aware of any actual or threatened activity prohibited by Section 3, Customer shall, and shall cause its Authorized Users to, immediately: (a) take all reasonable and lawful measures within their respective control that are necessary to stop the activity or threatened activity and to mitigate its effects (including, where applicable, by discontinuing and preventing any unauthorized access to the Solutions and permanently erasing from their systems and destroying any data to which any of them gained unauthorized access); and (b) notify CentralSquare of any such actual or threatened activity.
- 5.4. Maintaining Current Versions of CentralSquare Solutions. In accordance with Exhibit 2 (Maintenance & Support) and Exhibit 8 (Managed Services Provisions), if applicable. Customer shall install and/or use any New or Major Release within one year of being made available by CentralSquare to mitigate a performance problem, ineligibility for Support Services, or an infringement claim.

6. Professional Services.

- 6.1. Compliance with Customer Policies. While CentralSquare personnel are performing services at Customer's site, CentralSquare personnel will comply with Customer's reasonable procedures and site policies that are generally applicable to Customer's other suppliers providing similar services and that have been provided to CentralSquare in writing or in advance.
- 6.2. Contributed Material. In the process of CentralSquare's performing Professional Services, Customer may, from time to time, provide CentralSquare with designs, plans, or specifications, improvements, works or other material for inclusion in, or making modifications to, the Solutions, the Documentation or any other deliverables ("**Contributed Material**"). Customer grants to CentralSquare a nonexclusive, irrevocable, perpetual, transferable right, without the payment of any royalties or other compensation of any kind and without the right of attribution, for CentralSquare, CentralSquare's Affiliates and CentralSquare's licensees to make, use, sell and create derivative works of the Contributed Material.
- 6.3. Federal Grant Funds. Not Applicable.

7. Confidentiality.

- 7.1. Nondisclosure. The Parties agree, unless otherwise provided in this Agreement or required by law, not to use or make each other's Confidential Information available to any third party for any purpose other than as necessary to perform under this Agreement. "**Confidential Information**" means the Solution(s), Software, and customizations in any embodiment, and either Party's technical and business information relating to inventions or software, research and development, future product specifications, engineering processes, costs, profit or margin information, marketing and future business plans as well as any and all internal Customer and employee information, and any information exchanged by the Parties that is clearly marked with a confidential, private or proprietary legend or which, by its nature, is commonly understood to be confidential.
- 7.2. Exceptions. A Party's Confidential Information shall not include information that: (a) is or becomes publicly available through no act or omission of the recipient; (b) was in the recipient's lawful possession prior to the disclosure and was not obtained by the recipient either directly or indirectly from the disclosing Party; (c) is lawfully disclosed to the recipient by a third party without restriction on recipient's disclosure, and where recipient was not aware that the information was the confidential information of discloser; (d) is independently developed by the recipient without violation of this Agreement; or (e) is required to be disclosed by law.

8. Security.

- 8.1. CentralSquare will implement commercially reasonable administrative, technical and physical safeguards designed to ensure the security and confidentiality of Customer Data, protect against any anticipated threats or hazards to the security or integrity of Customer Data, and protect against unauthorized access or use of Customer Data. CentralSquare will review and test such safeguards on no less than an annual basis. **Page 50**

- 8.2. Customer shall maintain, in connection with the operation or use of the Solutions, adequate technical and procedural access controls and system security requirements and devices, necessary for data privacy, confidentiality, integrity, authorization, authentication, non-repudiation, virus detection and eradication.
- 8.3. To the extent that Authorized Users are permitted to have access to the Solutions, Customer shall maintain agreements with such Authorized Users that adequately protect the confidentiality and Intellectual Property Rights of CentralSquare in the Solutions and Documentation and disclaim any liability or responsibility of CentralSquare with respect to such Authorized Users.
9. **Personal Data**. If CentralSquare processes or otherwise has access to any personal data or Personal Information on Customer's behalf when performing CentralSquare's obligations under this Agreement, then:
- 9.1. Customer shall be the data controller (where "data controller" means an entity which alone or jointly with others determines purposes for which and the manner in which any personal data are, or are to be, processed) and CentralSquare shall be a data processor (where "data processor" means an entity which processes the data only on behalf of the data controller and not for any purposes of its own);
- 9.2. Customer shall ensure that it has obtained all necessary consents and it is entitled to transfer the relevant personal data or Personal Information to CentralSquare so that CentralSquare may lawfully use, process and transfer the personal data and Personal Information in accordance with this Agreement on Customer's behalf, which may include CentralSquare processing and transferring the relevant personal data or Personal Information outside the country where Customer and the Authorized Users are located in order for CentralSquare to provide the Solutions and perform its other obligations under this Agreement; and
- 9.3. CentralSquare shall process personal data and information only in accordance with lawful and reasonable written instructions given by Customer and as set out in and in accordance with the terms of this Agreement; and
- 9.4. CentralSquare shall take reasonable steps to ensure that its employees, agents and contractors who may have access to Personal Information are persons who need to know / access the relevant Personal Information for valid business reasons; and
- 9.5. each Party shall take appropriate technical and organizational measures against unauthorized or unlawful processing of the personal data and Personal Information or its accidental loss, destruction or damage so that, having regard to the state of technological development and the cost of implementing any measures, the measures taken ensure a level of security appropriate to the harm that might result from such unauthorized or unlawful processing or accidental loss, destruction or damage in relation to the personal data and Personal Information and the nature of the personal data and Personal Information being protected. If necessary, the Parties will cooperate to document these measures taken.

10. **Representations and Warranties**.

- 10.1. **Intellectual Property Warranty**. CentralSquare represents and warrants that (a) it is the sole and exclusive owner of (or has the right to license) the software; (b) it has full and sufficient right, title and authority to grant the rights and/or licenses granted under this Agreement; (c) the software does not contain any materials developed by a third party used by CentralSquare except pursuant to a license agreement; and (d) the software does not infringe any patent, or copyright.
- 10.2. **Intellectual Property Remedy**. In the event that any third party asserts a claim of infringement against the Customer relating to the software contained in this Agreement, CentralSquare shall indemnify and defend the Customer pursuant to section 13.1 of this Agreement. In the case of any such claim of infringement, CentralSquare shall either, at its option, (1) procure for Customer the right to continue using the software; or (2) replace or modify the software so that that it becomes non-infringing, but equivalent in functionality and performance.
- 10.3. **Software Warranty**. CentralSquare warrants to Customer that: (i) for a period of one year from the Effective Date (the "Warranty Period") the Software will substantially conform in all material respects to the specifications set forth in the Documentation, when installed, operated and used as recommended in the Documentation and in accordance with this Agreement; and (ii) at the time of delivery the Software does not contain any virus or other malicious code.
- 10.4. **Software Remedy**. If, during the Warranty Period a warranty defect is confirmed in the CentralSquare Software, CentralSquare shall, at its option, reinstall the Software or correct the Defects. Defects that occur in the Software after the Warranty Period will be corrected pursuant to Exhibit 2 (Maintenance & Support) and Exhibit 8 (Managed Services Provisions), if applicable.
- 10.5. **Services Warranty**. CentralSquare warrants that the Professional Services delivered will substantially conform to the deliverables specified in the applicable statement of work and that all Professional Services will be performed in a professional and workmanlike manner consistent with industry standards for similar work. If Professional Services do not substantially conform to the deliverables, Customer shall notify CentralSquare of such non-conformance in writing, within 10 days from completion of Professional Service, and CentralSquare shall promptly repair the non-conforming deliverables.
- 10.6. **Disclaimer of Warranty**. **EXCEPT FOR THE EXPRESS LIMITED WARRANTIES SET FORTH ABOVE, CENTRALSQUARE MAKES NO WARRANTIES WHATSOEVER, EXPRESSED OR IMPLIED, WITH REGARD TO THE INTELLECTUAL PROPERTY, SOFTWARE, PROFESSIONAL SERVICES, AND/OR ANY OTHER MATTER RELATING TO THIS AGREEMENT, AND THAT CENTRALSQUARE DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING ALL WARRANTIES ARISING FROM COURSE**

OF DEALING, USAGE OR TRADE PRACTICE, AND SPECIFICALLY DISCLAIMS IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR TITLE. FURTHER, CENTRAL SQUARE EXPRESSLY DOES NOT WARRANT THAT A SOLUTION, ANY CUSTOM MODIFICATION OR ANY IMPROVEMENTS WILL BE USABLE BY CUSTOMER IF THE SOLUTION OR CUSTOM MODIFICATION HAS BEEN MODIFIED BY ANYONE OTHER THAN CENTRAL SQUARE PERSONNEL, OR WILL BE ERROR FREE, WILL OPERATE WITHOUT INTERRUPTION OR WILL BE COMPATIBLE WITH ANY HARDWARE OR SOFTWARE EXCEPT TO THE EXTENT EXPRESSLY SET FORTH IN THE DOCUMENTATION. ALL THIRD-PARTY MATERIALS ARE PROVIDED "AS-IS" AND ANY REPRESENTATION OR WARRANTY OF OR CONCERNING ANY OF THEM IS STRICTLY BETWEEN CUSTOMER AND THE THIRD-PARTY. THIS AGREEMENT DOES NOT AMEND, OR MODIFY CENTRAL SQUARE'S WARRANTY UNDER ANY AGREEMENT OR ANY CONDITIONS, LIMITATIONS, OR RESTRICTIONS THEREOF.

11. **Notices.** All notices and other communications required or permitted under this Agreement must be in writing and will be deemed given when delivered personally, sent by United States registered or certified mail, return receipt requested; transmitted by facsimile or email confirmed by first class mail, or sent by overnight courier. Notices must be sent to a Party at its address shown below, or to such other place as the Party may subsequently designate for its receipt of notices in writing by the other Party.

If to CentralSquare **CentralSquare Technologies, LLC**
1000 Business Center Dr.
Lake Mary, FL 32746
Phone: 407-304-3235
Attention: Legal/Contracts

If to Customer: **Crook County**
200 NE 2nd Street
Finance Dept ste 100
Prineville, OR 97754
Phone: 541-447-6554
Email: christina.haron@crookcountyor.gov
Attention: Christina Haron

12. **Force Majeure.**

Neither Party shall be responsible for failure to fulfill its obligations hereunder, or be liable for damages resulting from delay in performance as a result of war, fire, strike, riot or insurrection, natural disaster, pandemic or epidemic, delay of carriers, governmental order or regulation, complete or partial shutdown of plant, unavailability of equipment, software, or services from suppliers, default of a subcontractor or vendor to the Party if such default arises out of causes beyond the reasonable control of such subcontractor or vendor, the acts or omissions of the other Party, or its officers, directors, employees, agents, contractors, or elected officials, and/or other occurrences beyond the Party's reasonable control ("Excusable Delay" hereunder). In the event of such Excusable Delay, performance shall be extended on a day for day basis or as otherwise reasonably necessary to compensate for such delay.

13. **Indemnification.**

13.1. **CentralSquare Indemnification.** CentralSquare shall indemnify, defend, and hold harmless Customer from any and all Claims or liability, including attorneys' fees and costs, brought by a third party, allegedly arising out of, in connection with, or incident to any loss, damage or injury to persons or property or arising solely from a wrongful or negligent act, error or omission of CentralSquare, its employees, agents, contractors, or any subcontractor as a result of CentralSquare's or any subcontractor's performance pursuant to this Agreement; however, CentralSquare shall not be required to indemnify Customer for any claims caused to the extent of the negligence or wrongful act of Customer, its employees, agents, or contractors. Notwithstanding anything to the contrary in the foregoing, if a Claim or liability results from or is contributed to by the actions or omissions of Customer, or its employees, agents or contractors, CentralSquare's obligations under this provision shall be reduced to the extent of such actions or omissions based upon the principle of comparative fault.

13.2. **Customer Indemnification.** To the extent allowable by law, Customer shall indemnify, defend, and hold harmless CentralSquare from any and all Claims or liability, including attorneys' fees and costs, allegedly arising out of, in connection with, or incident to any loss, damage or injury to persons or property or arising solely from a wrongful or negligent act, error or omission of Customer, its employees, agents, contractors, or any subcontractor as a result of Customer's or any subcontractor's performance pursuant to this Agreement; however, Customer shall not be required to indemnify CentralSquare for any Claims or actions caused to the extent of the negligence or wrongful act of CentralSquare, its employees, agents, or contractors. Notwithstanding anything to the contrary in the foregoing, if a Claim or liability results from or is contributed to by the actions or omissions of CentralSquare, or its employees, agents

or contractors, Customer's obligations under this provision shall be reduced to the extent of such actions or omissions based upon the principle of comparative fault.

- 13.3. **"Claim"** in this Section 13 means any claim, cause of action, demand, lawsuit, dispute, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or other, whether at law, in equity, or otherwise.

14. Termination.

- 14.1. Either Party may terminate this Agreement for a material breach in accordance with this subsection. In such event, the disputing Party shall deliver written notice of its intent to terminate along with a description in reasonable detail of the problems for which the disputing Party is invoking its right to terminate and the specific requirement within this Agreement or any exhibit or schedule hereto that the disputing Party is relying upon. Following such notice, the Parties shall commence dispute resolution procedures in accordance with the dispute resolution procedure pursuant to Section 17.
- 14.2. CentralSquare shall have the right to terminate this Agreement based on Customer's failure to pay undisputed amounts due under this Agreement more than ninety (90) days after delivery of written notice of non-payment.
- 14.3. Customer shall have the right to terminate if the proper appropriation of funds for the continuation of this Agreement is not available for any fiscal year after the first fiscal year during the Term, then this Agreement may be terminated. To effect the termination of this Agreement, Customer shall, within forty-five (45) days following the beginning of the fiscal year for which the proper appropriation is not available, provide CentralSquare with written notice of the failure to obtain the proper appropriation of funds. Such notice shall be accompanied by the payment of all sums then owed CentralSquare under this Agreement, if any.
- 14.4. For any on-premise, non-cloud-hosted, subscription asset, the Customer may terminate for convenience, in whole or in part, at any time by providing thirty (30) days written notice. Should Customer terminate for convenience during any twelve (12) month term, CentralSquare shall provide a pro-rated refund for any on-premise subscription asset.

15. Effect of Termination or Expiration. On the expiration or earlier termination of this Agreement:

- 15.1. All rights, licenses, and authorizations granted to Customer hereunder will immediately terminate and Customer shall immediately cease all use of CentralSquare's Confidential Information and the Solutions, and within thirty (30) days deliver to CentralSquare, or at CentralSquare's request destroy and erase CentralSquare's Confidential Information from all systems Customer directly or indirectly controls; and
- 15.2. All licenses, access or subscription fees, services rendered but unpaid, and any amounts due by Customer to CentralSquare of any kind shall become immediately payable and due no later than thirty (30) days after the effective date of the termination or expiration, including anything that accrues within those thirty (30) days.
- 15.3. The provisions set forth in the following sections, and any other right or obligation of the Parties in this Agreement that, by its nature (including but not limited to: Use Restrictions, Confidential Information, Warranty Disclaimers, Indemnifications, & Limitations of Liability), will survive any expiration or termination of this Agreement.
- 15.4. In the event that Customer terminates this Agreement or cancels any portions of a project (as may be set forth in a Statement of Work) prior to Go Live (which shall be defined as "first use of a Solution or module of a Solution in a production environment, unless otherwise agreed by the Parties in a statement of work"), Customer shall pay for all Professional Services actually performed by CentralSquare on a time and materials basis, regardless of the payment terms in Exhibit 1.
- 15.5. Return of Customer Data. If Customer requests in writing at least ten (10) days prior to the effective date of expiration or earlier termination of this Agreement, CentralSquare shall within sixty (60) days following such expiration or termination, deliver to Customer in CentralSquare's standard format the then most recent version of Customer Data maintained by CentralSquare, provided that Customer has at that time paid all Fees then outstanding and any amounts payable after or as a result of such expiration or termination.
- 15.6. Deconversion. In the event of (i) expiration or earlier termination of this Agreement, or (ii) Customer no longer purchasing certain Solutions (including those indicated to be Third-Party Materials), if Customer requests assistance in the transfer of Customer Data to a different vendor's applications ("Deconversion"), CentralSquare will provide reasonable assistance. CentralSquare and Customer will negotiate in good faith to establish the relative roles and responsibilities of CentralSquare and Customer in effecting Deconversion, as well as the appropriate date for completion. CentralSquare shall be entitled to receive compensation for any additional consultation, services, software, and documentation required for Deconversion on a time and materials basis at CentralSquare's then standard rates.
- 15.7. Termination of this Agreement shall not relieve either Party of any other obligation incurred one to the other prior to termination.

16. Assignment. Neither this Agreement nor any rights or obligations hereunder shall be assigned or otherwise transferred by either Party without the prior written consent of the other Party, which consent will not be unreasonably withheld; provided however, that in the event of a merger or acquisition of all or substantially all of CentralSquare's assets, CentralSquare may assign this Agreement to an entity ready, willing and able to perform CentralSquare's executory obligations hereunder.

17. Dispute Resolution. Any dispute, controversy or claim arising out of or relating to this Agreement (each, a "Dispute"), including the breach, termination, or validity thereof, shall be resolved as follows:

- 17.1. **Good Faith Negotiations.** The Parties agree to send written notice to the other Party of any Dispute ("Dispute Notice"). After the other Party receives the Dispute Notice, the Parties agree to undertake good faith negotiations to

resolve the Dispute. Each Party shall be responsible for its associated travel and other related costs.

- 17.2. **Escalation to Mediation.** If the Parties cannot resolve any Dispute through good faith negotiations, the dispute will be escalated to non-binding mediation, with the Parties acting in good faith to select a mediator and establishing the mediation process. The Parties agree the mediator's fees and expenses, and the mediator's costs incidental to the mediation, will be shared equally between the Parties. The Parties shall bear their own fees, expenses, and costs.
- 17.3. **Confidential Mediation.** The Parties further agree all written or oral offers, promises, conduct, and statements made in the course of the mediation are confidential, privileged, and inadmissible for any purpose in any litigation, arbitration or other proceeding involving the Parties. However, evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation.
- 17.4. **Litigation.** If the Parties cannot resolve a Dispute through mediation, then once an impasse is declared by the mediator either Party may pursue litigation in a court of competent jurisdiction.
18. **Waiver/Severability.** The failure of any Party to enforce any of the provisions hereof will not be construed to be a waiver of the right of such Party thereafter to enforce such provisions. If any provision of this Agreement is found to be unenforceable, that provision will be enforced to the maximum extent possible, and the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.
19. **LIABILITY. NOTWITHSTANDING ANY PROVISION WITHIN THIS AGREEMENT TO THE CONTRARY, AND REGARDLESS OF THE NUMBER OF LOSSES, WHETHER IN CONTRACT, EQUITY, STATUTE, TORT, NEGLIGENCE, OR OTHERWISE:**
 - 19.1. **NEITHER PARTY SHALL HAVE LIABILITY TO THE OTHER PARTY FOR ANY SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, EXEMPLARY, LIQUIDATED, OR CONSEQUENTIAL DAMAGES OF ANY KIND INCLUDING BUT NOT LIMITED TO, REPLACEMENT COSTS, AND NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR LOSSES OF PROFIT, REVENUE, INCOME, BUSINESS, ANTICIPATED SAVINGS, DATA, AND REPUTATION, AND MORE GENERALLY, ANY LOSSES OF AN ECONOMIC OR FINANCIAL NATURE, REGARDLESS OF WHETHER SUCH LOSSES MAY BE DEEMED AS CONSEQUENTIAL OR ARISING DIRECTLY AND NATURALLY FROM THE INCIDENT GIVING RISE TO THE CLAIM, AND REGARDLESS OF WHETHER SUCH LOSSES ARE FORESEEABLE OR WHETHER EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES; AND**
 - 19.2. **CENTRAL SQUARE'S TOTAL LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT SHALL NOT EXCEED THE AMOUNT(S) ACTUALLY PAID BY CUSTOMER TO CENTRAL SQUARE HEREUNDER FOR THE LAST TWELVE (12) MONTHS PRIOR TO THE DATE THE CLAIM AROSE.**
20. **Insurance.** During the term of this Agreement, CentralSquare shall maintain insurance coverage covering its operations in accordance with Exhibit 4 (Certificate of Insurance (Evidence of Coverage)). Upon request by Customer, CentralSquare shall include Customer as an additional insured on applicable insurance policies provided under this Agreement. CentralSquare shall provide proof of current coverage during the term of this Agreement.
21. **Third-Party Materials.** CentralSquare may, from time to time, include third parties to perform services, provide software, or provide equipment. Customer acknowledges and agrees CentralSquare provides front-line support services for these Third-Party Materials, but these third parties assume all responsibility and liability in connection with the Third-Party Materials. CentralSquare is not authorized to make any representations or warranties that are binding upon the third-party or to engage in any other acts that are binding upon the third-party, except specifically that CentralSquare is authorized to represent third-party fees and to accept payment of such amounts from Customer on behalf of the third-party for as long as such third-party authorizes CentralSquare to do so. As a condition precedent to installing or accessing certain Third-Party Materials, Customer may be required to execute a click-through, shrink-wrap End User License Agreement ("EULA") or similar agreement provided by the Third-Party Materials provider. If mapping information is supplied with the CentralSquare Software, CentralSquare makes no representation or warranty as to the completeness or accuracy of the mapping data provided with the CentralSquare Software. The completeness or accuracy of such data is solely dependent on the information supplied by the Customer or the mapping database vendor to CentralSquare. All third-party materials are provided "as-is" and any representation or warranty concerning them is strictly between Customer and the third-party.
22. **Subcontractors.** CentralSquare may from time to time, in its discretion, engage third parties to perform services on its behalf including but not limited to Professional Services, Support Services, and/or provide software (each, a "Subcontractor"). CentralSquare shall be fully responsible for the acts of all subcontractors to the same extent it is responsible for the acts of its own employees.
23. **Entire Agreement.** This Agreement, and any Exhibits specifically incorporated therein by reference, constitute the entire agreement between the Parties with respect to the subject matter. These documents supersede and merge all previous and contemporaneous proposals of sale, communications, representations, understandings and agreements, whether oral or written, between the Parties with respect to the subject hereof.
24. **Amendment.** Either Party may, at any time during the term, request in writing changes to this agreement. The Parties shall evaluate and, if agreed, implement all such requested changes. No requested changes will be effective unless and until memorialized in either a CentralSquare issued add-on quote signed by Customer, or a written change order or amendment to this Agreement signed by both Parties.
25. **No Third-Party Beneficiaries.** This Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer on any other person any legal or

equitable right, benefit, or remedy of any nature under or by reason of this Agreement.

- 26. Counterparts.** This Agreement, and any amendments hereto, may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts shall constitute one and the same instrument. The Agreement (and any amendments) shall be considered properly executed by a Party if executed by that Party and transmitted by facsimile or other electronic means, such as DocuSign, Tagged Image Format Files (TIFF), or Portable Document Format (PDF).
- 27. Material Adverse Change.** If any law, regulation, applicable standard, process, OEM requirement is changed or comes into force after the Effective Date, including but not limited to PCI standards or Americans with Disabilities Act compliance (collectively, a "Material Adverse Change"), which is not explicitly addressed within this Agreement and results in *significant extra* costs for either Party in relation to the performance of this Agreement, both Parties shall promptly meet, discuss in good faith, and agree upon reducing the technical, operational, and/or commercial impact of such Material Adverse Change.
- 28. Cooperative Purchases.** This Agreement may be used by Customer Affiliates. CentralSquare agrees to offer similar services to other Affiliates under the same terms and conditions as stated herein except that the Fees may be negotiated between CentralSquare and other Affiliates based on the specific revenue expectations, agency reimbursed costs, and other Affiliate requirements. The Customer will in no way whatsoever incur any liability in relation to specifications, delivery, payment, or any other aspect of purchases by such Affiliates. CentralSquare and the Affiliate will enter into any such arrangement with an amendment to this Agreement.
- 29. Order of Precedence.**
- 29.1. In the event of any conflict or inconsistency between this Agreement, the Exhibits, or any purchase order, then the following priority shall prevail:
- 29.1.1. The main body of this Agreement and any associated amendments, statements of work (including Exhibit 5 (Statement of Work)), or change orders and then the attached Exhibits to this Agreement in the order in which they appear.
- 29.2. Customer's purchase terms and conditions or CentralSquare's sales terms and conditions are not applicable and shall have no force or effect, whether referenced in any document in relation to this Agreement.
- 29.3. Incorporated Exhibits to this Agreement:
- Exhibit 1:** Solution(s) and Services Fee Schedule
 - Exhibit 2:** Maintenance & Support
 - Exhibit 3:** CentralSquare Access Management Policy
 - Exhibit 4:** Certificate of Insurance (Evidence of Coverage)
 - Exhibit 5:** Statement of Work
 - Exhibit 6:** Using/Accessing Agency Guidelines (if applicable)
 - Exhibit 7:** Service Level Commitments (if applicable)
 - Exhibit 8:** Managed Services Provisions (if applicable)
 - Exhibit 9:** Third-Party Terms and Conditions (if applicable)
 - Exhibit 10:** Community Data Platform Agreement (if applicable)

EXHIBIT 1
Solution(s) and Services Fee Schedule

Quote #: Q-187787
TIPS #220105

SOFTWARE INCLUDED

	PRODUCT NAME	QUANTITY	UNIT PRICE	DISCOUNT	TOTAL
1.	CentralSquare Payments-Finance Enterprise Annual Subscription Fee	1	0.00		0.00
2.	Finance Enterprise: Advanced SaaS Subscription Annual Subscription Fee	1	104,255.00	- 8,505.00	95,750.00
3.	HCM Employee Finance Enterprise: Advanced SaaS Subscription Annual Subscription Fee	250	15.00		3,750.00
					Software Subtotal
					108,005.00 USD
					Discount
					- 8,505.00 USD
					Software Total
					99,500.00 USD

SERVICES INCLUDED

	DESCRIPTION	TOTAL
1.	Public Administration Project Management Services - Fixed Fee	780.00
2.	Public Administration Technical Services - Fixed Fee	2,730.00
3.	Public Admin Travel & Living Estimate	11,500.00
4.	Public Administration Consulting Services - Fixed Fee	137,865.00
5.	Public Administration Data Conversion Services - Fixed Fee	12,675.00
6.	Public Administration Project Management Services - Fixed Fee	36,270.00
7.	Public Administration Technical Services - Fixed Fee	14,820.00
8.	Public Administration Training Services - Fixed Fee	32,370.00
		Services Subtotal
		249,010.00 USD
		Discount
		- 3,510.00 USD
		Services Total
		245,500.00 USD

HARDWARE INCLUDED

	PRODUCT NAME	QUANTITY	UNIT PRICE	TOTAL
1.	VPN Hardware and Support	1	2,700.00	2,700.00
				Hardware Total
				2,700.00 USD

QUOTE SUMMARY

Software Subtotal	108,005.00 USD
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Services Subtotal	249,010.00 USD
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Hardware Subtotal	2,700.00 USD
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Quote Subtotal	359,715.00 USD
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Discount	- 12,015.00 USD
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Quote Total	347,700.00 USD
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RECURRING FEES

TYPE	AMOUNT
FIRST YEAR MAINTENANCE TOTAL	2,000.00
FIRST YEAR SUBSCRIPTION TOTAL	99,500.00

The amount totals for Maintenance and/or Subscription on this quote include only the first year of software use and maintenance. Renewal invoices will include this total plus any applicable uplift amount as outlined in the relevant purchase agreement.

Payment Terms:

Subscriptions:

- If applicable, Annual Subscription Fees are due on the Delivery Date, and annually thereafter on the anniversary of the Delivery Date.
- Annual Subscription Fees shall increase by 5% each year

Services:

Payment Schedule:

	Implementation Services
30%	Due on Effective Date
20%	Due at Project Kickoff
15%	Due at completion of 1 st End User Training Session
30%	Due at Go Live
5%	Due at completion of Reliability Period

- If applicable, non-fixed fee professional services shall be due as incurred on a time and materials basis. Non-fixed fee professional services are not included in the percentages outlined in the above Payment Schedule.
- If applicable, non-fixed fee travel expenses shall be due as incurred, invoiced monthly for the travel expenses of the preceding month. Non-fixed fee travel expenses are not included in the percentages outlined in the above Payment Schedule.
- If applicable, Fixed Fee travel expenses are included in the percentages outlined in the above Payment Schedule.

Hardware:

- If applicable, Non-subscription Hardware Fees are due on the Effective Date.

Licenses:

- If applicable, License Fees are due on the Delivery Date.

Support & Maintenance

- If applicable, Support & Maintenance Fees are due annually, starting prior to the first anniversary of the Delivery Date and annually thereafter.
- Annual Software Maintenance Fees shall increase by 5% each year.
- If applicable, legacy support and maintenance shall be due until the Delivery Date of the applicable replacement software. Any unused pre-paid support and maintenance shall be credited as a pro-rated amount towards the next applicable subscription software invoice due under this Agreement, or future invoice.

Third Party:

- If applicable, Third-Party Software Fees are due on the Effective Date. Third-Party software subscriptions and/or support fees shall be due annually thereafter on the anniversary of the Effective Date. Third-Party Software fees are subject to increase each year.
- If applicable, Third-Party Services shall be due 50% at Effective Date, 25% at completion of 1st End User Training Session, and 25% at Go Live.

Invoice Terms:

CentralSquare shall provide an invoice for the items in the schedule above no less than thirty (30) days prior to the due date.

ANCILLARY FEES

- a. Customer is responsible for paying all taxes relating to this Agreement. Applicable tax amounts (if any) are not included in the fees set forth in this Agreement. If Customer is exempt from the payment of any such taxes, Customer must provide CentralSquare valid proof of exemption; otherwise, CentralSquare will invoice Customer and Customer will pay to CentralSquare all such tax amounts.
- b. To the extent allowable by law, if Customer fails to make any payment when due, then CentralSquare may charge interest on the past due amount at the rate of 1.5% per month calculated daily and compounded monthly, or, if lower, the highest rate permitted under applicable law; and if such failure continues for 90 days following written notice thereof, CentralSquare may suspend performance or access until past due amounts have been paid.

EXHIBIT 2

Maintenance & Support

This Maintenance & Support Exhibit describes support and maintenance relating to technical support that CentralSquare will provide to Customer during the Term of the Agreement.

1. Product Updates and Releases

- 1.1. Software Version. "Software Version" means the base or core version of the Software that contains significant new features and significant fixes and is available to the Customer. Software Versions may occur as the Software architecture changes or as new technologies are developed. The nomenclature used for updates and upgrades consists of major, minor, build, and fix and these correspond to the following digit locations of a release, a,b,c,d. An example of which would be 7.4.1.3, where the 7 refers to the major release, the 4 refers to the minor release, the 1 refers to the build, and the 3 refers to a fix. All Software Versions are provided and included as part of this Agreement.
- 1.2. Updates. From time to time CentralSquare may develop permanent fixes or solutions to known problems or bugs in the Software and incorporate them in a formal "Update" to the Software. If Customer is receiving technical support from CentralSquare on the general release date for an Update, CentralSquare will provide the Customer with the Update and related Documentation at no extra charge. Updates for custom configurations will be agreed upon by the Parties and outlined in a Statement of Work or Change Order.
- 1.3. Releases. Customer shall agree to install and/or use any New or Major Release within one year of being made available by CentralSquare to avoid or mitigate a performance problem, ineligibility for Support and Maintenance Services or infringement claim. All modifications, revisions and updates to the Software shall be furnished by means of new Releases of the Software and shall be accompanied by updates to the Documentation whenever CentralSquare determines, in its sole discretion, that such updates are necessary.

2. Support

- 2.1. CentralSquare shall provide to Customer support via toll-free phone number 833-278-7877 or via the CentralSquare Support Portal. CentralSquare shall provide to Customer, commercially reasonable efforts in solving errors reported by the Customer as well as making available an online support portal. Customer shall provide to CentralSquare reasonably detailed documentation and explanation, together with underlying data, to substantiate errors and to assist CentralSquare in its efforts to diagnose, reproduce and correct the error. Should either Party not be able to locate the error root cause and Customer and CentralSquare agree that on-site services are necessary to diagnose or resolve the problem CentralSquare shall provide a travel estimate and estimated hours in order to diagnose the reported error.
- 2.2. If after traveling onsite to diagnose a reported error and such reported error did not, in fact, exist or was not attributable to a defect in the Software provided by CentralSquare or an act or omission of CentralSquare, then Customer shall pay for CentralSquare's investigation, travel, and related services in accordance with provided estimate. Customer must provide CentralSquare with such facilities, equipment and support as are reasonably necessary for CentralSquare to perform its obligations under this Exhibit, including remote access in accordance with the Remote Access Policy.

3. Online Support Portal

Online support is available via <https://support.centrsquare.com/s/contact-us>, offering Customer the ability to resolve its own problems with access to CentralSquare's most current information. Customer will need to enter its designated username and password to gain access to the technical support areas on CentralSquare's website. CentralSquare's technical support areas allow Customer to: (i) search an up-to-date knowledge base of technical support information, technical tips, and featured functions; and (ii) access answers to frequently asked questions (FAQ).

4. Exclusions from Technical Support Services

CentralSquare shall have no support obligations to provide Support or Maintenance for Solutions that are not kept current to one version prior to the then current version of the Solution. CentralSquare shall have no support obligations with respect to any third-party hardware or software product not licensed or sold to Customer by CentralSquare ("Nonqualified Product"). Customer shall be solely responsible for the compatibility and functioning of Nonqualified Products with the Software.

5. Customer Responsibilities

In connection with CentralSquare's provision of technical support as described herein, Customer acknowledges that Customer has the responsibility to do each of the following:

- 5.1 Provide hardware, operating system and browser software that meets technical specifications, as well as a fast, stable, high-speed connection and remote connectivity for accessing the Solution.
- 5.2 Maintain any applicable computer system and associated peripheral equipment in good working order in accordance with the manufacturers' specifications, and ensure that any problems reported to CentralSquare are not due to hardware malfunction;
- 5.3 For CentralSquare Solutions that are implemented on Customer Systems, maintain the designated operating system at the latest code revision level reasonably deemed necessary by CentralSquare for proper operation of the Software;
- 5.4 Supply CentralSquare with access to and use of all information and facilities reasonably determined to be necessary by CentralSquare to render the technical support described herein;

- 5.5 Perform any test or procedures reasonably recommended by CentralSquare for the purpose of identifying and/or resolving any problems;
- 5.6 At all times follow routine operator procedures as specified in the Documentation or any error correction guidelines of CentralSquare posted on the CentralSquare website;
- 5.7 Customer shall remain solely responsible at all times for the safeguarding of Customer's proprietary, confidential, and classified information contained within Customer Systems; and
- 5.8 Reasonably ensure that the Customer Systems are isolated and free from viruses and malicious code that could cause harm before requesting or receiving remote support assistance.

6. Priorities and Support Response Matrix

The following priority matrix relates to software errors covered by this Agreement. Causes secondary to non-covered causes - such as hardware, network, and third-party products - are not included in this priority matrix and are outside the scope of this Exhibit. CentralSquare will make commercially reasonable efforts to respond to Software incidents for live remote based production systems using the following guidelines:

Priority	Issue Definition	Response Time
Priority 1 – Urgent	The software is completely down and will not launch or function.	Priority 1 issues must be called in via 833-278-7877 and will be immediately answered and managed by the first available representative.
Priority 2 – Critical	A high-impact problem that disrupts the customer's operation but there is capacity to remain productive and maintain necessary operations.	Priority 2 issues must be called in via 833-278-7877 and will be immediately answered and managed by the first available representative.
Priority 3 – Non-Critical	A Software Error related to a user function which does not negatively impact the User from the use of the system. This includes system administrator functions or restriction of user workflow but does not significantly impact their job function.	Priority 3 issues called in via 833-278-7877 will be immediately answered and managed by the first available representative. Non-Critical Priority 3 issues may also be reported via Https://support.centalsquare.com/s/contact-us
Priority 4 – Minor	Cosmetic or documentation errors, including Customer technical questions or usability questions.	Priority 4 issues called in via 833-278-7877 will be immediately answered and managed by the first available representative. Minor Priority 4 issues may also be reported via Https://support.centalsquare.com/s/contact-us

7. Exceptions. CentralSquare shall not be responsible for failure to carry out its Support and Maintenance obligations under this Exhibit if the failure is caused by adverse impact due to:

- 7.1. defectiveness of the Customer's Systems (including but not limited to environment, hardware or ancillary systems), or due to Customer corrupt, incomplete, or inaccurate data reported to the Solution, or documented defect.
- 7.2. denial of reasonable access to Customer's System or premises preventing CentralSquare from addressing the issue.
- 7.3. material changes made to the usage of the Solution by Customer where CentralSquare has not agreed to such changes in advance and in writing or the modification or alteration, in any way, by Customer or its subcontractors, of communications links necessary to the proper performance of the Solution.
- 7.4. a Force Majeure event (as outlined in Section 12), or the negligence, intentional acts, or omissions of Customer or its agents.

8. Incident Resolution. Actual response times and resolutions may vary due to issue complexity and priority. For critical impact level and above, CentralSquare provides a continuous resolution effort until the issue is resolved. CentralSquare will make commercially reasonable efforts to resolve Software incidents for live remote based production systems using the following guidelines:

Priority	Resolution Process	Resolution Time
Priority 1 – Urgent	CentralSquare will provide a procedural or configuration workaround or a code correction that allows the Customer to resume live operations on the production System.	CentralSquare will work continuously to provide the Customer with a solution that allows the Customer to resume live operations on the production system. CentralSquare will either resolve the issue or provide a resolution plan as soon as possible and not later than twenty-four (24) hours after notification.
Priority 2 – Critical	CentralSquare will provide a procedural or configuration workaround or a code correction that allows the Customer to resume normal operations on the production System.	CentralSquare will work continuously to provide the Customer with a solution that allows the Customer to resume normal operations on the production System. CentralSquare will either resolve the issue or provide a resolution plan as soon as possible and not later than thirty-six (36) hours after notification.
Priority 3 – Non – Critical	CentralSquare will provide a procedural or configuration workaround that allows the Customer to resolve the problem.	CentralSquare will work to provide the Customer with a resolution which may include a workaround or code correction within a timeframe that takes into consideration the impact of the issue on the Customer and CentralSquare’s User base. Priority 3 issues have priority scheduling in a subsequent release.
Priority 4 – Minor	If CentralSquare determines that a reported Minor Priority error requires a code correction, such issues will be addressed in a subsequent release when applicable.	CentralSquare will work to provide the Customer with a resolution which may include a workaround or code correction in a future release of the software. Priority 4 issues have no defined resolution time.

- 9. Non-Production Environments.** CentralSquare will make commercially reasonable efforts to provide fixes to non-production environment(s). Non-production environments are not included under the response or resolution tables provided in this Exhibit.
- 9.1. Maintenance. All non-production environment resolution processes will follow the structure and schedules outlined above for production environments.
- 9.2. Incidents and service requests. Non-production environment incidents are considered priority 3 or 4, dictated by circumstances and will be prioritized and scheduled subordinate to production environment service requests.
- 10. Training.** Outside the scope of training services purchased, if any, Customer is responsible for the training and organization of its staff in the operation of the Software.
- 11. Development Work.** Software support and maintenance does not include development work either (i) on software not licensed from CentralSquare or (ii) development work for enhancements or features that are outside the documented functionality of the Software, except such work as may be specifically purchased and outlined in the Agreement. CentralSquare retains all intellectual property rights in development work performed and Customer may request consulting and development work from CentralSquare as a separate billable service.
- 12. Technology Life Expectancy.** Customer understands, acknowledges and agrees that the technology upon which the Hardware, Solution and Third-Party Software is based changes rapidly. Customer further acknowledges that CentralSquare will continue to improve the functionality and features of the Solution to improve legal compliance, accuracy, functionality and usability. As a result, CentralSquare does not represent or warrant that the Hardware, Solution and/or Third-Party Software provided to Customer under this Agreement or that the Customer Systems recommended by CentralSquare will function for an indefinite period of time. Rather, CentralSquare and Customer may, from time to time, analyze the functionality of the Hardware, Solution, Third-Party Software and Customer Systems in response to changes to determine whether Customer must upgrade the same. Customer upgrades may include without limitation, the installation of a new Release, additional disk storage and memory, and workstation and/or server upgrades. Customer upgrades may also include the installation and/or removal of Third-Party Software. Customer is solely responsible for all costs associated with future resources and upgrades.

EXHIBIT 3
CentralSquare Access Management Policy

In order to provide secure, federally compliant connections to agency systems CentralSquare Technologies (“CentralSquare”) requires BeyondTrust or SecureLink as the only approved methodology of connection. BeyondTrust and Securelink provide the necessary remote access in order to service and maintain CentralSquare products while adhering to the Federal Bureau of Investigations Criminal Justice Information Services requirements. Both solutions utilize two-factor authentication Federal Information Processing Standard Publication (“FIPS”) 140-2 validated cryptographic modules and AES encryption in 256-bit strengths.

BeyondTrust and Securelink are addressed in turn via this Access Management Policy; Customers may choose which remote privileged access management solution will be utilized by CentralSquare.

BeyondTrust

The BeyondTrust remote support solution may be utilized via escorted session or a jump Customer. As for an escorted session, when an agency needs assistance from CentralSquare, the agency employee requesting assistance will receive verbal or email communication with a session key necessary to enable remote access. If a verbal key is provided, the user enters the session key after visiting <https://securesupport.centalsquare.com>.

Jump Customers are a Windows service that can be stopped/started to facilitate a support session. Connections made via jump Customer can be active or passive. An active jump Customer is always available. A passive connection is enabled for a specific purpose and then disabled when not used. Regardless of the option selected, CentralSquare's support team will arrange a BeyondTrust session to establish the jump Customer.

The jump Customer resides on the agency side on the installed device, where an agency administrator can manage. Instructions on how to enable/disable jump Customers can be provided upon request. A sample workflow of a passive jump Customer is provided below:

Should an agency require support from CentralSquare, a call would be placed and/or a support ticket opened in the portal on the CentralSquare customer support website. Before accessing the agency's system and/or environment, the CentralSquare representative would send a notice of connection from the CentralSquare support portal instance. This notice can be sent to the individual at the agency that the CentralSquare representative is working with or other designated contacts as necessary. Upon receipt of the notice of connection, the agency personnel would enable the BeyondTrust jump Customer. The CentralSquare representative would then be admitted to the agency's system and/or environment to perform the necessary task. Upon completion of the task, the CentralSquare representative sends a notice of disconnection from the CentralSquare support portal instance. Upon receipt of the notice of disconnection, the agency personnel would then disable the BeyondTrust jump Customer.

Securelink

Similar to BeyondTrust's escorted session, Securelink may be utilized via “quick connect”. To enable a quick connect session when an agency needs assistance from CentralSquare, the Agency employee requesting assistance will enter a key code in order to connect for screen sharing on a device.

Similar to the jump Customer methodology, SecureLink may also be utilized via “gatekeeper”. The sample workflow description for a jump Customer provided above is substantially similar to the workflow for gatekeeper.

Summation

BeyondTrust and Securelink allow customers the ability to monitor connectivity to the customer's network and maintain CJIS compliance while enabling CentralSquare to perform the necessary support functions.

EXHIBIT 4
Certificate of Insurance (Evidence of Coverage)



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
09/01/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).


PRODUCER MARSH USA, LLC. TWO ALLIANCE CENTER 3560 LENOX ROAD, SUITE 2400 ATLANTA, GA 30326 CN130114897-EO/C-GAWU-23-24	CONTACT NAME: _____ PHONE (A/C, No, Ext): _____ FAX (A/C, No): _____ E-MAIL _____ ADDRESS: _____														
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INSURER E : AIG Specialty Insurance Company	26883														
INSURER F :															

COVERAGES **CERTIFICATE NUMBER:** ATL-005494481-01 **REVISION NUMBER:** 0

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER: _____			H-630-6S758660-COF-23	08/31/2023	08/31/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/OP AGG \$ 2,000,000 \$
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY <input type="checkbox"/> AUTOS ONLY			BA-6S783539-23-I3-G	08/31/2023	08/31/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			CUP-6S801390-23-I3	08/31/2023	08/31/2024	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	UB-6S783668-23-I3-G	08/31/2023	08/31/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
E	E&O/Cyber			01-424-27-66	08/31/2023	08/31/2024	Limit 5,000,000 SIR 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Evidence of Insurance

CERTIFICATE HOLDER CentralSquare Technologies LLC 1000 Business Center Drive Lake Mary, FL 32746	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE of Marsh USA LLC 
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EXHIBIT 5
Statement of Work

[attached]

Implementation Statement of Work

Project: Cook County, OR – Finance Enterprise and HR/Payroll

CentralSquare is implementing a configurable, commercially available, off-the-shelf solution. The parties mutually agree and acknowledge this Statement of Work (SOW) is to be a planning document, not the detailed requirements or design of the solution.

This Statement of Work (SOW) defines the services and deliverables that CentralSquare will be providing in accordance with the terms and conditions of the Agreement (the “Agreement”) between CentralSquare Technologies, LLC (CentralSquare) and Cook County, OR (“Customer”).

This project description includes the services and deliverables specified by the Agreement, including if applicable, CentralSquare and services, Subcontractor activities, third-party products, and services for the implementation of the System and Subsystems specified in the Agreement (collectively the “Project”).

The number and type of software licenses, products, or services provided by CentralSquare, or its Subcontractors are specifically listed in the Agreement and any reference within this document as well as Subcontractors’ SOWs (if applicable) do not imply or convey a software, license, or services that are not explicitly listed in the Agreement.

Parties agree the Project Introduction Meeting will be scheduled within thirty (30) days from the Effective Date of the Agreement.

Scope of Project

The project includes the CentralSquare core systems, Finance Enterprise and HR/Payroll, as detailed in Appendix A of this SOW.

Services Scope

The following outlines the proposed methodology for the project management, consulting, configuration, testing, training, and other services work necessary for the implementation of the contracted products. Details related to the activities for each application included in this project can be found in Appendix A of this SOW.

Project Teams

Project teams from all parties will include functional experts, technical resources, and decision makers. Resource management is critical to success, for all parties. CentralSquare and the Customer agree to make all necessary arrangements to ensure resources are available at each stage to ensure timelines are met.

Project Management Methodology

The implementation is conducted by a cross-functional team of experts from several departments within CentralSquare led by the assigned Project Manager. A phased approach to project management is followed to ensure the critical services are consistent and results are achieved. Phases include:

Initiation: This phase includes the contract execution and transition to the Service Delivery team. CentralSquare may schedule an all-team meeting to kick off the project. The kickoff meeting will include time for the project managers from both teams to review all contractual documentation and begin the process of finalizing the integrated project schedule.

Planning: During the planning phase, the project managers from both teams will meet to discuss all tasks and resources necessary to successfully complete implementation. The project team from CentralSquare will be

finalized, project governance will be established, and a communications plan will be drafted and shared with the parties.

Deliverables during the planning phase include the integrated baseline project schedule, communications plan, resource plan, and governance plan.

Monitor and Control: Throughout the project, the project managers will work together on monitoring and controlling the overall project health. This includes regular status meetings/reports, quality reviews, managing risks/issues, and managing resources. Project managers will work together to manage the overall timeline, scope, and respective budgets, as well as ensuring the customer's objectives are being met along the way. Any items determined to be out of scope will be immediately addressed by Central Square and customer Project Manager.

Project governance is essential to establishing a decision making and communications model for the project. Key stakeholders will be identified by all parties and regular status meetings will be scheduled to review the project health, risks to timeline/budget, and issues that may block forward progress.

Deliverables during this phase include regular status reports, risk/issue log, regular stakeholder meetings, and all project schedule updates.

Project Close Out: The final stage of the project includes an introduction and transition to the Customer Support team and the Customer Success team. During transition, the project managers will work together to conduct an audit of tasks and deliverables associated with the project. Any mutually agreed upon delayed deliverables will be scheduled for post go-live and documented. Any contracted post go-live activities will be reviewed and scheduled as necessary before transition to Customer Support.

Communication

Project Status Cadence Meetings: Project status cadence meetings, scheduled as determined by the CentralSquare and Customer Project Managers, establish the status of the project; achievements over a defined iterative period, risk mitigation, issue review, and assurance of awareness of upcoming activities. Continuity in the meeting schedule is critical to early intervention of risks and issues.

Project Status and Issues/Risks Reporting: In addition to the regularly scheduled Project Status Meetings, the CentralSquare Project Manager provides two key types of reports as part of the Communication Plan.

The Project Status Report, distributed to key stakeholders at a frequency to be determined based on the needs of the Customer (typically bi-weekly or monthly), summarizes milestones completed, as well as recent and upcoming project activity.

The Issues Log updated continually by the CentralSquare Project Manager, tracks entry and management of project issues identified by CentralSquare or the Customer. Log entries include status updates, action items, and responsibilities of both parties. Risks and issues tracking log adjustments are mutual agreement by the CentralSquare and Customer Project Manager.

The Customer and CentralSquare agree that the individuals designated in the final project plan are essential to the services offered pursuant to this Agreement. The Customer and CentralSquare should anticipate challenging issues to arise throughout the implementation process due to the nature and complexity of projects of this type. For expedient remedying of challenging issues, the Customer and CentralSquare will use the following dispute resolution process.

All communication regarding the project directed to CentralSquare's Project Manager and the Customer's Project Manager maintain consistent communication between the parties. Regularly scheduled project status meetings maintain open communication between the CentralSquare and Customer Project Manager.

All issues or concerns are to be openly and actively discussed between CentralSquare's Project Manager and the Customer's Project Manager prior to any escalation.

If issues begin to interfere with the progression of the implementation project, the Customer and/or CentralSquare Project Manager should escalate challenges to senior management representatives.

Customer will provide escalation personnel to CentralSquare Project Manager during Kick-Off phase of the project.

Implementation Methodology

CentralSquare Professional Service Consultants and Project Manager follow a standard implementation approach divided into stages throughout the course of the project. Several types of services and resources will be used during each stage to complete the necessary steps for successful deployment of the contracted services. Contracted services are detailed in Appendix A.

APPENDIX A - PRODUCT: FINANCE ENTERPRISE AND HR/PAYROLL

FUNCTIONAL GROUPS:

The Finance Enterprise and HR/Payroll solution will be implemented for the Customer for the following modules:

- General Ledger
- Budgeting
- Accounts Payable
- Accounts Receivable
- Bank Reconciliation
- Cash Receipts/Cash Management
- Fixed Assets/Capital Assets
- Purchasing/Requisitions
- Person/Entity (Vendors/Customers)
- Human Resources
- Payroll
- Employee Online Basic

INSTALLATION:

Below are the major technical tasks included in this project. Significant tasks included:

Major Task	Description
Completion of VPN Tunnel Worksheet	CentralSquare will present the Customer a worksheet for completion. A sample of this worksheet is attached as Appendix C. The completion of this worksheet is critical to the creation of your Finance Enterprise environment. Please refer to Roles and Responsibilities detailed in Appendix B of this SOW.
Installation of Pre-Prod of Finance Enterprise and Cognos Environments	CentralSquare technical consultant will create a new pre-production environment in CentralSquare's hosted cloud. Details are included in Appendix B of this SOW.

DATA MIGRATION:

Major Task	Description
Data Migration	CentralSquare consultants will work with the Customer during the migration process. We will assist and train the Customer to use the data import tools. It is the responsibility of the Customer to provide legacy data in an acceptable format.
Data Migration Mapping	The consultant will work closely with the Customer's legacy data expert, to review the source data and assist with mapping it to the proper target data field in Finance Enterprise.

CONFIGURATION:

Finalizing the Finance Enterprise configuration will be a collaborative process driven by the functional requirements discovered during discovery and consultative engagements between CentralSquare staff and the customer's Subject Matter Experts. Significant tasks include:

<i>Major Task</i>	<i>Description</i>
Needs Analysis	Consultant meets with different areas of Finance reviewing and analyzing all key business processes. All sessions will be discussions on processes relating to the different key functional areas.
System Configuration	CentralSquare consultants will work with the Customer to configure the system to meet their needs. The configuration will be based on the findings of the Needs Analysis. This configuration will be tested and adjusted as needed by the Customer.
Workflow Creation	CentralSquare consultants will work with the Customer to configure Workflow in accordance with the Customer's processes. CentralSquare will work directly with the Customer to identify Workflow to be created. The Workflow will be chosen by the Customer in conjunction with the number of hours (80) available for this task. The Customer will choose and prioritize the models that are to fit into the available hours. Customer will also receive Workflow creation training, see Training section below.
Report Development	The Report Development team will work directly with the Customer to identify reports to be created. The reports will be chosen by the Customer in conjunction with the number of hours (80) available for this task. CentralSquare will scope the requested reports and assign hours to each. The Customer will then choose and prioritize the reports that are to fit into the available hours. Hours assigned to each report will include specifications, development of the report, and modifications (within scope). Delivery of the reports will be made as they are completed and approved.
Configuration Validation	CentralSquare Consultant completes the Configuration Validation checklist of the system to verify system is configured to meet the requirements.

INTEGRATION/INTERFACES:

Integrations and/or interfaces Included in this project:

Integration/Interface	Use of System	Type of Integration/Interface (i.e. API, Web Service, Batch)	1-way/2-way/Bi-directional	Standard/Custom	Automated/Manual
NeoGov	Advanced HCM	Batch	Bi-Directional	Standard	Manual

TRAINING:

Training is a structured program designed to equip the Customer's staff with the necessary skills and knowledge for effective software utilization. The Customer has the option to record these training sessions, provided that a signed Confidentiality Agreement is submitted to the CentralSquare Project Manager. The responsibility for the management and storage of these recordings rests solely with the Customer.

Application Workshops

Application workshop training classes designed as hands-on workshops to Train-the-Trainer. These classes generally are limited to eight participants (or as determined by mutual agreement of the CentralSquare and Customer Project Managers) and should be attended by functional experts in the specific application area.

Core Solution	Training Type	Intended Audience	Topics	Location
Finance Core Training	CST Instructor-led Training	Train the Trainer Client functional experts will attend	Accounts Receivable, Accounts Payable, Cash Receipts, Bank Reconciliation, Fixed Assets	Remote
General Ledger Training	CST Instructor-led Training	Train the Trainer Client functional experts will attend	General Ledger & Budget	Remote
HR/Payroll Training	CST Instructor-led Training	Train the Trainer Client functional experts will attend	Human Resources, Payroll	Remote
Cognos Analytics	CST Instructor led Training	Report writers and users	Overview and general navigation. Report building techniques and skills	Remote

TESTING:

Testing will assess your team’s readiness for Go Live. It is an iterative process, conducted by the client, to verify the configured solution meets the stated functional requirements. This phase is especially important to ensure a smooth transition at go-live. Significant tasks include:

Testing Tasks	Definition
Planning	CST will work with the System Administrator to develop an Acceptance Test Plan to verify the configured solution meets the stated functional requirements. This Plan will include user test scripts covering the various Finance functions
Issue Tracking	CST will collaborate with the System Administrator to maintain a log of issues, configuration problems, and software malfunctions identified during testing
Issue Resolution	CST will work collaboratively to resolve all such issues, problems and malfunctions to the customer’s satisfaction
Acceptance Testing	System Administrator will perform acceptance testing to ensure acceptance criteria items have been addressed, and certify Finance Enterprise is ready for “go-live”

DEPLOYMENT:

Starts with the completion of your production environment. Then, we conduct a mock Go Live. Finally, once both teams agree on readiness, we Go Live. Significant tasks include:

Major Task	Description
Configuration Validation	CentralSquare Consultant completes the Configuration Validation checklist of the system to verify system is configured to meet the requirements.
Plan Cutover Schedule and Communications	Describes tasks to be handled by CentralSquare and Customer personnel during the initial cutover to Go-Live, including a detailed schedule of CentralSquare personnel covering each shift with resources, process for reporting issues, how they will be handled or escalated, contact names/phone numbers onsite staff, remote and third-party vendors.
Testing Ends Sign Off	Both parties will acknowledge the completion of testing by signing the Testing Ends document.
Execute Go Live	The Client transitions from their legacy system to the Finance Enterprise system and conducts their normal day-to-day business.
Go Live Support	This session will be used to provide support for Go Live. The topic will be determined by client needs.

APPENDIX B: Cloud Services (Cloud Services – Hosted)

Tasks	Name	Description	Customer Role	CentralSquare Role
1.	Creation	Initial Creation of CentralSquare’s Finance Enterprise software	Attend Discovery Call Provide necessary information for the environment build. Provide a list of network printers Work with CST team to choose the authentication method Provide a list of users, if needed Work with Networking team to verify the site-to-site VPN is properly configured.	Discovery Call Complete install and data migration Work with client team to choose the authentication method Work with client to verify the site-to-site VPN is properly configured.
2.	Test Account Creation	Test Account Creation is the creation from the production environment once the client goes live.	Validate Account	Create Test Account
3.	Cognos Environment Creation	Creation of the Cognos Analytics pre-production environment.	Validate Account	Complete install and migrate client reports

Assumptions

- CentralSquare will migrate Customer data into the Finance Enterprise database and confirm that the Finance Enterprise software’s primary system functions are available.
- CentralSquare will install the Finance Enterprise software into our Private Cloud environment, managed by our Cloud services team and provide access to the Customer through a standard URL, secured over a site-to-site VPN tunnel. We provide a physical hardware appliance that the customer installs on-site and we manage remotely.
- CentralSquare will configure Cisco Anyconnect VPN client access, but only for Disaster Recovery purposes. It is limited to 10 connections. Additional connections can be added for an additional cost.
- CentralSquare will complete all work remotely
- CentralSquare will create one (1) Production Environment and one (1) Test Environment as part of the Agreement. Additional accounts will require additional

hours and hosting fees, added under separate quote by mutual written agreement at CentralSquare's prevailing rates.

- CentralSquare can assist the client with Azure AD (OIDC), which is compatible with version 21.1 or greater. CentralSquare will configure those parts of the integration that are required and accessible for the cloud environment. There are some tasks that CST will require client assistance. Once configuration is complete, this will be tested by the client.
- CentralSquare can assist the client with Okta SAML and Azure AD SAML, which is compatible with version 21.2 or greater. CentralSquare will configure those parts of the integration that are required and accessible for the cloud environment. There are some tasks that CST will require client assistance. Once configuration is complete, this will be tested by the client.

Roles and Responsibilities

CentralSquare:

- Will stand up the new environments.
- URL's for the environment will remain the same following go-live.
- Will conduct a test to verify that CentralSquare applications have been installed and operating properly.
- Completion of VPN Tunnel Worksheet. CentralSquare responsible for CST Cloud Network Settings including, but not limited to, the following:
 - Device Manufacturer/Model
 - Firewall/Gateway Address
 - Protected Network Address(s)
 - Contact information of person(s) responsible for tunnel configuration

Customer:

- Participate in planning activities (conference calls, emails) with CentralSquare Application Installation Consultant and Technical Lead.
- Completion of VPN Tunnel Worksheet. A sample of this worksheet is attached as Appendix C. Required information includes, but is not limited to, the following:
- VPN tunnel configuration requirements, Client Settings
 - Device Manufacturer/Model
 - Firewall/Gateway Address
 - Protected Network Address(s)
 - Contact information of person(s) responsible for tunnel configuration
- Customer must notify CentralSquare right away if the following ranges are not acceptable:
 - 10.30.0.0/16
 - 10.60.0.0/16



	CST Cloud Network Settings	Client Settings
Partner Details		
Name	CentralSquare Technologies	
VPN tunnel configuration requirements		
Device Manufacturer/Model		
Firewall/Gateway Address		
Protected Network Address(s)		
IPSec Parameters (IKE Phase 1 Proposal)		
Pre-shared Key		
IKE Negotiation Mode		IKEv2
Encryption		AES-256
Authentication		SHA-256
D-H Group		14
Psuedo-random Function (PRF)		SHA1
Lifetime		86400 (24 Hours)
IPSec Parameters (IKE Phase 2 Proposal)		
Perfect Forward Secrecy (PFS) D-H Group		14
ESP Encryption		AES-256
ESP Authentication		SHA-256
Lifetime		28800 (8 Hours)
Contact Information		
Responsible party for tunnel config		
Contact details (Name & Email)		
Further information/comments:		
PSK can be updated after tunnel is established.		

EXHIBIT 6
Intentionally Omitted

EXHIBIT 7
Intentionally Omitted

EXHIBIT 8
Intentionally Omitted

EXHIBIT 9
Intentionally Omitted

EXHIBIT 10
Intentionally Omitted

Implementation Statement of Work

Project: Cook County, OR – Finance Enterprise and HR/Payroll

CentralSquare is implementing a configurable, commercially available, off-the-shelf solution. The parties mutually agree and acknowledge this Statement of Work (SOW) is to be a planning document, not the detailed requirements or design of the solution.

This Statement of Work (SOW) defines the services and deliverables that CentralSquare will be providing in accordance with the terms and conditions of the Agreement (the “Agreement”) between CentralSquare Technologies, LLC (CentralSquare) and Cook County, OR (“Customer”).

This project description includes the services and deliverables specified by the Agreement, including if applicable, CentralSquare and services, Subcontractor activities, third-party products, and services for the implementation of the System and Subsystems specified in the Agreement (collectively the “Project”).

The number and type of software licenses, products, or services provided by CentralSquare, or its Subcontractors are specifically listed in the Agreement and any reference within this document as well as Subcontractors’ SOWs (if applicable) do not imply or convey a software, license, or services that are not explicitly listed in the Agreement.

Parties agree the Project Introduction Meeting will be scheduled within thirty (30) days from the Effective Date of the Agreement.

Scope of Project

The project includes the CentralSquare core systems, Finance Enterprise and HR/Payroll, as detailed in Appendix A of this SOW.

Services Scope

The following outlines the proposed methodology for the project management, consulting, configuration, testing, training, and other services work necessary for the implementation of the contracted products. Details related to the activities for each application included in this project can be found in Appendix A of this SOW.

Project Teams

Project teams from all parties will include functional experts, technical resources, and decision makers. Resource management is critical to success, for all parties. CentralSquare and the Customer agree to make all necessary arrangements to ensure resources are available at each stage to ensure timelines are met.

Project Management Methodology

The implementation is conducted by a cross-functional team of experts from several departments within CentralSquare led by the assigned Project Manager. A phased approach to project management is followed to ensure the critical services are consistent and results are achieved. Phases include:

Initiation: This phase includes the contract execution and transition to the Service Delivery team. CentralSquare may schedule an all-team meeting to kick off the project. The kickoff meeting will include time for the project managers from both teams to review all contractual documentation and begin the process of finalizing the integrated project schedule.

Planning: During the planning phase, the project managers from both teams will meet to discuss all tasks and resources necessary to successfully complete implementation. The project team from CentralSquare will be

finalized, project governance will be established, and a communications plan will be drafted and shared with the parties.

Deliverables during the planning phase include the integrated baseline project schedule, communications plan, resource plan, and governance plan.

Monitor and Control: Throughout the project, the project managers will work together on monitoring and controlling the overall project health. This includes regular status meetings/reports, quality reviews, managing risks/issues, and managing resources. Project managers will work together to manage the overall timeline, scope, and respective budgets, as well as ensuring the customer's objectives are being met along the way. Any items determined to be out of scope will be immediately addressed by Central Square and customer Project Manager.

Project governance is essential to establishing a decision making and communications model for the project. Key stakeholders will be identified by all parties and regular status meetings will be scheduled to review the project health, risks to timeline/budget, and issues that may block forward progress.

Deliverables during this phase include regular status reports, risk/issue log, regular stakeholder meetings, and all project schedule updates.

Project Close Out: The final stage of the project includes an introduction and transition to the Customer Support team and the Customer Success team. During transition, the project managers will work together to conduct an audit of tasks and deliverables associated with the project. Any mutually agreed upon delayed deliverables will be scheduled for post go-live and documented. Any contracted post go-live activities will be reviewed and scheduled as necessary before transition to Customer Support.

Communication

Project Status Cadence Meetings: Project status cadence meetings, scheduled as determined by the CentralSquare and Customer Project Managers, establish the status of the project; achievements over a defined iterative period, risk mitigation, issue review, and assurance of awareness of upcoming activities. Continuity in the meeting schedule is critical to early intervention of risks and issues.

Project Status and Issues/Risks Reporting: In addition to the regularly scheduled Project Status Meetings, the CentralSquare Project Manager provides two key types of reports as part of the Communication Plan.

The Project Status Report, distributed to key stakeholders at a frequency to be determined based on the needs of the Customer (typically bi-weekly or monthly), summarizes milestones completed, as well as recent and upcoming project activity.

The Issues Log updated continually by the CentralSquare Project Manager, tracks entry and management of project issues identified by CentralSquare or the Customer. Log entries include status updates, action items, and responsibilities of both parties. Risks and issues tracking log adjustments are mutual agreement by the CentralSquare and Customer Project Manager.

The Customer and CentralSquare agree that the individuals designated in the final project plan are essential to the services offered pursuant to this Agreement. The Customer and CentralSquare should anticipate challenging issues to arise throughout the implementation process due to the nature and complexity of projects of this type. For expedient remedying of challenging issues, the Customer and CentralSquare will use the following dispute resolution process.

All communication regarding the project directed to CentralSquare's Project Manager and the Customer's Project Manager maintain consistent communication between the parties. Regularly scheduled project status meetings maintain open communication between the CentralSquare and Customer Project Manager.

All issues or concerns are to be openly and actively discussed between CentralSquare's Project Manager and the Customer's Project Manager prior to any escalation.

If issues begin to interfere with the progression of the implementation project, the Customer and/or CentralSquare Project Manager should escalate challenges to senior management representatives.

Customer will provide escalation personnel to CentralSquare Project Manager during Kick-Off phase of the project.

Implementation Methodology

CentralSquare Professional Service Consultants and Project Manager follow a standard implementation approach divided into stages throughout the course of the project. Several types of services and resources will be used during each stage to complete the necessary steps for successful deployment of the contracted services. Contracted services are detailed in Appendix A.

APPENDIX A - PRODUCT: FINANCE ENTERPRISE AND HR/PAYROLL

FUNCTIONAL GROUPS:

The Finance Enterprise and HR/Payroll solution will be implemented for the Customer for the following modules:

- General Ledger
- Budgeting
- Accounts Payable
- Accounts Receivable
- Bank Reconciliation
- Cash Receipts/Cash Management
- Fixed Assets/Capital Assets
- Purchasing/Requisitions
- Person/Entity (Vendors/Customers)
- Human Resources
- Payroll
- Employee Online Basic

INSTALLATION:

Below are the major technical tasks included in this project. Significant tasks included:

Major Task	Description
Completion of VPN Tunnel Worksheet	CentralSquare will present the Customer a worksheet for completion. A sample of this worksheet is attached as Appendix C. The completion of this worksheet is critical to the creation of your Finance Enterprise environment. Please refer to Roles and Responsibilities detailed in Appendix B of this SOW.
Installation of Pre-Prod of Finance Enterprise and Cognos Environments	CentralSquare technical consultant will create a new pre-production environment in CentralSquare's hosted cloud. Details are included in Appendix B of this SOW.

DATA MIGRATION:

Major Task	Description
Data Migration	CentralSquare consultants will work with the Customer during the migration process. We will assist and train the Customer to use the data import tools. It is the responsibility of the Customer to provide legacy data in an acceptable format.
Data Migration Mapping	The consultant will work closely with the Customer's legacy data expert, to review the source data and assist with mapping it to the proper target data field in Finance Enterprise.

CONFIGURATION:

Finalizing the Finance Enterprise configuration will be a collaborative process driven by the functional requirements discovered during discovery and consultative engagements between CentralSquare staff and the customer's Subject Matter Experts. Significant tasks include:

<i>Major Task</i>	<i>Description</i>
Needs Analysis	Consultant meets with different areas of Finance reviewing and analyzing all key business processes. All sessions will be discussions on processes relating to the different key functional areas.
System Configuration	CentralSquare consultants will work with the Customer to configure the system to meet their needs. The configuration will be based on the findings of the Needs Analysis. This configuration will be tested and adjusted as needed by the Customer.
Workflow Creation	CentralSquare consultants will work with the Customer to configure Workflow in accordance with the Customer's processes. CentralSquare will work directly with the Customer to identify Workflow to be created. The Workflow will be chosen by the Customer in conjunction with the number of hours (80) available for this task. The Customer will choose and prioritize the models that are to fit into the available hours. Customer will also receive Workflow creation training, see Training section below.
Report Development	The Report Development team will work directly with the Customer to identify reports to be created. The reports will be chosen by the Customer in conjunction with the number of hours (80) available for this task. CentralSquare will scope the requested reports and assign hours to each. The Customer will then choose and prioritize the reports that are to fit into the available hours. Hours assigned to each report will include specifications, development of the report, and modifications (within scope). Delivery of the reports will be made as they are completed and approved.
Configuration Validation	CentralSquare Consultant completes the Configuration Validation checklist of the system to verify system is configured to meet the requirements.

INTEGRATION/INTERFACES:

Integrations and/or interfaces Included in this project:

Integration/Interface	Use of System	Type of Integration/Interface (i.e. API, Web Service, Batch)	1-way/2-way/Bi-directional	Standard/Custom	Automated/Manual
NeoGov	Advanced HCM	Batch	Bi-Directional	Standard	Manual

TRAINING:

Training is a structured program designed to equip the Customer's staff with the necessary skills and knowledge for effective software utilization. The Customer has the option to record these training sessions, provided that a signed Confidentiality Agreement is submitted to the CentralSquare Project Manager. The responsibility for the management and storage of these recordings rests solely with the Customer.

Application Workshops

Application workshop training classes designed as hands-on workshops to Train-the-Trainer. These classes generally are limited to eight participants (or as determined by mutual agreement of the CentralSquare and Customer Project Managers) and should be attended by functional experts in the specific application area.

Core Solution	Training Type	Intended Audience	Topics	Location
Finance Core Training	CST Instructor-led Training	Train the Trainer Client functional experts will attend	Accounts Receivable, Accounts Payable, Cash Receipts, Bank Reconciliation, Fixed Assets	Remote
General Ledger Training	CST Instructor-led Training	Train the Trainer Client functional experts will attend	General Ledger & Budget	Remote
HR/Payroll Training	CST Instructor-led Training	Train the Trainer Client functional experts will attend	Human Resources, Payroll	Remote
Cognos Analytics	CST Instructor led Training	Report writers and users	Overview and general navigation. Report building techniques and skills	Remote

TESTING:

Testing will assess your team’s readiness for Go Live. It is an iterative process, conducted by the client, to verify the configured solution meets the stated functional requirements. This phase is especially important to ensure a smooth transition at go-live. Significant tasks include:

Testing Tasks	Definition
Planning	CST will work with the System Administrator to develop an Acceptance Test Plan to verify the configured solution meets the stated functional requirements. This Plan will include user test scripts covering the various Finance functions
Issue Tracking	CST will collaborate with the System Administrator to maintain a log of issues, configuration problems, and software malfunctions identified during testing
Issue Resolution	CST will work collaboratively to resolve all such issues, problems and malfunctions to the customer’s satisfaction
Acceptance Testing	System Administrator will perform acceptance testing to ensure acceptance criteria items have been addressed, and certify Finance Enterprise is ready for “go-live”

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Testing Ends Sign Off	Both parties will acknowledge the completion of testing by signing the Testing Ends document.
Execute Go Live	The Client transitions from their legacy system to the Finance Enterprise system and conducts their normal day-to-day business.
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APPENDIX B: Cloud Services (Cloud Services – Hosted)

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CentralSquare:

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 - 10.60.0.0/16



	CST Cloud Network Settings	Client Settings
Partner Details		
Name	CentralSquare Technologies	
VPN tunnel configuration requirements		
Device Manufacturer/Model		
Firewall/Gateway Address		
Protected Network Address(s)		
IPSec Parameters (IKE Phase 1 Proposal)		
Pre-shared Key		
IKE Negotiation Mode		IKEv2
Encryption		AES-256
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D-H Group		14
Psuedo-random Function (PRF)		SHA1
Lifetime		86400 (24 Hours)
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Perfect Forward Secrecy (PFS) D-H Group		14
ESP Encryption		AES-256
ESP Authentication		SHA-256
Lifetime		28800 (8 Hours)
Contact Information		
Responsible party for tunnel config		
Contact details (Name & Email)		
Further information/comments:		
PSK can be updated after tunnel is established.		



NaviLine Modernization Overview

Public Administration Modernization Landscape

TRADITIONAL DATABASE SUITE



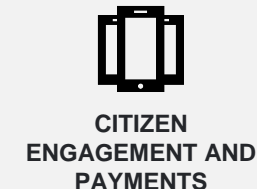
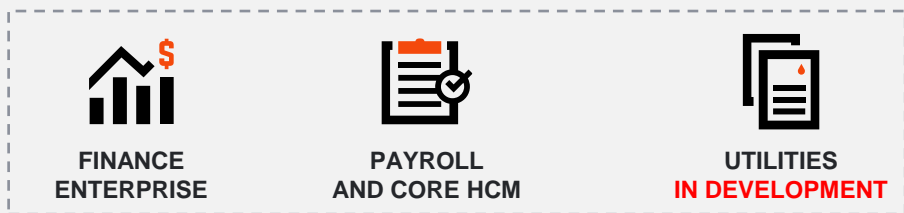
NaviLine

- NaviLine (aka HTE) contains functionality for all the workflows below
- **We see clients modernize modules gradually (e.g., Community Development, then Asset Management, then Finance/HCM and Utilities). Due to this, we support integrations from NaviLine to landing spots below**
- We continue to incrementally improve this product, provide significant support and regulatory updates



PUBLIC ADMINISTRATION CLOUD SUITE

ERP SUITE



- Public sector fund-accounting system. Highly integrated across financial modules and strong workflow to meet needed process
- Integrated Payroll and core HCM provides efficiency w/ finance system
- Partnership with enhanced HCM/Timekeeping systems
- Goal is to provide robust path needed to meet robust NaviLine functionality with cloud-native modern workflows
- Land-based software featuring permitting, licensing, code and other needed workflows for land, parcel, and revenue management
- Comprehensive Asset Management system allowing management of linear, non-linear assets. Strong work management functions and extensibility
- Increasingly important citizen-facing portals that allow connecting back-office apps to citizens
- Allow ease of payment, including through CST
- Cloud-based tax system built upon elements of industry leading legacy systems
- Flexible configuration allows for easier and more timely implementations

• Cloud • Consistent Analytics Platform • Mobile • Emerging Shared Services (Cashiering/GIS and Land) • Integration Layers (API Focus)

Benefits of Upgrading to Finance Enterprise

NAVILINE

- Manual and limited integrations between Payroll and HR for 3rd parties
- **More limited General Ledger organizational options**
- HTML5 interface adapts a Greenscreen backend that can be more difficult to navigate
- Workflows are not well defined
- Lacks dedicated contract module
- Analytics is not embedded in modules
- **No dedicated mobile app or mobile friendly screens for approvals**

VS.

FINANCE ENTERPRISE

- Robust Payroll to HR integration
- **General Ledger is built for any flexibility of Fund Accounting, with a fully integrated bank reconciliation**
- Modern user interface makes configuring and navigating simple and easy
- Enhanced and streamlined workflows
- Enhanced procurement and contract capabilities
- Embedded Analytics module
- **Approvals may be made on any tablet or phone with internet access**

Benefits of Upgrading to Enterprise Asset Management

NAVILINE

- Graphing functionality in HTML5 but no predefined dashboards or landing pages
- **No mapping synchronicity available – GIS is managed separately from assets**
- **ESRI maps of assets exist outside the application which impacts efficiency**
- Basic pulling of records with minimal filter and subset functionality
- Initial import of customer data through conversion but no continuous updates
- **Limited Facilities functionality on mobile product – HTML5 not designed for mobile experience**

VS.

ENTERPRISE ASSET MANAGEMENT

- Highly customizable dashboards with interfaces that can be edited
- **Two-way synchronicity with ESRI GIS maintains infrastructure assets across both systems in real time**
- **ESRI maps embedded in application for in-map interaction with various records**
- Robust filter functionality for more sophisticated pulling of records
- Import and update your own data
- **Easy to use mobile with offline functionality**

Benefits of Upgrading to Community Development

NAVILINE

- **Can require navigating multiple screens to accomplish a task (e.g., permitting)**
- Adding GIS mapping requires using 3rd party software
- Limited search and inquiring capabilities for accessing critical data
- Citizen facing portal does not support attachments in all community modules
- **Lacks Single Sign On functionality**
- Mobile solution available but does not have offline functionality

VS.

COMMUNITY DEVELOPMENT

- **Single browser-based user interface with no jumping around multiple screens**
- Standard ESRI Integrated GIS viewer requiring no additional 3rd party software
- Advanced searching and inquiry capabilities allowing netter access to critical data
- Citizen facing web portal supports attachments in all modules
- **Accessible anywhere with cloud-based single sign on**
- Mobile solution with offline functionality



ERP Modernization

Modernization of Naviline to Finance ERP

All current modules to be upgraded

- Finance Enterprise
- Payroll
- Enterprise Asset Management

Additional items included in upgrade we don't currently have:

- Grant management
- Contract management
- Purchasing/ Encumbrances
- Receivables management
- Custom integrated dashboards for reporting
- Streamlined workflows and approvals including Accounts Payable
- Access via tablet or phone
- Integrates 2 way with NeoGov

Finance ERP



Cost

Subscription and Implementation Costs

- 1st year upgrade costs
 - Subscription \$100,000
 - Implementation/Conversion \$250,000
- Annual costs
 - \$100,000 subscription (increases 5% annually, 5 year commitment)
- Any payments we've made towards current Naviline subscription for the year would be credited towards the initial costs



Technology Considerations

System migration from on-premise to cloud hosted solution

- Supported within technology strategy.
- Reduces on-premise data center resource requirements including backup and DR (Disaster Recovery) resource needs.
 - Vendor includes managed co-location NV and NJ failover DR solution.
 - Backups are stored for 1-year, additional retention options are available.

Enhanced Authentication and Security

- Application supports modern authentication methods.
 - Biometric authentication via Okta SSO (Single Sign On) is supported.



AGENDA ITEM REQUEST



Date:

December 3, 2024

Meeting date desired:

December 11, 2024

Subject:

2025 Update to County's Airport Hangar Lease Policy

Background and policy implications:

The County implemented a lease policy for non-commercial aeronautical activities in 2023, the last version in November of 2023. Attached are proposed updates to provide clarity regarding hangar transfers and improve the County's ability to respond to tenants that are not in compliance with our policy and FAA sponsor assurances.

Budget/fiscal impacts:

N/A

Requested by:

*John Eisler; Asst. County Counsel
John.Eisler@CrookCountyOR.gov
541-416-3919*

Presenters:

*John Eisler
Kelly Coffelt*

Legal review (only if requested):

Legal drafted

Elected official sponsor (if applicable):

N/A

PRINEVILLE **CROOK COUNTY AIRPORT**



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

January 2025

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Lease Policy

for Non-Commercial Aeronautical Activities

1. GENERAL

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

This Lease Policy for Non-Commercial Aeronautical Activities (the “Lease Policy” or “Policy”) is designed to establish a standardized, efficient, and fair system to govern the leasing of Airport property for non-commercial aeronautical activities. All non-commercial lessees at the Airport will be subject to this Lease Policy and the Policy will be updated at the discretion of the Crook County Board of Commissioners as conditions warrant.

2. LEASES (GENERAL)

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

2.01. Non-Commercial Leases

The following non-commercial aeronautical uses are permitted:

- Storage of aircraft;
- Shelter for maintenance, repair, or refurbishment of aircraft, but not the indefinite storage of non-operational aircraft, e.g. documentation and/or progress reports may be required by the County to establish a definitive timeline to become operational;
- Storage of aircraft handling equipment, e.g., tow bar, glider tow equipment, workbenches, and tools and materials used to service, maintain, repair or outfit aircraft; items related to ancillary or incidental uses that do not affect the hangar’s primary use;
- Storage of materials related to an aeronautical activity, e.g., balloon and skydiving equipment, office equipment, teaching tools, and materials related to ancillary or incidental uses that do not affect the hangar’s primary use;
- Storage of non-aeronautical items that do not interfere with the primary aeronautical purpose of the hangar, e.g., furniture or televisions;
- Construction of amateur-built or kit-built aircraft, provided that activities are conducted safely; and

- Storage of a vehicle parked at the hangar while the aircraft usually stored in that hangar is flying, subject to Airport rules and regulations as currently in effect or may hereinafter be implemented.

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

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

2.02. Leased Premises

The Leased Premises encompasses the area in which a lessee will have a property interest. Typically, the Leased Premises is the footprint of a present or planned hangar but will also include any portion of the Airport in which a lessee wishes to have exclusive use and control. A survey is required to establish the precise dimensions of the Leased Premises.

2.03. Condition of Leased Premises

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

2.04. Lease Term and Extensions

All Airport leases must terminate prior to the end of the useful life of any improvements. The County offers a 20-year fixed term for leases that involve the construction of new hangars and those hangars that have recently undergone major enhancements repairs or can otherwise establish through an inspection—to the written satisfaction of the Manager—an expected useful life of

greater than 30 years. Lessees are also offered up to two 10-year extension options, which may be exercised following a commercial property condition assessment inspection prior to each option period showing a useful life of at least 15 years for the structure. At the County's sole discretion, following either the end of a term or an extension, should the County deem the Leased Premises not important for existing uses or future goals at the Airport, Lessee may be offered the option to enter into a new standard lease, subject to an inspection demonstrating a useful life of greater than 30 years.

3. CONSTRUCTION AND IMPROVEMENTS

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

3.01. Mandatory Improvements

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

3.02. Survey

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

3.03. Authorization for Discretionary Improvements

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

3.04. Process for Approval of Plans

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

3.05. Title to Improvements

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

3.06. County Cooperation

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

4. UTILITIES AND MAINTENANCE

4.01. Utilities

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

4.02. Maintenance and Repairs by Lessee

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

employees, contractors, subcontractors, licensees or invitees, and lessees agree to fully repair or otherwise cure all such damages at their sole cost and expense.

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

4.03. Access

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

4.04. Inspections and Repairs

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

4.05. County May Perform Required Repairs

During any inspection, the County may perform any obligations that County is authorized or required to perform under the terms of the Lease or pursuant to its governmental duties under federal, state, or local laws, rules, or regulations. In this event, the lessee will reimburse the County for the cost of the maintenance or repairs, and such reimbursement will be due upon receipt of the County's billing.

5. RIGHTS AND RESERVED POWERS OF COUNTY

5.01. Hazards

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

5.02. Development

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

5.03. Sponsor Assurances

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

5.04. Easements

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

5.05. Relocation of a Hangar and Leased Premises

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

6. SUB-LEASING AND TRANSFERS

6.01. Limitations on Transfers

Except as permitted in this section, lessees must not, voluntarily or by operation of law, sell or transfer the Lease or any interest therein, sublet the Leased Premises or any part thereof, or grant any right to use the Leased Premises, the improvements, or any respective part thereof (each a "Transfer") without the prior written consent of the County, which must not be unreasonably withheld. Any attempted Transfer without such prior written consent will be void. County's consent to a Transfer will in no event release lessee, any assignee, sublessee, or any guarantor from their

respective liabilities or obligations under the Lease or any guaranty of the Lease (including any liabilities or obligations arising during the Extended Term), nor relieve the lessee from the requirement of obtaining the County's prior written consent to any further Transfer. The County's acceptance of Rent from any other person will not be deemed to be a waiver by the County of any provision of the Lease or consent to any Transfer. The failure or refusal of the County to approve a requested Transfer shall not relieve the lessee of its obligations hereunder, including payment of Rent.

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

6.02. Assignments Prohibited

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

6.03. Subletting

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

- (a) The sublease will incorporate the terms, conditions, and covenants set forth in, and state that it is subject and subordinate to, the Lease, this Lease Policy, and to any extensions, modifications, or amendments of the Lease;
- (b) That rents due under the sublease (i) have been assigned to the County (and the lessee hereby assigns the rents to the County), to support performance of the lessee's covenants under the Lease, which assignment will be effective only on the occurrence of any event of default by the lessee under the Lease; and (ii) will, on receipt of written notification from the County that an event of default has occurred under the Lease, be paid by the subtenant directly to the County, subject to section 7 of this Lease Policy, until the subtenant receives written notice from the County that the lessee has cured the event of default or is in the process of curing the event of default in a manner reasonably satisfactory to the County;

(c) If any act or omission of the lessee would give a subtenant the right, immediately or after lapse of a period of time, to cancel or terminate the sublease, or to claim a partial or total eviction, subtenant will not exercise that right: (i) until it has given written notice of the act or omission to the County; and (ii) until a reasonable period of time for the County to cure the condition has passed.

7. ENCUMBRANCES AND LEASEHOLD MORTGAGES

7.01. Liens Granted to County

By statute, the County has a lien against the Improvements, aircraft, and all personal property that lessees store in the hangar, except as provided in ORS 87.156 and 90.120 and other than wearing apparel. This lien attaches upon delinquency and exists and continues for all unpaid amounts that a lessee may owe the County, from time to time, and the County's assertion of the lien does not relieve a lessee from the obligation to pay the annual rent as provided in the Lease. In the event a lessee does not fully and immediately discharge all delinquent unpaid amounts, the County has the right to take and recover possession of the Improvements and satisfy its lien in accordance with Oregon law. The County may also take and recover possession of the stored aircraft and personal property, without notice or other action, exercise its lien against the same, and have and recover all costs and expenses including attorney's fees in connection with the repossession of said hangar, Improvements, aircraft, or personal property and assertion of the lien.

7.02. Defined Terms for Leasehold Mortgages

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

7.03. Right to Mortgage Leasehold

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

7.04. Lender Protections

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

7.04.01. No Modifications or Terminations

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

7.04.02. Notice to Permitted Leasehold Mortgages

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

7.04.03. Right to Cure

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

7.04.04. Right to a New Lease

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

- a. The holder will request the new lease within 30 days after the date of termination of the Lease;
- b. The holder will pay to the County at the time of execution and delivery of the new lease all sums as to which the First Leasehold Mortgagee will have been provided with prior notice

and which would at the time of execution and delivery thereof be due under the Lease had it not terminated, together with any expenses, including reasonable attorney fees, to which the County will have been entitled to by reason of the default;

- c. The County will not warrant possession of the Premises to the lessee under the new lease;
- d. The new lease will be expressly made subject to the rights, if any, of lessee under the terminated Lease; and
- e. The tenant under the new lease will have the same right, title, and interest in and to the Premises as the lessee had under the original Lease (except as otherwise provided herein).

7.04.05. Bankruptcy of Lessee

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

7.04.06. Insurance Policies

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

8. TERMINATION AND OWNERSHIP OF IMPROVEMENTS

8.01. Selling the Improvements during the Term of the Lease

A lessee wishing to sell the Improvements during the Term of a Lease must notify the County of its intent to do so. With County approval, the current lessee will typically be given a penalty-free termination of the Lease and a new lease with the buyer of the Improvements will be executed with the same Term ending date as the existing Lease. If an inspection is performed demonstrating a useful life of the improvements of greater than 30 years, the buyer will be offered the County’s standard 20-year lease as described in section 2.04 above.

8.02. Ownership of Improvements at the End of the Lease

A lessee’s right to enter upon the Leased Premises expires on the final day of the Term. Before such expiration of the Term, lessees will, at their cost and expense: (a) perform all property, hangar, and leasehold improvement maintenance and repairs for which the lessee is obligated under the Lease; (b) remove any personal property and improvements, including without limitation a hangar, all aircraft, vehicles, furnishings and furniture, equipment and tools, trade fixtures, and waste and debris and (c) surrender the Leased Premises, hangar, and leasehold improvements to the County in good condition and free of waste and debris at lessee’s expense. With the consent of the County, at the termination of a Lease’s term, lessees may transfer ownership of a hangar, leasehold improvements, and alterations on the Leased Premises to the County, at no cost to the County. Said transfer must be free from all claims, rights, encumbrances, and interests of the lessee or a third party without the need for a conveyance document, unless requested by the County.

8.03. No Holdover Period

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

9. FAA REQUIRED PROVISIONS

9.01. Non-Discrimination

All Leases will contain language substantially similar to the following:

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

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

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

9.02. Subordination

The County may not take or permit any action which would operate to deprive the Airport of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances to the Airport's grant agreements with the FAA. As such, every Airport Lease will reserve all necessary powers in favor of Crook County and subordinate lessee's leasehold interest to the provisions of any

existing or future agreement between the County and the United States Government, which relates to the operation or maintenance of the Airport and is required as a condition for the expenditure of federal funds for the development, maintenance or repair of Airport infrastructure. Additionally, during any war or national emergency, the County shall have the right to lease any part of the Airport, including its landing area, to the United States Government. In this event, any provisions of a Lease which are inconsistent with the provisions of the lease to the Government shall be suspended. The County shall not be liable for any loss or damages alleged by a lessee as a result of this action. However, nothing in the Lease shall prevent a lessee from pursuing any rights it may have for reimbursement from the United States Government.

9.03. Aviation Easement

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

9.04. Indemnification

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

Lessees covenant and agree to, and do to the extent allowed by law, without waiving any defenses provided by law, hereby indemnify, hold harmless, and defend the County, City of Prineville and Airport Manager, their officers, agents, servants, and employees from and against any and all claims or lawsuits for either property damage or loss and/or personal injury, including death, to any and all persons, of any kind or character, whether real or asserted, arising out of or in connection with lessee's use of the Airport under the Lease or with the use, leasing, maintenance, occupancy, existence, or location of the Leased Premises, except to the extent caused by the gross negligence or willful misconduct of the County or Manager, its officers, agents, servants, or employees.

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

misconduct of County, City of Prineville and Airport Manager, their officers, agents, servants, or employees.

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

10. RENTALS, RATES, FEES, AND CHARGES

10.01. Rent

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

10.01.01. Initial Rent

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

10.01.02. Impact Area

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

10.01.03. Maintenance Fee

The County, in its sole discretion and at any time, reserves the right to institute a Maintenance Fee or other operational charges in addition to Rent. The fee will be based on the Airport's reasonable and necessary expenses for safe and proper maintenance of the Airport common areas. There is currently no such fee.

10.01.04. Rental Increase for Non-Compliance

In addition to any other remedy at law or in equity, if a lessee is determined to be out of compliance with any terms of the Lease or this Policy, the County reserves the right to immediately increase the Rent charged to the fair market rent of general storage space in the community.

10.02. Adjustment of Rent

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

- **Annual Adjustment:** For the duration of the Term, before each annual due date for Rent except for those years subject to an Appraisal Adjustment, the County will adjust the rent in the same percentage as the increase, if any, in the Consumer Price Index (the “Index”) published by the United States Department of Labor, Bureau of Labor Statistics. The increase will be computed by comparing the schedule entitled “U.S. City Average, All Items, All Urban Consumers, 1982–84=100” for the month of October in the year of the Commencement Date or the prior year’s Rent, as applicable, and October’s figures for the current year of the Adjustment Date. All comparisons will be made using Index figures derived from the same base period. If the Index cited above is revised or discontinued during the Term, then the Index that is designated to replace it by BOMA Oregon will be used.
- **Appraisal Adjustment:** At five-year intervals, the next 2025, the County will procure an Appraisal Report, consistent with Title XI of the Financial Institutions Reform, Recover, and Enforcement Act of 1989 (FIRREA) and the Uniform Standards of Professional Appraisal Practice (USPAP) to ascertain Fair Market Rent for all leased space at the Airport, which will form the basis for the adjustment of Rent in that fiscal year.

10.03. Taxes and Assessments

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

11. INSURANCE

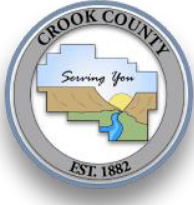
Lessees shall be responsible for any and all property damage insurance for each lessee’s hangar, aircraft, and other property on the Leased Premises. Additionally, lessees, at their sole cost and expense, shall procure and maintain at all times, in full force and effect during the Term of the Lease, a policy or policies of insurance, naming Crook County and the City of Prineville as additional insureds and covering all risks arising directly or indirectly out of the lessee’s activities at the Leased Premises, including but not limited to (1) coverage for hangar premises liability of others; (2) aircraft liability; and (3) if the lessee or any occupant of the Leased Premises has property of others, including aircraft, in their care, custody, or control then they shall maintain hangar keeper’s liability coverage with limits adequate to cover the potential damage. The limits for all such policies shall exceed the minimum of the current statutory limits of liability for the County under the Oregon Tort Claims Act, which as of June 2023 are \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Evidence of the required insurance coverages issued by an insurance company satisfactory to the County shall be provided to the County by way of a County-approved certificate of insurance upon execution of a Lease and each time Rent is due. The certificate of insurance shall contain a

requirement that the insurance company notify the County 30 days prior to any cancellation or material change in coverage. If the approved insurance company will not provide this 30-day notice, a lessee shall provide written notice to the County within two calendar days after the lessee becomes aware that its coverage has been cancelled or has been materially changed. Regardless of what circumstances caused the lessee's insurance coverage to cease or be modified, it is the lessee's responsibility to notify the County.

12. HAZARDOUS SUBSTANCES

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

AGENDA ITEM REQUEST



Date:

December 4, 2024

Meeting date desired:

December 11, 2024

Subject:

CDD Monthly Update – November Report

Background and policy implications:

Update on Department services, including permit and application activity.

Budget/fiscal impacts:

N/A

Requested by:

Katrina Weitman

Katrina.weitman@crookcountyor.gov | 541.447.3211

Presenters:

Randy Davis

Katrina Weitman

Legal review (only if requested):

n/A

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: Katrina Weitman, Operations Manager
Randy Davis, Building Official

DATE: December 4, 2024

SUBJECT: Community Development Activity Update – November 2024

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

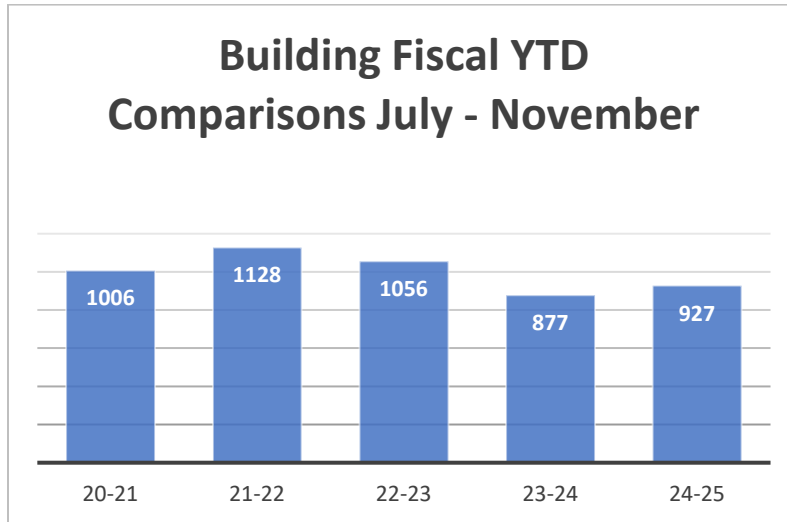
Building:

Permits issued summary (November):

Permit Type	Number of Permits
New Residential Dwellings (Site Built or Manufactured)	11
Commercial (plumbing, electrical, structural, etc.)	29
Residential Permits (plumbing, electrical, mechanical etc.)	89
Residential Structural (shops, etc.)	8
Other (e.g. demo)	1
TOTAL	138

Comparisons:

Time Frame	Permits
November 2024	138
November 2023	135
YTD 2024	1896
YTD 2023	1933
Fiscal YTD 2024-25	927
Fiscal YTD Comparison 2023-24	877



Active Permits:

Permit Type	Amount Still Active as of end of November
Dwellings (Site Built or Manufactured)	190
Other Residential Permits	741
Commercial Permits	230

Daily Inspections:

Inspection Type	Amount this month
Residential	681
Commercial	106
All	787

Larger Projects Under Construction:

Apple Data Center
Area H & I of Prineville Campus
PRN1 Retrofit
F-5 Smokehouse
Humane Society – Dog Wing Addition
Thoroughbred Carwash
Chamber of Commerce
Rooster Restaurant/Bar
Convenience Store
Crook Co Fire & Rescue Annex
Church/Community Center – Madras Hwy
Brasada Ranch Facility Service Building

Larger Projects Under Review or Incoming:

Cessna Dr – Data Mining Facility, Bit Coin
Reserve at Ochoco Creek - Apartments

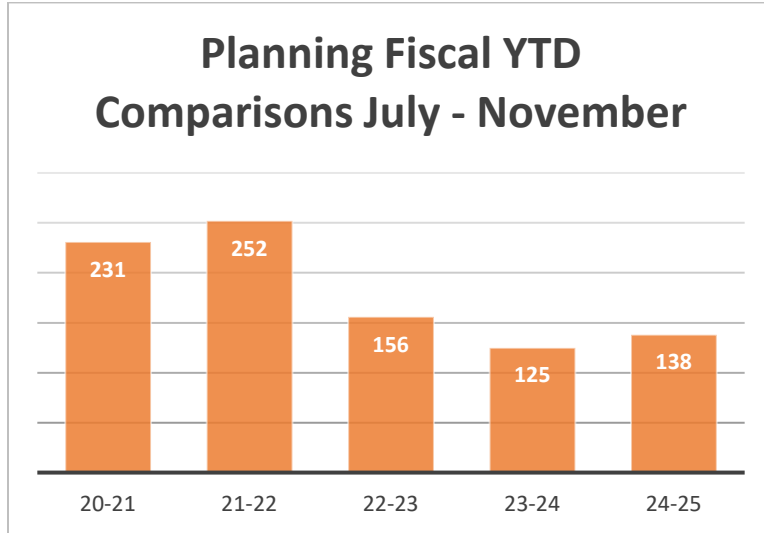
Planning:

Applications received:

Application Type	# of Applications (November 2024)	YTD
Appeals	0	1
Variance	0	4
Site Plan Review	7	179
Land Partition	1	10
Combine/Un-Combine Lots	0	1
Road Approach	0	18
Boundary Line Adjustment	0	12
Destination Resort	0	1
Conditional Use	2	17
Miscellaneous (Temporary Hardship Two-year renewals)	4	45
Sign	0	1
Extension	0	1
Subdivision	0	1
Amendment	0	4
Road Name/Rename	0	2
Vested Right	0	0
TOTAL	14	297

Comparisons:

Time Frame	Permits
November 2024	14
November 2023	23
YTD 2024	297
YTD 2023	339
Fiscal YTD 2024-25	138
Fiscal YTD Comparison 2023-24	125



Notable Land Use Applications:

Request	Status
Raasch (Moffatt Rd Solar Farm LLC) – Commercial Solar Facility	App Submitted – In Review

Notable City Land Use Applications:

Request	Status

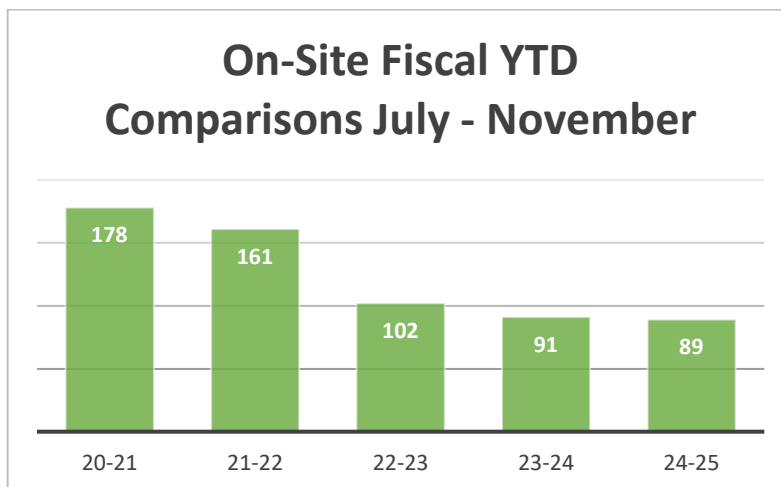
On-Site:

Applications (November):

Application Type	Number of Applications
Residential Authorization	0
Commercial Authorization	1
Construction Permit (Residential)	4
Construction Permit (Commercial)	0
Repair (Major) - Residential	0
Repair (Minor) - Residential	4
Repair (Major) – Commercial	0
Repair (Minor) - Commercial	0
Residential Site Evaluation	1
Commercial Site Evaluation	0
Alteration (Minor) – Residential	0
Alteration (Major) – Residential	0
Alteration (Minor) - Commercial	0
TOTAL	10

Comparisons:

Time Frame	Permits
November 2024	10
November 2023	16
YTD 2024	187
YTD 2023	194
Fiscal YTD 2024-25	89
Fiscal YTD Comparison 2023-24	91



Code Compliance:

Case Load (Total violations from open cases):

Year	Building	Land Use	Waste	Septic
YTD 2024	34	32	11	11

Activity:

Opened in November: 4
Closed in November: 2