



BURNS CITY COUNCIL MEETING

Wednesday, May 13, 2026, at 6:00 p.m.

**Burns City Hall
242 S. Broadway
Burns, Oregon 97720**

Mayor Brad Erbe
Council President Jennifer Hoke
Councilor Susan Lowe Councilor Chase Patterson
Councilor Andrew Roy Councilor Tod Gahley

COUNCILORS AND CITIZENS ARE WELCOME AND ENCOURAGED TO JOIN THE REGULAR COUNCIL VIA ZOOM.

Members of the public and media wishing to address the council during any public comment period will be able to join the webinar as an “attendee.” Attendees will be able to view the Webinar on a desktop, laptop or mobile device such as a smartphone or iPad by using the following link: <https://uso2web.zoom.us/j/9020143459> Meeting ID: 902 014 3459

- I. Call to Order
- II. Pledge of Allegiance
- III. Establish Quorum (*Roll Call*)
- IV. Public Comments

Members of the public desiring to address the Mayor and Council shall first be recognized by the Presiding Officer and then state their name and address for the record. Unless otherwise designated by the presiding officer, each person shall have up to three minutes to present their comments. City Councilors normally should not directly respond to a public comment during the public comment period. Councilor comments should be held until the Councilor comment period.

- V. Agenda Approval and Added Agenda Items (*Discussion/Action*)

Any matters added to the agenda at this time will be discussed during the “New Business” portion of this Agenda or such other time selected by the council.

- VI. Consent Agenda (*Discussion/Action*)

Information concerning matters listed on the Consent Agenda has been distributed to each member of the council for reading and studying, is routine, and will be enacted or approved by one motion of the council without separate discussion. If a separate discussion is desired concerning a



particular matter listed in the Consent Agenda, that matter may be removed from the Consent Agenda and placed on the regular agenda at the request of any council member.

Regular City Council Meeting April 8, 2026

- VII. Department Head Report – Public Works Director Ty Richardson
- VIII. New Business –
 - 1. Donation Request – Burns High School Class of 2026 Project Graduation
 - 2. Critical Oregon Airport Relief Grant Program Agreement for Fuel System Repairs and Upgrades
- IX. Old Business
 - 1. Open Council Seat Letter of Interest – Shane Brockmann (Discussion/Action)
- X. Resolution/Ordinances (Discussion/Action)
 - 1. Resolution No. 26-822 – A Resolution declaring certain city equipment owned by the City of Burns to be surplus property and indicating the intent and method for disposal of such surplus property.
- XI. City Manager Report (*Discussion/Action*)
- XII. Committee Reports (*Discussion*)
 - 1. Cemetery Committee – Councilor Lowe
 - 2. Safety Committee – Councilor Gahley
 - 3. Airport Committee – Councilor Hoke
 - 4. R3 – Councilor Gahley
 - 5. URA –
 - 6. Waterways Committee – Councilor Hoke
- XIII. Councilor Comments (*Discussion/Action*)
- XIV. Adjourn

The Burns City Council meetings are available via Zoom and in accordance with ORS 192.610 to 192.690, these meetings conform to guidelines set forth in public meeting law. In accordance with the Americans with Disabilities Act, this meeting location is accessible to persons with disabilities. This institution is an equal opportunity provider. Discrimination is prohibited by Federal law. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to City Recorder Tiffany Leffler (541) 573-5255 or use the TTY Relay Service at 1-800-735-2900 for appropriate assistance. If a request is made, the city will make a reasonable attempt to honor the request.

Updated Agenda Posted: May 7, 2026, at Burns City Hall, Burns Post Office, Harney County Courthouse, City of Burns Website, and City of Burns Facebook Page.

BURNS CITY COUNCIL

April 8, 2026

The Burns City Council met in regular session on April 8, 2026, at 6:00 p.m. Members present were as follows:

Mayor: Brad Erbe
Councilor President: Jen Hoke - Excused
Councilors: Susan Lowe - Excused
Chase Patterson
Andrew Roy
Tod Gahley

Also, in attendance were City Manager Brenda Engebretson, Public Works Director Ty Richardson, and City Clerk Tiffany Leffler.

SUMMARY

The Burns City Council meeting on April 8, 2026, focused on procedural updates and public comments. Ryan Curtis raised concerns about difficulties in starting a new business in Burns, specifically regarding the business license application process and requirements as well as the planning process. The council approved several agenda items including road closure permits for Harney Nights and the Skull Gravel Grinder event, construction contracts for water system and paving projects, and a resolution accepting revenue from City County Insurance Services.

AGENDA APPROVAL AND ADDED ITEMS

Mayor Erbe postponed the event permit for the City of Burns Police Chief Robby Tiller to the next meeting. He also added comments from the Mayor to item #1 under new business as well as added an event permit for the Skull Grinder to the Harney County Chamber update and event permit for Harney Nights to new business.

Councilor Patterson made a motion to approve the agenda with changes. Councilor Gahley seconded the motion. All Ayes. (4/0)

CONSENT AGENDA

Regular City Council Meeting Minutes - March 25, 2026 –

Councilor Gahley made a motion to approve the consent agenda. Councilor Patterson seconded the motion. All Ayes. (4/0)

NEW BUSINESS

1. **Comments from Mayor Erbe** – Mayor Erbe addressed a recall petition being promoted by Kim Rollins, defending his actions regarding towing company rotations and denying claims about seeking special privileges for his business. He said it contained false information about him requesting to be the sole towing provider for the City of Burns. He stated that he only suggested the city could have its own towing rotation independent of the county sheriff's department, not that Sam's Service should be the sole provider. He also defended the council's meeting practices though they may not always follow Robert's Rules of Order and clarified misconceptions about their roles, particularly regarding the mayor's limited authority outside of council meetings.

2. **Harney County Chamber Update and Event Permit for Harney Nights and Skull Gravel Grinder** – Chamber Director, Jessica Hedges, provided updates on upcoming events and Chamber activities. She announced Community Bike Night, which will feature a bike rodeo, free helmets, bike repairs, and first responder vehicles. She also mentioned the 76th annual Chamber Awards Banquet and the new "Shop Harney" gift card promotion. Additionally, she highlighted new acquisitions for events, including a PA system and event signage to improve safety and awareness. The conversation ended with appreciation for Jessica's ongoing work with the Chamber.

The council discussed two event permits. They approved a road closure application for Harney Nights event on April 16th, which will shut down East A Street between Arrowhead Plaza and U.S. Bank, with coordination made to ensure U.S. Bank's drive-thru remains accessible. They also approved an event application for the Skull Gravel Grinder, including overnight camping permission at Babe Ruth Field, with the event using Triangle Park as the starting and ending point. Both approvals were unanimous with 4-0 votes.

Councilor Patterson made a motion to approve Harney nights with the road closure for East A Street between Arrowhead Plaza and US Bank. Councilor Roy seconded. All Ayes. (4/0)

Councilor Patterson made a motion to approve the Skull Gravel Grinder and overnight camping permit for the Babe Ruth field. Councilor Gahley seconded the motion. All Ayes. (4/0)

3. **Construction Services Contract with Steele Earthworks, LLC for Water System Improvement Project** – Councilor Gailey raised a concern about defining "the city" in the contract, specifically regarding city approval of overages, and requested this be clarified in the legal review process.

Councilor Patterson made a motion to approve the construction services contract with Steele Earthworks, LLC for the Water System Improvement project subject to final city attorney legal revisions and internal review. Councilor Roy seconded the motion. All Ayes. (4/0)

4. **Construction Services Contract with Hueckman Contracting, LLC for Kearney Avenue Project** - Councilor Gailey raised a concern about defining "the city" in the contract, specifically regarding city approval of overages, and requested this be clarified in the legal review process.

Councilor Patterson made a motion to approve the construction services contract with Hueckman Contracting LLC for the Kearney Avenue Project subject to further internal review and revisions and should only be approved by the council subject to city attorney review and revisions. Councilor Roy seconded the motion. All Ayes. (4/0)

5. **Event Permit for City of Burns Police Chief Robby Tiller** - Postponed to the April 22, 2026 meeting.

OLD BUSINESS

1. **Open Council Seat Letters of Interest** - The council discussed the process of reviewing letters of interest for an open council position, with Shane Brockmann being the first and only person during the meeting to present his interest. They informed everyone that they would not be making a decision that evening and would decide whether to move forward at the April 22, 2026 meeting.

Shane Brockmann introduced himself as a Navy veteran (five and a half years of service) and recent resident (over one year) of the City of Burns. He was seeking to become more involved in the community. He informed the council that he had moved to Burns from Kansas and had really fallen in love with the community. He loved the way of life out here. He's a self-sustaining type of person, so it was awesome to be somewhere where that was possible to do as well as encouraged. He felt like he was led to do something more and thought this was a perfect opportunity to become more involved in the community.

RESOLUTIONS/ORDINANCES

1. **Resolution No. 26-821** – A Resolution of the City of Burns, Oregon, accepting certain identified and unanticipated revenues from City Country Insurance Services, in the amount of \$2000.00.

Councilor Patterson made a motion to read Resolution No. 26-821 by title only. Councilor Gahley seconded the motion. All Ayes. (4/o)

Councilor Gahley made a motion to approve Resolution No. 26-821. Councilor Patterson seconded the motion. All Ayes. (4/o)

ADDITIONAL INFORMATION

Ryan Curtis – 31868 Sunset Valley Lane - addressed the City Council regarding difficulties in starting a new business in Burns, specifically mentioning issues with the business license application process and requirements that were not clearly communicated upfront. He noted that problems with the application process, including FEMA flood zone requirements and paving of the exit way requirements, were only discovered after the business license was issued and a lease had been signed. Ryan recommended improving the process by better communicating requirements and steps to applicants before issuing licenses.

Councilor Patterson asked City Clerk/Planning Clerk Tiffany Leffler if she felt there needed to be improvements or changes to the process.

City Clerk/Planning Clerk Tiffany Leffler said she did not think the process needed to be changed but informed the council that all business licenses would now be run by her before they are approved just to make sure they don't need to have land use approval first. This will ensure that this isn't an issue moving forward. She said it was an honest mistake because not many business licenses have to go through the land use process. She also pointed out that she had spoken with the Curtis's on a few different occasions about starting this exact business and they were informed and aware of the fact that they needed to have land use approval prior to starting their business.

Councilor Roy and Mayor Erbe pointed out that getting a business license and land use approval were two different things. That just because they are approved for the business license doesn't mean they don't have additional steps that will need to be taken to open the business.

NEXT STEPS

1. City Clerk Tiffany Leffler: Ensure all business license applications come to her for review before approval, especially those requiring planning approval, to prevent issues like those experienced by the Curtis's.

2. City Manager Brenda Engebretson: Continue uploading required documents (including minutes) to Dropbox for the auditors and coordinate with the auditor to complete the audit process.
3. Police Chief Robby Tiller: Bring suggestions for changes to the parking and nuisance ordinances to the Safety Committee and, following discussion, present recommendations to the Council for approval.
4. Councilor Gailey: Investigate differences in business licensing/land use application processes between Burns and Hines and consider bringing suggestions to the city for process improvement.
5. Council: Review Shane Buckmann's letter of interest for the open City Council position at the next meeting and potentially make a motion to fill the position.

ADJOURN

Mayor Erbe adjourned the meeting at 7:09 p.m.

Tiffany Leffler, City Clerk

Brad Erbe, Mayor

CLASS OF 2026
Project Graduation
PO Box 28
Burns, OR 97720



Dear Burns Hilander Supporter:

Since 1958, parents of graduating seniors from Burns High School have been hosting a senior graduation party. This tradition started to keep graduates safe by offering them a supervised, drug-and-alcohol-free celebration. The party includes games, activities, prizes, food, music and memories to cherish as a class.

The class of 2026 is looking for sponsors for this celebration. Parents are making commitments of time, talent, and treasures (\$). If you would like to participate, we have two options available for contributions:

- A monetary contribution made out to "Project Graduation".
- Merchandise or gift cards. We are looking for items useful to young adults heading out into the world. Items donated in the past include microwaves, mini fridges, other small appliances, laptops, tablets, coolers, linens for college dorm rooms, luggage, tools, camping equipment, dishes, etc.

Your continued support and all you do to make this event such a great success is greatly appreciated. Please send monetary donations to the address above. Contact Tara Thissell (541) 410-9518, Cori Wright (541) 413-2024, or Katie Hill (775) 304-4057 to arrange for items to be picked up. Should you have any questions, please don't hesitate to call or text!

Our nonprofit tax identification number is 80-0031761. If you can contribute, please respond by May 9, 2026. Our team members may contact you for follow-up.

Thank you,

The Senior Class of 2026 & Parent Volunteers

**GRANT AGREEMENT
CRITICAL OREGON AIRPORT RELIEF GRANT PROGRAM AGREEMENT
Burns Municipal Airport
Project Name: Fuel System Repairs and Upgrades**

THIS AGREEMENT is made and entered into by and between the **State of Oregon**, acting by and through its Department of Aviation, ("ODAV"), and City of Burns, a public entity acting by and through its elected officials, ("Recipient"), (ODAV and Recipient, collectively the "Parties").

BACKGROUND

A. The State of Oregon has established the Aviation System Action Program (the "Program") pursuant to ORS 319.023(5).

B. Among the purposes of the Program are:

- a.. Assisting airports in Oregon with match requirements for Federal Aviation Administration (FAA) grants;
- b. Making grants for emergency preparedness and infrastructure projects in accordance with the Oregon Resilience Plan or the Oregon Aviation Plan; and
- c. Making grants for services critical or essential to aviation; aviation-related economic development; and airport development for local economic development.

C. Recipient applied for a grant through the Program to undertake the project described in Exhibit A, attached and incorporated by this reference (the "Project"). The Project will benefit the **Burns Municipal Airport** (the "Airport").

D. ODAV approved a grant in the maximum amount of **\$133,965.00** and is willing to provide the grant to Recipient for the Project on the terms and conditions of this Agreement.

TERMS OF AGREEMENT

1. Effective Date. This Agreement shall become effective on the date that it is fully executed and approved as required by applicable law (the "Effective Date"). Unless otherwise terminated or extended, Grant Funds under this Agreement shall be available for Project costs incurred on or after the Effective Date through the date that is two years after the Effective Date (the "Availability Termination Date"). No Grant funds are available for any expenditure before the Effective Date, with the exception of expenditures associated with Priority 1 FAA grant match projects.

2. Agreement Documents. This Agreement consists of this document and the following documents:

- a. Exhibit A: Project Description, Milestones, Schedule, and Budget**
- b. Exhibit B: Subagreement Insurance Requirements**
- c. Exhibit C: Recipient Insurance Requirements**

Exhibits A, B, and C are incorporated by reference into this Agreement and are attached hereto. In the event of a conflict between two or more of the documents comprising this Agreement, the language in the document with the highest precedence shall control. The precedence of each of the documents comprising this Agreement is as follows, listed from highest precedence to lowest precedence: This Agreement without Exhibits; Exhibit A; Exhibit B; Exhibit C.

3. Project Cost; Grant Funds; Match; Reimbursement Rate.

- a. Project Cost:** The total Project cost is estimated at **\$148,850.00** (the "Total Project Cost").
- b. Grant Funds; Match:** ODAV shall provide grant funds to Recipient in an amount not to exceed **\$133,965.00** or **90%** of the Total Project Cost, whichever is less (the "Grant Funds"). Recipient shall be responsible for providing matching funds in the amount of **\$14,885.00** or **10%** of the Total Project Cost, whichever is greater, as reflected in Exhibit A, Table 2 (Funding Breakdown).
- c. Reimbursement Rate:** ODAV shall reimburse Recipient for **90%** of the amount of Eligible Costs, provided that in no event shall the total amount reimbursed exceed the sum of **\$133,965.00**. ODAV will withhold five percent (5%) from each disbursement as Retainage (the "Retainage"), which is payable as provided in Section 9.c.

4. Project Implementation and Completion. Recipient shall implement and complete the Project in accordance with the plans and specifications and all documents or plans included in Exhibit A, incorporated herein, as they may be revised or modified with the approval of ODAV. In accordance with the provisions of Section 6, Recipient shall notify ODAV in writing of all changes in the project activities prior to performing any changes and shall not perform any changes without written prior approval from ODAV.

5. Grant Funds.

- a. Use of Grant Funds; Grant Award; No Exclusive Right.** The Grant Funds shall be used solely for the Project described in Exhibit A and shall not be used for any other purpose. No Grant Funds will be disbursed for any changes to the Project unless ODAV approves such changes pursuant to the Project Change Procedures in Section 6 or pursuant to the Amendment provisions of Section 15.c.

- i. Recipient agrees to substantially initiate the Project within six (6) months of the Effective Date.
- ii. In accepting the Grant Funds, Recipient, its contractors, lessees, and their successors and assigns covenant not to sell, transfer, or convey any exclusive right to use the Airport, its improvements or its services at any time during the 20 year-period following the Effective Date.

b. Eligible Project Costs. The Grant Funds may only be used for Recipient's actual Project costs to the extent those costs are (a) reasonable, necessary and directly used for the Project; (b) permitted by generally accepted accounting principles established by the Governmental Accounting Standards Board, as reasonably interpreted by ODAV, to be capitalized to an asset that is part of the Project; and (c) eligible or permitted uses of the Grant Funds under State of Oregon law and this Agreement("Eligible Project Costs"). Any payment of principal due under any interim financing agreement associated with or executed for the Project will be deemed an Eligible Project Cost only if ODAV (i) specifically determines the costs are reasonable, necessary, and directly used for the Project as provided by this subsection; and (ii) provides the Agency's prior written consent before any claim of reimbursement is submitted.

c. Ineligible Project Costs. The Grant Funds may not be used for any operating or working capital expenditures that Recipient charges to the Project; or for any maintenance costs of the Project; or for any payments made to related parties (as described in Section 13.b. or as prohibited under Section 13.c.) or for any loans or grants to be made to third parties, except as provided in Section 5.b.

d. Request for Reimbursements. ODAV will disburse Grant Funds to the Recipient on an expense reimbursement or cost-incurred basis. To obtain reimbursement for Eligible Project Costs, Recipient shall submit to ODAV's Program Coordinators no more frequently than monthly a Request for Reimbursement (Form 109-007), the form of which is incorporated by reference, together with (i) the Milestone Progress Report for that month as required by Section 8.a. and (ii) invoices and other supporting documentation that ODAV may request in its reasonable discretion. In no case will ODAV reimburse a Request for Reimbursement that is not accompanied with the Milestone Progress Report required by Section 8.a. Requests for Reimbursement should be submitted with the monthly report unless no additional reimbursable costs have been incurred. The grant may be placed in inactive status if Requests for Reimbursement are not submitted as required by Section 5.d, which may affect future grant offers.

Period of Performance. Period of Performance shall start on the Effective Date of the grant agreement. The Period of Performance is 4 years (1,460 calendar days) from the Effective Date. The completion of the Period of Performance shall not affect, relieve, or reduce Recipient obligations and assurances that extend beyond the closeout of this Grant Agreement.

6. Closeout. ODAV will close out the grant 60 days from the completion of the Period of Performance. Within 90 days from the completion of the Period of Performance, the Recipient must submit to ODAV all grant closeout documentation showing that the Project has been completed according to the requirements of the COAR program. Closeout documentation may include, but is not limited to, the final report in Section 8, other reporting, projects photos, copy of documents created as a result of the project (ie design or study), and documents required by the FAA if the grant is a Priority 1 COAR grant. If the Recipient does not submit all required closeout documentation by the 91st day following the completion of the Period of Performance, or within an extension period granted by ODAV, ODAV will proceed to close out the grant based on the information available to ODAV.

7. Project Amendment Procedures. Project amendments are required to change an approved project's cost, scope, or timeframe. Recipient shall initiate an amendment through ODAV's grant software program.

a. If Recipient anticipates Project milestones will be delayed by more than ninety (90) days from the milestones shown in Exhibit A, Recipient shall initiate an amendment as soon as Recipient becomes aware of any possible delay. The amendment must be submitted prior to the milestone completion date shown in Exhibit A.

b. Recipient shall not proceed with any changes to Project scope or delivery schedule prior to the execution of an amendment to this Agreement. An amendment may be rejected at the discretion of ODAV. ODAV may choose to request review by the State Aviation Board. Changes will not include additional costs or reimbursement requests in excess of the maximum grant award stated in Section 3.

8. Inspection. ODAV may inspect the Project on a periodic basis and at Project completion. ODAV may conduct any or all of its Project inspections by an onsite walkthrough inspection or, in lieu of a walkthrough inspection, by reviewing date-stamped photographs or video or by using other means satisfactory to ODAV in its sole discretion.

9. Reporting.

a. **Milestone Progress Reports.** On or before the 15th of every month until the Project completion date or the Availability Termination Date, whichever is earlier, Recipient shall submit to ODAV's Program Coordinators a completed Milestone Progress Report (Form 109-008), the form of which is incorporated by reference, that reports the Project's progress for the preceding month.

b. **Final Report.** Within ninety (90) days from the Project completion date, Recipient shall submit a written report (the "Final Report") to ODAV's Program Coordinators that includes the following information at the minimum:

- i. The number of jobs created or retained both during construction and after Project completion as a direct result of the Project.
- ii. The number of jobs projected in Recipient's Project application.

- iii. Data on the methodology that measures the Project's success as described in the grant application.

Recipient's obligation to provide this report survives expiration of this Agreement. Recipient shall use Final Report form, which Recipient must also sign.

10. Disbursement and Recovery of Grant.

a. Disbursement Generally. ODAV shall reimburse Eligible Project Costs that Recipient incurs, subject to Section 5, up to the maximum amount of Grant Funds provided in Section 3. Reimbursements shall be made by ODAV within forty-five (45) days of ODAV's approval of a Request for Reimbursement from Recipient.

b. Conditions Precedent to Disbursement. ODAV's obligation to disburse Grant Funds to Recipient is subject to satisfaction, with respect to each disbursement, of each of the following conditions precedent:

- i. ODAV has received funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow ODAV, in the exercise of its reasonable administrative discretion, to make the disbursement.
- ii. Recipient is in compliance with the terms of this Agreement, including without limitation completion of all prerequisites for reimbursement.
- iii. Recipient has provided to ODAV a Request for Reimbursement, together with a Milestone Progress Report, in accordance with Section 5. Recipient must submit its final Request for Reimbursement following completion of the Project and no later than ninety (90) days after the earlier of completion of the Project or the Availability Termination Date. Failure to submit the final Request for Reimbursement within ninety (90) days after the completion of the Project or the Availability Termination Date could result in non-payment.
- iv. Recipient agrees to submit an IRS form W-9 form, and any other required documentation requested by ODAV in order to input Recipient into ODAV's financial system for the disbursement of Grant Funds.
- v. Reimbursements cannot be made after the grant has been closed out.

c. Retainage. ODAV will withhold five percent (5%) from each disbursement for the duration of the Project schedule (the "Retainage"). ODAV will release the cumulative Retainage to Recipient only after ODAV certifies the Project as complete.

d. General Right to withhold Payments. ODAV reserves the right to withhold payment of funds if there are unresolved audit findings, or inadequate information concerning Recipient's Project activities.

e. Recovery of Grant Funds. Any Grant Funds disbursed to Recipient under this Agreement that are expended in violation of one or more of the provisions of this Agreement ("Misexpended Funds") or that remain unexpended on the earlier of the Availability Termination Date or termination of this Agreement must be returned to ODAV. Recipient shall return all Misexpended Funds to ODAV promptly after ODAV's written demand and no later than fifteen (14) days after ODAV's written demand. Recipient shall return all unexpended Grant Funds to ODAV within fourteen (14) days after the earlier of the Availability Termination Date or termination of this Agreement.

11. General Representations and Warranties of Recipient. Recipient represents and warrants to ODAV as follows:

a. Organization and Authority. Recipient is duly organized and validly existing under the laws of the State of Oregon and is eligible to receive the Grant Funds. Recipient has full power, authority and legal right to make this Agreement and to incur and perform its obligations hereunder, and the making and performance by Recipient of this Agreement (1) have been duly authorized by all necessary action of Recipient and (2) do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency or any provision of Recipient's Articles of Incorporation or Bylaws, if applicable, (3) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which Recipient is a party or by which Recipient or any of its properties may be bound or affected. No authorization, consent, license, approval of, filing or registration with or notification to any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by Recipient of this Agreement.

b. Binding Obligation. This Agreement has been duly executed and delivered by Recipient and constitutes a legal, valid and binding obligation of Recipient, enforceable in accordance with its terms subject to the laws of bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights generally.

c. No Solicitation. Recipient's officers, employees, and agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to subagreements. No member or delegate to the Congress of the United States or State of Oregon employee shall be admitted to any share or part of this Agreement or any benefit arising therefrom.

d. No Debarment. Neither Recipient nor its principals is presently debarred, suspended, or voluntarily excluded from any federally-assisted transaction, or proposed for debarment, declared ineligible or voluntarily excluded from participating in this Agreement by any state or federal agency. Recipient agrees to notify ODAV immediately if it is debarred, suspended or otherwise excluded from any federally assisted transaction for any reason or if circumstances change that may affect this status, including without limitation upon any relevant indictments or convictions of crimes.

e. Compliance with Oregon Taxes, Fees and Assessments. Recipient is, to the best of the undersigned's knowledge, and for the useful life of the Project will remain, current on all applicable state and local taxes, fees and assessments.

12. Special Warranty of Recipient To Maintain and Operate the Airport & Segregate Income.

a. Recipient warrants that it shall maintain and operate the Airport as an airport in a usable, safe, and orderly manner at all times for a period of at least 20 years from the Effective Date. If this condition is not met, Recipient shall immediately reimburse to ODAV all Grant Funds in an amount equal to the total amount of Grant Funds provided for the Project, divided by twenty (20), multiplied by the difference between twenty (20) and the number of years that the Airport remained open after the Effective Date. By way of example only, if \$100,000 in Grant Funds are distributed and Recipient closes the Airport after only seven years of the required 20-year operating period, then Recipient must reimburse ODAV \$65,000 of Grant Funds ($\$100,000/20 \text{ years} = \$5,000$; $\$5,000 \times 13 \text{ years} = \$65,000$).

b. Recipient also warrants and agrees that all income derived from the Airport shall be deposited into a segregated account for a period of at least 20 years from the Effective Date, and these funds shall be used only for the operation, maintenance, or capital improvement of the Airport.

13. Records Maintenance and Access; Audit.

a. Records, Access to Records and Facilities. Recipient shall make and retain proper and complete books of record and account and maintain all fiscal records related to this Agreement and the Project in accordance with all applicable generally accepted accounting principles, generally accepted governmental auditing standards, and state minimum standards for audits of municipal corporations. Recipient shall ensure that each of its sub-recipients and contractors complies with these requirements. ODAV, the Secretary of State of the State of Oregon (the "Secretary") and their duly authorized representatives shall have access to the books, documents, papers and records of Recipient that are directly related to this Agreement, the funds provided hereunder, or the Project for the purpose of making audits and examinations. In addition, ODAV, the Secretary and their duly authorized representatives may make and retain excerpts, copies, and transcriptions of the foregoing books, documents, papers, and records. Recipient shall permit authorized representatives of ODAV, and the Secretary to perform site reviews of the Project, and to inspect all vehicles, real property, facilities and equipment purchased by Recipient as part of the Project, and any transportation services rendered by Recipient. Nothing herein is meant to be or will be interpreted to be a waiver of any protection against disclosure of records or communication otherwise provided by law, including protection provided by attorney-client privilege or the attorney work product doctrine.

b. Retention of Records. Recipient shall retain and keep accessible all books, documents, papers, and records, that are directly related to this Agreement, the funds or the Project until the date that is six (6) years following the Availability Termination Date.

c. Expenditure Records. Recipient shall document the expenditure of all Grant Funds disbursed by ODAV under this Agreement. Recipient shall create and maintain all expenditure records in accordance with generally accepted accounting principles and in sufficient detail to permit ODAV to verify how the Grant Funds were expended.

This Section 13 shall survive any expiration or termination of this Agreement.

14. Recipient Subagreements and Procurements.

Recipient may enter into agreements with sub-recipients or contractors (collectively, "subagreements") for performance of the Project. If Recipient enters into a subagreement, Recipient agrees to comply with the following:

a. Subagreements.

- i. All subagreements must be in writing, executed by Recipient and must incorporate and pass through all of the applicable requirements of this Agreement to the other party or parties to the subagreement(s). Use of a subagreement does not relieve Recipient of its responsibilities under this Agreement.
- ii. Recipient shall require all of its sub-recipients or contractors performing work under this Agreement to name ODAV as a third party beneficiary of Recipient's subagreement with the sub-recipient or contractor.

- iii. Recipient shall require its construction contractor to submit a performance bond and payment bond to Recipient for an amount equal to or greater than the estimated cost of the Project. Recipient shall require its construction contractor to name ODAV as an additional or dual obligee on construction contractors' performance bond and payment bond.
- iv. Upon ODAV's request, Recipient shall provide ODAV with a copy of any signed subagreement, as well as identify all owners of the sub-recipient or contractor with whom Recipient entered into the subagreement. This subparagraph shall survive expiration or termination of this Agreement.
- v. Recipient must report to ODAV any material breach of a term or condition of a subagreement relating to this Agreement within ten (10) days of Recipient discovering the breach.

b. Subagreement Indemnification.

- i. ***Recipient's subagreement(s) shall require the other party to such subagreement(s) that is not a unit of local government as defined in Oregon Revised Statute (ORS) 190.003, if any, to indemnify, defend, save and hold harmless the State of Oregon, the Oregon Aviation Board and its members, the Oregon Department of Aviation and its officers, employees and agents from and against any and all claims, suits, actions, liabilities, damages, losses, costs, or expenses, including attorneys' fees, of any nature whatsoever resulting from or arising out of or relating to, in whole or in part, by the negligent or willful acts or omissions of the other party to Recipient's subagreement or any of such party's officers, agents, employees or subcontractors ("Claims"). It is the specific intention of the Parties that ODAV shall, in all instances, except to the extent Claims arising solely from the negligent or willful acts or omissions of ODAV, be indemnified by the other party to Recipient's subagreement(s) from and against any and all Claims.***
- ii. Any such indemnification shall also provide that neither Recipient's sub-recipient(s), contractor(s) or subcontractor(s), nor any attorney engaged by Recipient's sub-recipient(s), contractor(s) or subcontractor(s), shall defend any claim in the name the State of Oregon or any agency of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the prior written consent of the Oregon Attorney General. The State of Oregon may, at any time at its election, assume its own defense and settlement in the event that it determines that Recipient's contractor is prohibited from defending the State of Oregon, or that Recipient's sub-recipient or contractor is not adequately defending the State of Oregon's interests, or that an important governmental principle is at issue or that it is in the best interests of the State of Oregon to do so. The State of Oregon reserves all rights to pursue claims it may have against Recipient's sub-recipient or contractor if the State of Oregon elects to assume its own defense.
- iii. Recipient shall include provisions in each of its subagreements requiring its sub-recipient(s) or contractor(s) to comply with the indemnification requirements within this Subagreement Indemnification section.

c. Subagreement Insurance

- i. Recipient shall require its sub-recipient(s) or contractor(s), that are not units of local government as defined in ORS 190.003, to meet the minimum insurance requirements provided in Exhibit B to this Agreement. Recipient shall perform a risk assessment for the work to be performed under its subagreement(s) and may specify insurance requirements for its sub-recipient(s) or contractor(s) above the minimum insurance requirements specified in Exhibit B. Recipient shall verify that each of its sub-recipient(s) or contractor(s) meet the minimum insurance requirements in Exhibit B.
- ii. Recipient shall require its sub-recipient(s) or contractor(s) to require and verify that all subcontractors carry insurance coverage that the sub-recipient(s) or contractor(s) deem appropriate based on the risks of the subcontracted work.
- iii. Recipient shall include provisions in each of its subagreements requiring its sub-recipient(s) or contractor(s) to comply with the insurance requirements within this Subagreement Insurance section.

d. Conflicts of Interest; Private Recipients. If Recipient is not a public body, as defined in ORS 174.109, Recipient shall not award, enter into, or otherwise participate in any subagreement if a conflict of interest, real or apparent, would arise. Such a conflict arises when any of the following would be a party to the subagreement:

- i. An employee, officer, or agent of Recipient ("Recipient Person");
- ii. A Recipient Person's spouse, domestic partner, parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law;
- iii. The parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law of the spouse or domestic partner of a Recipient Person;
- iv. Any individual for whom a Recipient Person has a legal support obligation; or
- v. An organization in which any of the individuals identified in (i) through (iv) is a partner, member, or employee or from which the individual otherwise receives a financial benefit.

e. Conflicts of Interest; Public Recipients. If Recipient is a public body, as defined in ORS 174.109, Recipient's public officials shall comply with Oregon's government ethics laws, ORS 244.010 et seq., as those laws may be subsequently amended.

f. Procurements for Public Recipients. If Recipient is a public body, as defined in ORS 174.109, Recipient shall make purchases of any equipment, materials, or services for the Project under procedures that comply with Oregon law, including all applicable provisions of the Oregon Public Contracting Code and rules, ensuring that:

- i. all applicable clauses required by federal statute, executive orders and their implementing regulations are included in each competitive procurement;

- ii. all procurement transactions are conducted in a manner providing full and open competition; and
- iii. procurements exclude the use of statutorily or administratively imposed in-state or geographic preference in the evaluation of bids or proposals (with exception of locally controlled licensing requirements).

g. Procurements for Private Recipients. If Recipient is not a public body, as defined in ORS 174.109:

- i. For procurements over \$25,000, Recipient must solicit quotes or bids from at least three sources. If three quotes or bids are not reasonably available, fewer will suffice. In either case, Recipient shall retain, and provide upon ODAV's request, documentation of the bidding and selection process for all procurements over \$25,000, including Recipient's efforts to obtain the quotes or bids.
- ii. Recipient may not artificially divide or fragment a procurement so as to reduce the procurement amount below the \$25,000 threshold designated by this section.

15. Termination and ODAV Rights Upon Termination.

a. Mutual Termination. This Agreement may be terminated by mutual written consent of the Parties.

b. Termination by ODAV. ODAV may terminate this Agreement effective upon delivery of written notice to Recipient, or at such later date as may be established by ODAV, under any of the following

- i. If work on the Approved Project has not been substantially initiated within six months of the effective date of this agreement;
- ii. If Recipient fails to pay its share of the Project costs;
- iii. If Recipient fails to provide services or funds called for by this Agreement within the time specified herein;
- iv. State statutory requirements have not been met;
- v. If Recipient fails to perform any of its other obligations under this Agreement, and that failure continues for a period of 10 calendar days after the date ODAV delivers Recipient written notice specifying such failure. The ODAV may agree in writing to an extension of time if it determines Recipient instituted and has diligently pursued corrective action;
- vi. The Department finds that significant corrective actions are necessary to protect the integrity of the Program Funds for the Approved Project and those actions are not, or will not, be made within a reasonable time;

- vii. If any false or misleading representation is made by or on behalf of Recipient in this Agreement or in any document provided by Recipient related to this Agreement or the Project;
- viii. If ODAV fails to receive funding, appropriations, limitations or other expenditure authority sufficient to allow ODAV, in the exercise of its reasonable administrative discretion, to continue to make payments for performance of this Agreement;
- ix. If federal or state laws, regulations or guidelines are modified or interpreted in such a way that the Project work under this Agreement is prohibited or if ODAV is prohibited from paying for such Project work from the planned funding source; or
- x. If, in the sole opinion of ODAV, the Project would not produce results that are commensurate with the further expenditure of funds.

c. ODAV's Rights upon Termination. Upon termination under Section 14(a) or Section 14(b) above, ODAV may:

- i. Terminate ODAV's commitment and obligation to make any further disbursements of Grant Funds;
- ii. Require Recipient to immediately repay ODAV all disbursed Grant Funds; and
- iii. Require return of unexpended Program Funds or repayment of expended Program Funds; an
- iv. For termination on any of the grounds set forth in Section 14(b)(i)-(iv), bar Recipient from applying to ODAV for future assistance.
- v. ODAV's remedies are cumulative, are not exclusive, and are in addition to any other rights and remedies provided by law or under this agreement.
- vi. The Director will consider protests of the funding and Project administrations decisions for the Program. Only Recipients may protest. Protests must be submitted in writing to the Director within 15 business days of the event or action that is being protested. The Director's decision is final. Jurisdiction for review of the Director's decision is in the circuit court for Marion County pursuant to ORS 183.484.

This Paragraph 15.c. shall survive expiration or termination of this Agreement.

16. USDOT Litigation. ODAV's execution of this Agreement and provision of grant funds hereunder shall not be construed as an agreement by ODAV to comply with, be bound by or certify as to any terms and conditions that are set forth in any application or grant agreement between FAA and Recipient relating to the Project for which this grant is awarded. Further, please be advised that FAA is permanently enjoined from imposing or enforcing any condition on federal funding that relates to or requires the State and its instrumentalities' cooperation with federal civil immigration enforcement pursuant to a permanent injunction entered in the matter of California v. U.S. Dep't of Transp., No. 1:25 cv 208. Execution of this Agreement and provision of grant funds hereunder should not be construed as a waiver of any rights by ODAV or the State of Oregon.

17. GENERAL PROVISIONS:

The following a. Contribution and Contract-Related indemnification and b. Insurance: Workers' Compensation and Employer's Liability sections are applicable to Recipients that are a public agency.

a. Contribution and Contract-Related Indemnification.

- i. For purposes of this Paragraph 15.a., the term "ODAV" means "the State of Oregon, the Oregon Aviation Board and its members, and the Oregon Department of Aviation and its respective officers, employees and agents."
- ii. **Contribution.**
 - A. If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against ODAV or Recipient with respect to which the other Party may have liability, the notified Party must promptly notify the other Party in writing of the Third Party Claim and deliver to the other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by a Party of the notice and copies required in this paragraph and meaningful opportunity for the Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to that Party's liability with respect to the Third Party Claim
 - B. Except as otherwise provided in Paragraph 15.iii. below, with respect to a Third Party Claim for which ODAV is jointly liable with Recipient (or would be if joined in the Third Party Claim), ODAV shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Recipient in such proportion as is appropriate to reflect the relative fault of ODAV on the one hand and of Recipient on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of ODAV on the one hand and of Recipient on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. ODAV's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if ODAV had sole liability in the proceeding.

- C. Except as otherwise provided in Paragraph 15.iii, below, with respect to a Third Party Claim for which Recipient is jointly liable with ODAV (or would be if joined in the Third Party Claim), Recipient shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by ODAV in such proportion as is appropriate to reflect the relative fault of Recipient on the one hand and of ODAV on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Recipient on the one hand and of ODAV on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Recipient's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if it had sole liability in the proceeding.

- iii. **Contract-Related Indemnification.** Notwithstanding Paragraph 15.a.ii., and subject to any limitations imposed by State law and the Oregon Constitution, Recipient agrees to the following contract-related indemnification for all projects authorized under this Agreement:

Where Recipient contracts for services or performs project management for a project, Recipient shall accept all responsibility, defend lawsuits, indemnify, and hold ODAV harmless, for all contract-related claims and suits. This includes but is not limited to all contract claims or suits brought by any contractor, whether arising out of the contractor's work, Recipient's supervision of any individual project or contract, or Recipient's failure to comply with the terms of this Agreement.

- iv. This Paragraph 15.a. shall survive expiration or termination of this Agreement.

b. Insurance; Workers' Compensation and Employer's Liability. All employers, including Recipient, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and shall provide Workers' Compensation insurance coverage for those workers, unless such employers are exempt under ORS 656.126(2). The coverage shall include Employer's Liability Insurance with limits of not less than \$500,000 each accident. Recipient shall ensure that each of its sub-recipient(s) or contractor(s) complies with these requirements.

The following a. Indemnification and b. Insurance sections are applicable to Recipients that are a private party.

a. Indemnification.

i. **RECIPIENT SHALL DEFEND, SAVE, HOLD HARMLESS, AND INDEMNIFY THE STATE OF OREGON, THE OREGON AVIATION BOARD AND ITS MEMBERS, THE OREGON DEPARTMENT OF AVIATION AND ITS OFFICERS, AGENTS AND EMPLOYEES FROM AND AGAINST ALL CLAIMS, SUITS, ACTIONS, LOSSES, DAMAGES LIABILITIES, COSTS (INCLUDING ATTORNEYS' FEES) AND EXPENSES OF ANY NATURE WHATSOEVER RESULTING FROM, ARISING OUT OF, OR RELATING TO THE INTENTIONAL MISCONDUCT, OR RECKLESS OR NEGLIGENT ACTS OR OMISSIONS OF RECIPIENT OR ITS OFFICERS, EMPLOYEES, SUBCONTRACTORS, OR AGENTS UNDER THIS AGREEMENT.**

ii. State of Oregon shall reasonably cooperate in good faith, at Recipient's reasonable expense, in the defense of a covered claim. Recipient shall select counsel reasonably acceptable to the Oregon Attorney General to defend such claim and all costs of such counsel shall be borne by Recipient. Counsel must accept appointment as a Special Assistant Attorney General under ORS Chapter 180 before such counsel may act in the name of, or represent the interests of, State of Oregon, its officers, employees or agents. State of Oregon may elect to assume its own defense with an attorney of its own choice and its own expense at any time State of Oregon determines important governmental interests are at stake. State of Oregon agrees to promptly provide Recipient with notice of any claim that may result in an indemnification obligation hereunder. Subject to the limitations noted above, Recipient may defend such claim with counsel of its own choosing provided that no settlement or compromise of any such claim shall occur without the consent of State of Oregon, which consent shall not be unreasonably withheld, conditioned or delayed.

iii. This Section 15.a. shall survive any expiration or termination of this Agreement.

b. Insurance. Recipient shall meet the insurance requirements within Exhibit C.

c. Dispute Resolution. The Parties shall attempt in good faith to resolve any dispute arising out of this Agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.

d. Amendments. This Agreement may be amended or extended only by a written instrument signed by both Parties and approved as required by applicable law.

e. Duplicate Payment. Recipient is not entitled to compensation or any other form of duplicate, overlapping or multiple payments for the same work performed under this Agreement from any agency of the State of Oregon or the United States of America or any other party, organization or individual.

f. No Third-Party Beneficiaries. ODAV and Recipient are the only Parties to this Agreement and are the only Parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly or indirectly, to a third person unless such a third person is individually identified by name herein and expressly described as an intended beneficiary of the terms of this Agreement.

g. Notices. Except as otherwise expressly provided in this Agreement, any communications between the Parties hereto or notices to be given hereunder shall be given in writing by personal delivery, email or mailing the same, postage prepaid, to Recipient Contact or ODAV Contact at the address or number set forth on the signature page of this Agreement, or to such other addresses or numbers as either party may hereafter indicate pursuant to this section. Any communication or notice personally delivered shall be deemed to be given when actually delivered. Any communication by email shall be deemed to be given when the recipient of the email acknowledges receipt of the email. Any communication or notice mailed shall be deemed to be given when received.

h. Governing Law, Consent to Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between ODAV (or any other agency or department of the State of Oregon) and Recipient that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County in the State of Oregon. In no event shall this section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. Each party hereby consents to the exclusive jurisdiction of Circuit Court of Marion County in the State of Oregon, waives any objection to venue, and waives any claim that such forum is an inconvenient forum. This Paragraph 15.h. shall survive expiration or termination of this Agreement.

i. Compliance with Law. Recipient shall comply with all applicable federal, state, and local laws, regulations, executive orders and ordinances applicable to the Project including, but not limited to, the provisions of ORS 319.023 and OAR 738 Divisions 124 and 125 where applicable by this Agreement, incorporated herein by reference and made a part of this Agreement. In addition, without limiting the generality of the foregoing, Recipient expressly agrees to comply with (i) Title VI of Civil Rights Act of 1964. This Paragraph 15.h. shall survive expiration or termination of this Agreement. (ii) Title V and Section 504 of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

j. Costs and Expenses Related to Employment of Individuals. Recipient is responsible for all costs and expenses related to its employment of individuals to perform the work under this Agreement, including but not limited to retirement contributions, workers' compensation, unemployment taxes, and state and federal income tax withholding.

k. Independent Contractor. Recipient shall perform the Project as an independent contractor and not as an agent or employee of ODAV. Recipient has no right or authority to incur or create any obligation for or legally bind ODAV in any way. ODAV cannot and will not control the means or manner by which Recipient performs the Project, except as specifically set forth in this Agreement. Recipient is responsible for determining the appropriate means and manner of performing the Project. Recipient acknowledges and agrees that Recipient is not an "officer", "employee", or "agent" of ODAV, as those terms are used in ORS 30.265, and shall not make representations to third parties to the contrary.

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

m. Counterparts. This Agreement may be executed in several counterparts (facsimile or otherwise) 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 Agreement so executed shall constitute an original.

n. Integration and Waiver. This Agreement, and attached exhibits constitute the entire Agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification, or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of ODAV to enforce any provision of this Agreement shall not constitute a waiver by ODAV of that or any other provision.

o. Electronic Signatures. The Parties agree that signatures showing on PDF documents, including but not limited to PDF copies of the Agreement and amendments, submitted or exchanged via email are "Electronic Signatures" under ORS Chapter 84 and bind the signing Party and are intended to be and can be relied upon by the Parties. ODAV reserves the right at any time to require the submission of the hard copy originals of any documents.

p. Questions; Program Coordinators. Questions regarding this Agreement may be directed to:

Oregon Department of Aviation
Attn: COAR Program Coordinators
3040 25th Street SE
Salem, OR 97302

Andria Abrahamson, Program Coordinator
andria.abrahamson@odav.oregon.gov
503-302-3645

Ermie Buncal, Program Coordinator
ermie.m.buncal@odav.oregon.gov
503-302-9262

In the absence of any of the above-named individuals during the term of this Agreement, ODAV shall notify the Recipient in writing of a substitute contact.

Signature Page to Follow

THE PARTIES, by execution of this Agreement, hereby acknowledge that its signing representatives have read this Agreement, understand it, and agree to be bound by its terms and conditions.

The Director of the Department of Aviation or his designee is authorized to act on behalf of State in approving and executing this Agreement.

The State Aviation Board approved the COAR funding request and delegated authority to the Director of the Oregon Department of Aviation to enter into Agreement.

City of Burns by and through its elected officials

STATE OF OREGON, by and through its Oregon Department of Aviation

By _____
(Legally designated representative)

By _____
Director

Name _____
(printed)

Name _____
(printed)

Date _____

Date _____

APPROVED AS TO LEGAL SUFFICIENCY
(If required in local process)

APPROVED AS TO LEGAL SUFFICIENCY
(For funding over \$250000)

By _____
(Legally designated representative)

By _____
Director

Date _____

Date _____

Recipient Contact:

ODAV Contacts:

Brenda Engebretson , City Manager
242 South Broadway
Burns, Oregon, 97720-2205
(541) 573-5255
citymanager@cityofburnsor.gov

Andria Abrahamson, Program Coordinator
3040 25th Street SE
Salem, OR 97302
503-302-3645
Andria.Abrahamson@ODAV.Oregon.Gov

Ermie Buncal, Program Coordinator

City of Burns/Burns Municipal Airport

Agreement No: COAR-2026-BNO-00005

3040 25th Street SE

Salem, OR 97302

503-302-9262

Ermie.M.Buncal@ODAV.Oregon.Gov

EXHIBIT A
Project Description, Milestones, Schedule and Budget

Application Number: COAR-2026-BNO-00005
Project Name: Fuel System Repairs and Upgrades

A. PROJECT DESCRIPTION

Grant funds will support Burns Municipal Airport fuel system repairs, upgrades, and expansion, including a certified technician evaluation, Jet-A transfer pump, Automated Tank Gauging (ATG) system, new 500-gallon unleaded and diesel tanks, and replacement nozzles, valves, and hose reels for Jet-A and Avgas. These improvements enhance safety, capacity, compliance, and reliability for aviation and ground operations. This is BNO's top-ranked Priority 3 project.

B. PROJECT MILESTONES AND SCHEDULE

Milestones are used for evaluating performance on the Project as described in the Agreement. Milestones cannot be changed without an amendment to the Agreement.

If Recipient anticipates that Project milestones will be delayed by more than ninety (90) days, Recipient shall submit a Request for Change Order, as described in Section 6 of the Agreement, to the ODAV Project Coordinators as soon as Recipient becomes aware of any possible delay. The Request for Change order must be submitted before the Milestone completion date shown in Table 1 below.

The anticipated start date of the Project is: **03/23/26**

The anticipated completion date of the Project is: **06/30/27**

Table 1: Milestones

Milestone	Description	Estimated Start Date	Estimated Completion Date
1.	25% Completion	03/23/26	07/14/26
2.	50% Completion	07/15/26	11/05/26
3.	75% Completion	11/06/26	02/26/27
4.	100% Completion	02/27/27	06/30/27

Table 2: Funding Breakdown

1	COAR Grant Award Amount	\$133,965.00
2	Recipient Match	\$14,885.00
3	FAA Grant Award Amount	0.00
4	TOTAL PROJECT COST	\$148,850.00

EXHIBIT B
Subagreement Insurance Requirements

A project insurance risk assessment is required to be conducted to identify insurance types and amounts for the prime construction contractor.
The insurance risk assessment tool is located (TOOL: Services and goods contracts and grant agreements):

Department of Administrative Services : Contract Insurance Requirement - Tool, Templates & Tool Training : Risk Management : State of Oregon

1. GENERAL.

- a. Recipient shall require in its first-tier subagreements with entities that are not units of local government as defined in ORS 190.003 (if any) that its subrecipients or contractors ("contractor"): i) obtain insurance specified in this Exhibit under TYPES AND AMOUNTS and meeting the requirements under ADDITIONAL INSURED, "TAIL" COVERAGE, NOTICE OF CANCELLATION OR CHANGE, and CERTIFICATES OF INSURANCE before performance under the subagreement commences, and ii) maintain the insurance in full force throughout the duration of the subagreement. The insurance must be provided by insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the state of Oregon and that are acceptable to the Recipient. Recipient shall not authorize work to begin under subagreements until the insurance is in full force. Thereafter, Recipient shall monitor continued compliance with the insurance requirements on an annual or more frequent basis. Recipient shall incorporate appropriate provisions in the subagreement permitting it to enforce compliance with the insurance requirements and shall take all reasonable steps to enforce such compliance. In no event shall Recipient permit work under a subagreement when Recipient is aware that the contractor is not in compliance with the insurance requirements. As used in this section, "first-tier" means a subagreement in which the Recipient is a Party. All references to "contractor" in this Exhibit refer to Recipient's subrecipient(s) or contractor(s) as identified in this Paragraph 1.a.
- b. The insurance specified below is a minimum requirement that the Recipient shall require each of its contractors to meet, and shall include such requirement in each of Recipient's subagreements with its contractors. Recipient may determine insurance types and amounts in excess of the minimum requirement as deemed appropriate based on the risks of the work outlined within the subagreement.

- c. Recipient shall require each of its contractors to require that all of its subcontractors carry insurance coverage that the contractor deems appropriate based on the risks of the subcontracted work. Recipient's contractors shall obtain proof of the required insurance coverages, as applicable, from any subcontractor providing services related to the subcontractor contract(s).

2. TYPES AND AMOUNTS

a. WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY.

All employers, including Recipient's contractors, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and shall provide Workers' Compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). The coverage shall include Employer's Liability insurance with limits not less than \$500,000 each accident. Recipient's contractors shall require compliance with these requirements in each of their subcontractor contracts.

b. COMMERCIAL GENERAL LIABILITY.

Commercial General Liability insurance shall be issued on an occurrence basis covering bodily injury and property damage and shall include personal and advertising injury liability, products and completed operations, and contractual liability coverage. When work to be performed includes operations or activity within 50 feet of any railroad property, bridge, trestle, track, roadbed, tunnel, underpass or crossing, the Recipient's contractors shall provide the Contractual Liability – Railroads CG 24 17 endorsement, or equivalent, on the Commercial General Liability policy.

Amounts below are a minimum requirement as determined by ODAV:

Prime construction contractor:

Coverage shall be written on an occurrence basis in an amount of not less than
☒ \$1,000,000 ☐ \$2,000,000 ☐ \$5,000,000 per occurrence.

Annual aggregate limit shall not be less than ☒ \$2,000,000 ☐ \$4,000,000 ☐ \$10,000,000.

Other contractor(s):

Coverage shall be written on an occurrence basis in an amount of not less than \$1,000,000 per occurrence.

Annual aggregate limit shall not be less than \$2,000,000.

c. AUTOMOBILE LIABILITY.

Automobile Liability Insurance covering business-related automobile use covering all owned, non-owned, or hired vehicles for bodily injury and property. Amount below is a minimum requirement as determined by ODAV:

Coverage shall be written with a combined single limit of not less than **\$1,000,000**.

d. EXCESS/UMBRELLA LIABILITY.

A combination of primary and Excess/Umbrella Liability Insurance may be used to meet the minimum required limits of insurance. If any Excess/Umbrella Liability policies are in place, they must be on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying insurance.

e. ADDITIONAL INSURED.

The liability coverages, except Professional Liability and Workers' Compensation/Employer's Liability, if included, must endorse the **"State of Oregon, the Oregon Aviation Board, and the Oregon Department of Aviation, and their respective officers, members, agents and employees"** as an endorsed Additional Insured but only with respect to the contractor's activities to be performed under the subagreement. Coverage shall be primary and noncontributory with any other insurance and self-insurance.

Additional Insured Endorsements on the Commercial General Liability shall be written on ISO Form CG 20 10 07 04, or equivalent, with respect to liability arising out of ongoing operations and ISO Form CG 20 37 07 04, or equivalent, with respect to liability arising out of completed operations.

Additional Insured Endorsements shall be submitted with the certificate(s) of Insurance and must be acceptable to the Recipient.

f. "TAIL" COVERAGE.

If any of the required insurance policies is on a "claims made" basis, such as Professional Liability Insurance or Pollution Liability Insurance, the contractor shall maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of the subagreement, for a minimum of twenty-four (24) months following the later of : (i) the contractor's completion and Recipient's acceptance of all services required under the subagreement or, (ii) the expiration of all warranty periods provided under the subagreement. Notwithstanding the foregoing twenty-four (24) month requirement, if the contractor elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the twenty-four (24) month period described above, then the contractor may request and ODAV may grant approval of the maximum "tail" coverage period reasonably available in the marketplace. If ODAV approval is granted, the contractor shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace.

3. NOTICE OF CANCELLATION OR CHANGE.

The contractor or its insurer must provide thirty (30) days' written notice to Recipient before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

4. CERTIFICATE(S) OF INSURANCE.

Recipient shall obtain from the contractor a certificate(s) of insurance for all required insurance before the contractor performs under the subagreement. The certificate(s) or an attached endorsement must endorse: i) "State of Oregon, the Oregon Aviation Board, and the Oregon Department of Aviation, and their respective officers, members, agents and employees" as an endorsed Additional Insured in regards to the Commercial General Liability and Automobile Liability policies and ii) that all liability insurance coverages shall be primary and noncontributory with any other insurance and self-insurance, with exception of Professional Liability and Workers' Compensation/Employer's Liability.

The Recipient shall immediately notify ODAV of any change in insurance coverage.

Recipient Insurance Requirements EXHIBIT C

Applicable to Recipients that are not a unit of local government as defined in ORS 190.003

A project insurance risk assessment must be conducted when the Recipient is a private entity. The insurance risk assessment tool is located (TOOL: Services and goods contracts):

Department of Administrative Services : Contract Insurance Requirement - Tool, Templates & Tool Training ; Risk Management ; State of Oregon

1. GENERAL.

- a. Recipient shall: i) obtain at the Recipient's expense the insurance specified under TYPES AND AMOUNTS and meeting the requirements under ADDITIONAL INSURED, "TAIL" COVERAGE, NOTICE OF CANCELLATION OR CHANGE, and CERTIFICATES OF INSURANCE before performance under this Agreement commences, and ii) maintain the insurance in full force and at its own expense throughout the duration of this Agreement. Recipient shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the state of Oregon and that are acceptable to ODAV. Coverage shall be primary and noncontributory with any other insurance and self-insurance with the exception of Professional Liability and Workers' Compensation/Employer's Liability. Recipient shall pay for all deductibles, self-insurance retention and self-insurance, if any.

b. INSURANCE REQUIREMENT REVIEW.

Recipient agrees to periodic review of insurance requirements by ODAV under this Agreement and to provide updated requirements as mutually agreed upon by Recipient and ODAV.

2. TYPES AND AMOUNTS.

a. WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY.

All employers, including Recipient, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and shall provide Workers' Compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). The coverage shall include Employer's Liability insurance with coverage limits of not less than \$500,000 each accident.

b. COMMERCIAL GENERAL LIABILITY.

Commercial General Liability insurance shall be issued on an occurrence basis covering bodily injury, death, and property damage and shall include personal and advertising injury liability, products and completed operations and contractual liability coverage. When work to be performed includes operations or activity within 50 feet of any railroad property, bridge, trestle, track, roadbed, tunnel, underpass or crossing, the Contractor shall provide the Contractual Liability – Railroads CG 24 17 endorsement, or equivalent, on the Commercial General Liability policy. Commercial General Liability insurance shall not be less than the following amounts as determined by ODAV:

Coverage shall be written on an occurrence basis in an amount of not less than
☐ \$1,000,000 ☐ \$2,000,000 ☐ \$5,000,000 per occurrence.

Annual aggregate limit shall not be less than ☐ \$2,000,000 ☐ \$4,000,000 ☐ \$10,000,000.

c. AUTOMOBILE LIABILITY.

Automobile Liability insurance covering business-related automobile use on all owned, non-owned or hired vehicles for bodily injury and property damage. Automobile Liability insurance shall not be less than the following amount as determined by ODAV:

Coverage shall be written with a combined single limit of not less than ☐ \$1,000,000
☐ \$2,000,000 ☐ \$5,000,000.

d. EXCESS/UMBRELLA LIABILITY.

A combination of primary and Excess/Umbrella Liability insurance may be used to meet the minimum required limits of insurance. If any Excess/Umbrella Liability policies are in place, they must be on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying insurance.

e. ADDITIONAL INSURED.

The liability insurance coverages, except Professional Liability or Workers' Compensation/Employer's Liability, if included, must endorse the **"State of Oregon, the Oregon Aviation Board, and the Oregon Department of Aviation, and their respective officers, members, agents and employees"** as an endorsed Additional Insured but only with respect to the Recipient's activities to be performed under this Agreement. Coverage shall be primary and noncontributory with any other insurance and self-insurance.

Additional Insured Endorsements on the Commercial General Liability shall be written on ISO Form CG 20 10 07 04, or equivalent, with respect to liability arising out of ongoing operations and ISO Form CG 20 37 07 04, or equivalent, with respect to liability arising out of completed operations.

Additional Insured Endorsements shall be submitted with the certificate(s) of insurance and must be acceptable to ODAV.

f. "TAIL" COVERAGE.

If any of the required insurance policies is on a "claims made" basis, such as Professional Liability insurance or Pollution Liability insurance, Recipient shall maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of this Agreement, for a minimum of 24 months following the later of: (i) Recipient's completion and ODAV's acceptance of all services required under this Agreement or, (ii) the expiration of all warranty periods provided under this Agreement. Notwithstanding the foregoing 24-month requirement, if Recipient elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the 24-month period described above, then Recipient may request and ODAV may grant approval of the maximum "tail" coverage period reasonably available in the marketplace. If ODAV approval is granted, Recipient shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace.

3. NOTICE OF CANCELLATION OR CHANGE.

Recipient or its insurer must provide 30 days' written notice to ODAV before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

4. CERTIFICATE(S) OF INSURANCE.

ODAV shall obtain from Recipient a certificate(s) of insurance for all required insurance before the effective date of this Agreement. The certificate(s) or an attached endorsement must endorse: i) **"State of Oregon, the Oregon Transportation Commission and the Oregon Department of Transportation, and their respective officers, members, agents and employees"** as an **endorsed** Additional Insured in regards to the Commercial General Liability and Automobile Liability policies and ii) that all liability insurance coverages shall be primary and noncontributory with any other insurance and self-insurance, with exception of Professional Liability and Workers' Compensation/Employer's Liability.

5. STATE ACCEPTANCE.

All insurance providers are subject to ODAV acceptance. If requested by ODAV, Recipient shall provide complete copies of insurance policies, endorsements, self-insurance documents and related insurance documents to ODAV's representatives responsible for verification of the insurance coverages required under this **Exhibit C**.



City of Burns

Police Department

Robby Tiller, Chief of Police • 242 South Broadway Ave • Burns, Oregon 97720 • 541-573-6781 • Fax 541-573-6775

Council,

On or about August 29, 2024, the City of Burns Police Department purchased a brand new 2024 Ford Ranger, with a loan from First Community Credit Union. The intent was to use the Ford Ranger as a full-time code enforcement vehicle.

The price for the brand-new Ford Ranger was \$37,400.00. The City of Burns Police Department had extra items added to the Ford Ranger, such as a canopy, braces, and a roof light. There were also shipping and DMV costs added as well for a total price of \$45,988.40.

Because the Ford Ranger was bought using a loan, there were finance charges as an interest rate attached to the final price of the Ford Ranger. According to the loan documents, the Ford Ranger was financed at an annual percentage rate (interest rate) of 6.490%. The finance charges added to the loan were \$7,857.75, for a grand total price of \$53,846.15. The City of Burns Police Department pays \$900.00 a month for the Ford Ranger.

A short time after the purchase of the Ford Ranger, later in 2024 the Code Enforcement Officer was moved to be a Police Officer. After the change in positions within the Burns Police Department, the Ford Ranger was no longer being used or needed.

Research was done to possibly upfit the Ford Ranger with police equipment, to be used as a regular patrol vehicle. Unfortunately, there were no manufacturers that produced prisoner partitions (prisoner transport cages) or center consoles to install in the Ford Ranger. These would have to be used to transport prisoners safely and to mount radios and all other equipment needed to function as a patrol vehicle.

Currently, The Ford Ranger is not being used and has approximately 6,905 miles. The Burns Police Department does not have a need for a vehicle that cannot be used as a patrol vehicle. The Burns Police Department would like to move the Ford Ranger to a surplus item to sell and get out from underneath the loan. According to Kelly Blue Book, the current value of the Ford Ranger is \$28,734.00 - \$36,334.00, and the current pay off through May 13, 2026, is \$32,368.55.

There is a lot of other equipment or safety items that Burns PD could spend the budget on, to make our jobs safer and more efficient. The Ford Ranger is costing us money and is not being used. The faster we can sell it the faster we can get out of the debt and look to the future.

Thanks for your time,

Robby Tiller,

Burns Police Chief

CITY OF BURNS

RESOLUTION NO. 26-822

A RESOLUTION DECLARING CERTAIN CITY EQUIPMENT OWNED BY THE CITY OF BURNS TO BE SURPLUS PROPERTY AND INDICATING THE INTENT AND METHOD FOR THE DISPOSAL OF SUCH SURPLUS PROPERTY.

WHEREAS, the City of Burns ("City") acquired the personal property described as a 2024 Ford Ranger (Vin # 1FTER4PHORLE35207), from the Burns Police Department, for City's use in connection with City's operation,

WHEREAS, City no longer needs the 2024 Ford Ranger (Vin # 1FTER4PHORLE35207), from the Burns Police Department, for City operations and has determined that no public purpose would be furthered by retaining ownership of said property; and

WHEREAS, City desires to (a) declare the 2024 Ford Ranger (Vin # 1FTER4PHORLE35207), from the Burns Police Department, surplus property, and (b) dispose of said property in the method described below.

NOW, THEREFORE, BE IT RESOLVED, by and through the Burns City Council (the "City Council") meeting in regular session, as follows:

1. The City Council hereby adopts the above-stated findings and declares the 2024 Ford Ranger (Vin # 1FTER4PHORLE35207), from the Burns Police Department, surplus property.
2. City staff are authorized to arrange for the sale of the 2024 Ford Ranger (Vin # 1FTER4PHORLE35207), from the Burns Police Department, by any means the City Manager deems necessary or appropriate to maximize the value received for said property while balancing City's efficiency.
3. All or any part of the 2024 Ford Ranger (Vin # 1FTER4PHORLE35207), from the Burns Police Department, that is not sold will be, to the extent that is reasonably possible, donated, scrapped (and the metal recycled) and/or otherwise discarded in a manner City staff reasonably believes appropriate.

APPROVED, ADOPTED, AND MADE EFFECTIVE by the City Council on this 13th day of May 2026.

Brad Erbe, Mayor

ATTEST:

Tiffany Leffler, City Clerk