



Location: City Hall – Council Chambers
Date: July 11, 2023
Time: 6:00 PM

City Council Meeting Agenda

Mayor Jason Beebe, Council Members Steve Uffelman, Janet Hutchison,
Shane Howard, Gail Merritt, Scott Smith, and City Manager Steve Forrester

ATTEND TELEPHONICALLY BY CALLING 346-248-7799 Meeting ID: 947 5839 2608 Passcode: 123456

Call to Order

Flag Salute

Additions to Agenda

Consent Agenda

- [1.](#) Regular Meeting Brief 6-27-2023

Visitors, Appearances and Requests

Council Presentations

- [2.](#) EDCO Update - Kelsey Lucas

Council Business

- [3.](#) Consideration of a Proclamation - July Parks & Recreation Month - Sponsor Councilor Uffelman
4. Council Vacancy Decision - Steve Forrester / Lisa Morgan

Staff Reports and Requests

- [5.](#) City Manager's Report - Steve Forrester

Committee Reports

Ordinances

- [6.](#) Ordinance No 1286 - Amending the City's Zoning Map Designation from Limited Residential (R1) to General Residential (R2) (**SECOND PRESENTATION**) - Josh Smith

Resolutions

- [7.](#) Resolution No 1569 - Approving a Rate Increase for Solid Waste Franchise Services - Solid Waste Advisory Committee Chair Mayor Beebe
- [8.](#) Resolution No 1570 - Authorizing Amendment to Development Agreement Between City of Prineville and Vitesse, LLC - Casey Kaiser



- [9.](#) Resolution 1571 - Authorizing Development Agreement Between City of Prineville and Apple, Inc. - Casey Kaiser

Visitors, Appearances and Requests

Adjourn

Agenda items maybe added or removed as necessary after publication deadline



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

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

City Council Meeting Brief
June 27, 2023

Council Members Present:

Jason Beebe
Shane Howard
Janet Hutchison
Gail Merritt
Scott Smith
Steve Uffelman

Council Members Absent

None.

Additions to the Agenda

None.

Consent Agenda

1. Regular Meeting Brief 6-13-2023
2. Crossroads Change in Ownership Liquor Application
3. Pine Theater Liquor License Application
4. Neat Repeat Secondhand License

Councilor Merritt made a motion to approve consent agenda as presented. Motion seconded. No discussion on motion. Motion carried.

Visitors, Appearances and Requests

No one came forward.

Council Presentations

None.

Council Business**5. Republic Services Rate Increase Request (PUBLIC HEARING)**

Mayor Beebe provided background information regarding the meetings that the Solid Waste Advisory Committee has had with Republic.

Jered Reid, City Attorney providing clarification that this is just a public hearing this evening to take public input. There will be a resolution with the fee schedule brought back at the next meeting. The rate increase, if approved would take effect 30 days from the date of the public hearing which is today and not when the resolution is passed.

Mayor Beebe opened the public hearing portion of the meeting.

Ron Shear, Republic Central Oregon Operations Manager and Urbania Flores, Republic Finance Manager were present to answer any questions.

Discussions continued regarding concerns for service that were addressed, closing the Prineville office with just a note on the door without any notice and open houses that Republic have had at the Prineville office.

Lisa Morgan, City Recorder/Risk Manager provided a summary of written comments that were submitted by Republic into the record.

No one came forward, no further written comments were received and no one was on the phone.

Mayor Beebe closed the public hearing portion of the meeting.**6. Request to Approve Purchase of Grinding Equipment – Zach Lampert**

Zach Lampert, Meadow Lakes Golf Pro presented the staff report.

There were discussions regarding the bids and how sometimes the cheapest is not always better, but it is in this case. This bid was \$1,897.00 less than what was budgeted.

There were no further discussions.

Councilor Uffelman made a motion to approve the request to purchase grinding equipment to Turf Star- Western in the amount of \$66,103.00. Motion seconded. No discussion on motion. All in favor, motion carried.

Staff Reports and Requests:**7. City Manager's Report– Steve Forrester**

Steve Forrester, City Manager presented his report highlighting recent activities in all departments.

Mr. Forrester said that there was record attendance at the rodeo and the same is expected to happen for the horse races in July.

Mr. Forrester than explained the language in the original Public Works department report was incorrect regarding paving and water/sewer line projects. Replacement of lines are completed prior to a street being rehabilitated to extend life of the pavement projects when they are done.

Casey Kaiser came forward and provided an update on the storms that hit last night stating that it took seven (7) of the Public Works crew to monitor streets, storm drains and influent water at the wastewater treatment plant.

There were discussions regarding the retainage ponds on the east side of town performing well, how fast the water did recede after the storms passed, the volume of water that came down compared to average and the amount of water that came into the wastewater treatment plant.

Discussions continued regarding Oregon State Police (OSP) being asked to assist during the rodeo and races. Captain Gray added that they were brought in to handle traffic and that OSP had over 200 traffic stops over two days which allowed the city to respond to other incidents as opposed to traffic.

Mr. Forrester closed with a reminder for a group photo shoot at the races which has become an annual tradition and he would like Council to be in that photo with other community leaders and partners.

Committee Reports

Councilor Hutchison provided an update for the Ochoco Forest Collaborative meeting. Councilor Hutchison explained that there is a movie on You Tube called the Forest is Burning and it can be viewed from Westisburning.org and is really a good movie. They also brought in Amber Blanchet from Crook County, Emily Curtis from Discover Your Forest and Slater Turner who is looking into the wildlife crisis.

There were no other reports.

Ordinances:

8. Ordinance No. 1286 – Amending the City’s Zoning Map Designation from Limited Residential – (FIRST PRESENTATION) – Jered Reid

Josh Smith, Planning Director provided a summary and that this is what the Council talked about at the last meeting. Mr. Smith noted that there is a correction on the language in the very last sentence and that there will be two presentations and that language will be corrected prior to the next meeting.

There were no questions.

Councilor Hutchison made a motion to approve Ordinance No. 1286 for its first presentation. Motion seconded. No discussion on motion. All in favor, motion carried.

Resolutions

9. Resolution No. 1562 – Adopting a Supplemental Budget and Making Appropriations for 2022-2023 BN (PUBLIC HEARING)– Lori Hooper

Mayor Beebe opened the public hearing portion of the meeting.

Lori Hooper, Finance Director provided the background stating that this was discussed through her Financial Report presentations previously.

No one came forward, no written comments were received and no one was on the phone.

Mayor Beebe closed the public hearing portion of the meeting.

There were no questions.

Councilor Smith made a motion to approve Resolution No. 1562. Motion seconded. No discussion on motion. All in favor, motion carried.

10. Resolution No. 1563 – Approving Appropriation Adjustments to the BN2022-2023 Budget for the Fourth Quarter of the Second Fiscal Year – Lori Hooper

Ms. Hooper provided background information and again this was discussed with Council during Financial Reports to Council previously and referred to the corrected resolution that was distributed.

There were no questions.

Councilor Howard made a motion to approve Resolution No. 1563. Motion seconded. No discussion on motion. All in favor, motion carried.

11. Resolution No. 1564 – Approving Agreement with the State of Oregon Department of Transportation for Transportation Funding Grant – Jered Reid

Mr. Reid explained this is the classic resolution that we do bi-annually to provide public transportation services.

There were no questions.

Councilor Merritt made a motion to approve Resolution No. 1564. Motion seconded. No discussion on motion. All in favor, motion carried.

12. Resolution No. 1565 – Approving an Intergovernmental Agreement with Crook County School District – Captain Gray / Jered Reid

Mr. Reid this is a five-year term agreement that allows the Prineville Police Department to be alerted if something is going on at schools and then PD can access the school’s cameras. There is a notification and a specific notification process that was passed under a senate bill.

There were no questions.

Councilor Uffelman made a motion to approve Resolution No. 1565. Motion seconded. No discussion on motion. All in favor, motion carried.

13. Resolution No. 1566 – Authorizing the City to Enter Into an Intergovernmental Agreement with Crook County for GIS Support – Jered Reid

Mr. Reid provided the background information and said we are nearing the end of the fiscal year which is why we have all of the agreements expiring. This agreement will now be perpetual until canceled so it won’t have to come back every year.

There were no questions.

Councilor Hutchison made a motion to approve Resolution No. 1566. Motion seconded. No discussion on motion. All in favor, motion carried.

14. Resolution No. 1567 – Authorizing the City to Approve Amendment No 5 to IGA Between Crook County and City for Management of Crook County/Prineville Airport – Jered Reid

Mr. Reid explained that this agreement is extended another six months and that operations are different now then what they were in 2010 when first approved.

Mr. Forrester talked about how things have changed such as grant management being transferred to the County since they own the land, and we are looking at going to a fixed base operator (FBO) that will allow Kelly to focus on the business recruitment and overall development of the airport. The County is not considering taking over complete management of the airport at this time.

There were no questions.

Councilor Smith made a motion to approve Resolution No. 1567. Motion seconded. No discussion on motion. All in favor, motion carried.

15. Resolution No. 1568 – Authorizing the City to Enter Into a Contract with Noble 9-1-1 for the Purchase, Installation and Maintenance of a 9-1-1 Telephone System – Sam McKenzie

Sam McKenzie, Communications Director explained that the contract is already in the budget and the current equipment is going out. We will be getting reimbursement from the State and Lumen.

There were no questions.

Councilor Hutchison made a motion to approve Resolution No. 1568. Motion seconded. No discussion on motion. All in favor, motion carried.

Visitors, Appearances and Requests:

No one came forward.

Adjourn

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

Meeting adjourned at 7:07 P.M.

Motions and Outcomes:

Motion:	Outcome	Beebe	Howard	Hutchison	Vacant	Merritt	Smith	Uffelman
Consent Agenda	PASSED	Y	Y	-	-	Y	Y	Y
Motion to approve the request to purchase grinding equipment to Turf Star- Western in the amount of \$66,103.00.	PASSED	Y	Y	Y	-	Y	Y	Y
Ordinance No. 1286 – Amending the City’s Zoning Map Designation from Limited Residential – (FIRST PRESENTATION)	PASSED	Y	Y	Y	-	Y	Y	Y
Resolution No. 1562 – Adopting a Supplemental Budget and Making Appropriations for 2022-2023 BN (PUBLIC HEARING) –	PASSED	Y	Y	Y	-	Y	Y	Y
Resolution No. 1563 – Approving Appropriation Adjustments to the BN2022-2023 Budget for the Fourth Quarter of the Second Fiscal Year	PASSED	Y	Y	Y	-	Y	Y	Y
Resolution No. 1564 – Approving Agreement with the State of Oregon Department of Transportation for Transportation Funding Grant	PASSED	Y	Y	Y	-	Y	Y	Y
Resolution No. 1565 – Approving an Intergovernmental Agreement with Crook County School District	PASSED	Y	Y	Y	-	Y	Y	Y
Resolution No. 1566 – Authorizing the City to Enter Into an Intergovernmental Agreement with Crook County for GIS Support	PASSED	Y	Y	Y	-	Y	Y	Y
Resolution No. 1567 – Authorizing the City to Approve Amendment No 5 to IGA Between Crook County and City for Management of Crook County/Prineville Airport	PASSED	Y	Y	Y	-	Y	Y	Y
Resolution No. 1568 – Authorizing the City to Enter Into a Contract with Noble 9-1-1 for the Purchase, Installation and Maintenance of a 9-1-1 Telephone System	PASSED	Y	Y	Y	-	Y	Y	Y
Adjourn Meeting	PASSED	Y	Y	Y	-	Y	Y	Y

Public Records Disclosure

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

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

CROOK COUNTY ECONOMIC DEVELOPMENT

KELSEY LUCAS

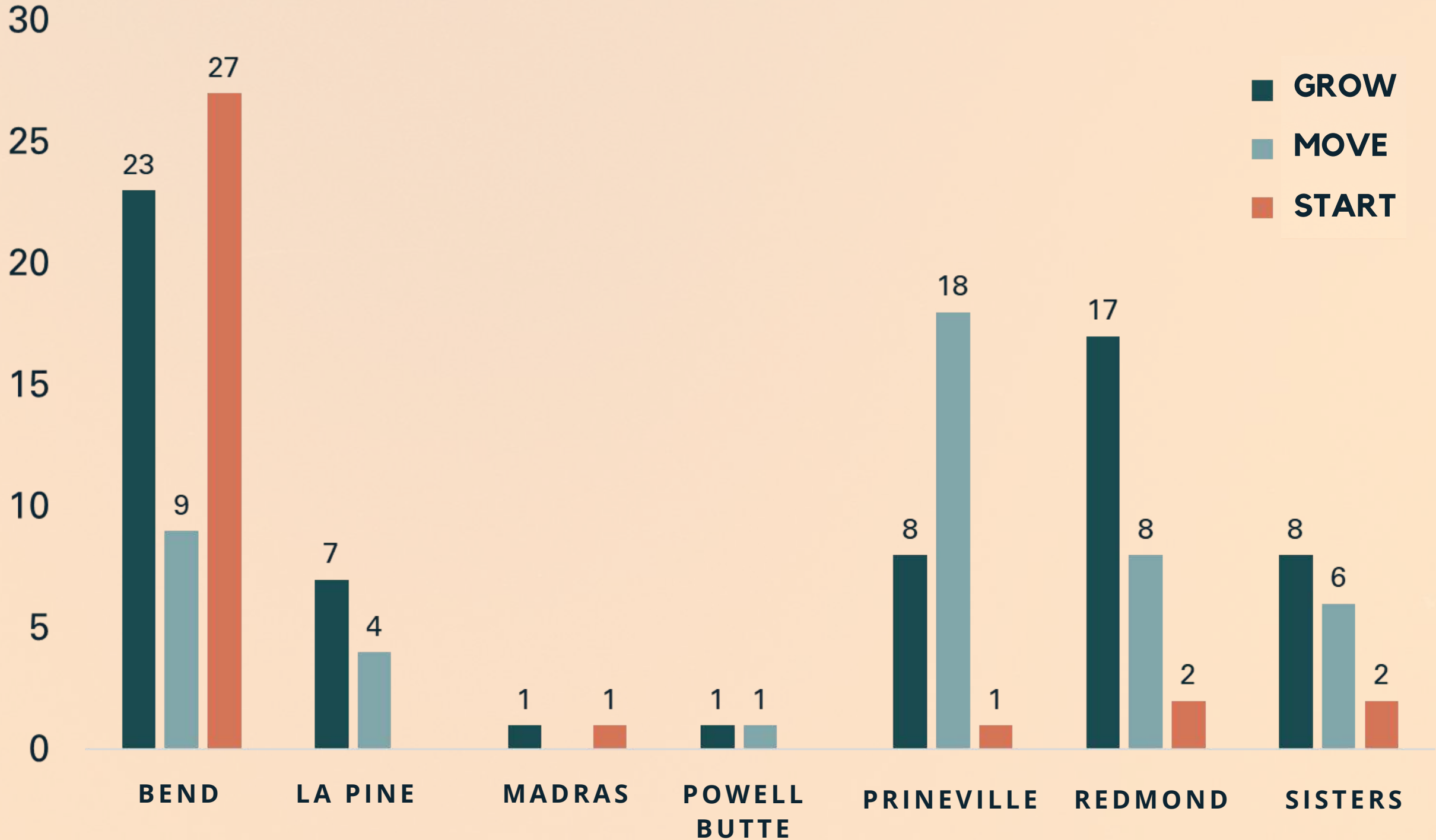


PRINEVILLE

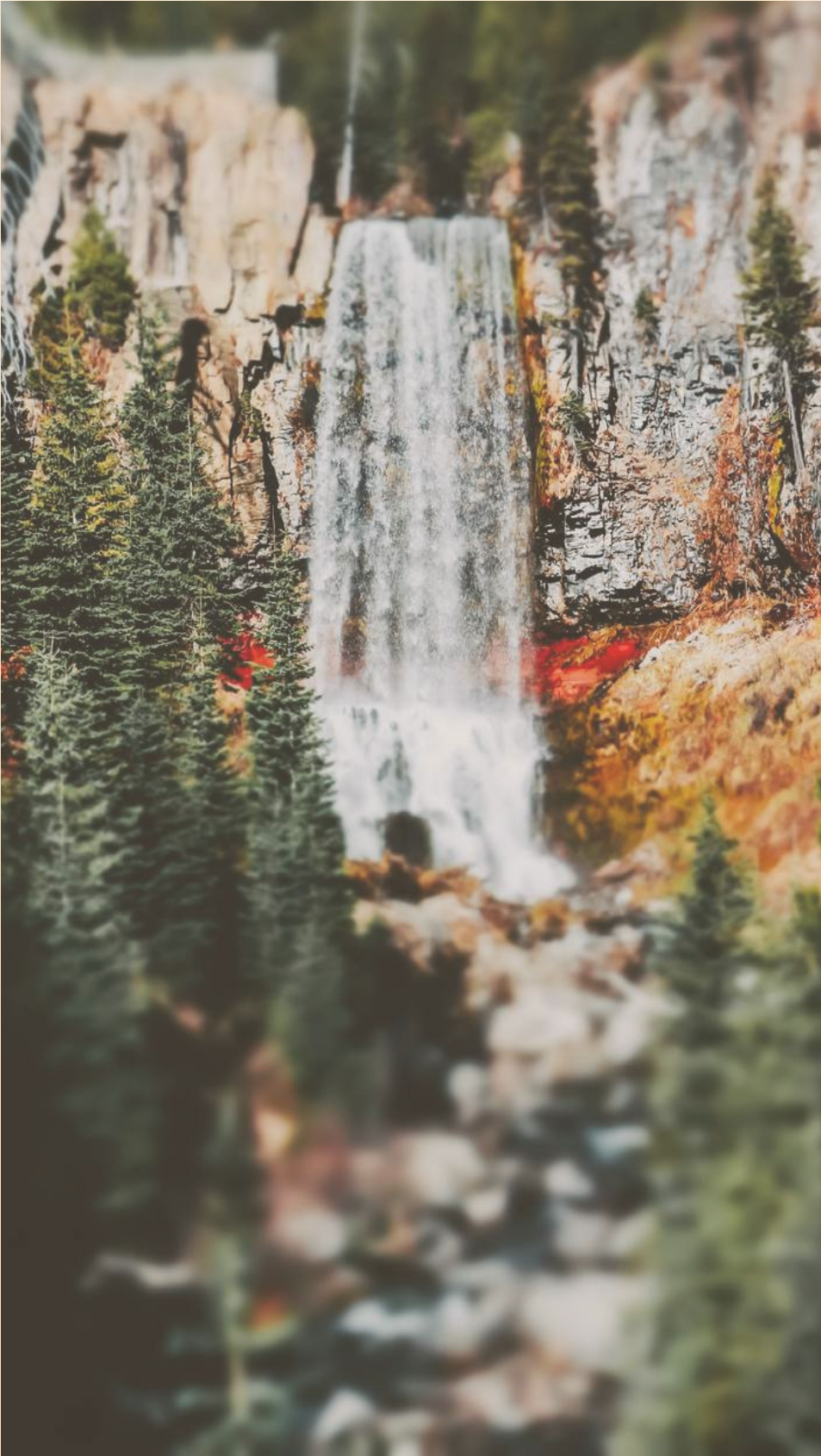
PROJECTS BY COMMUNITY



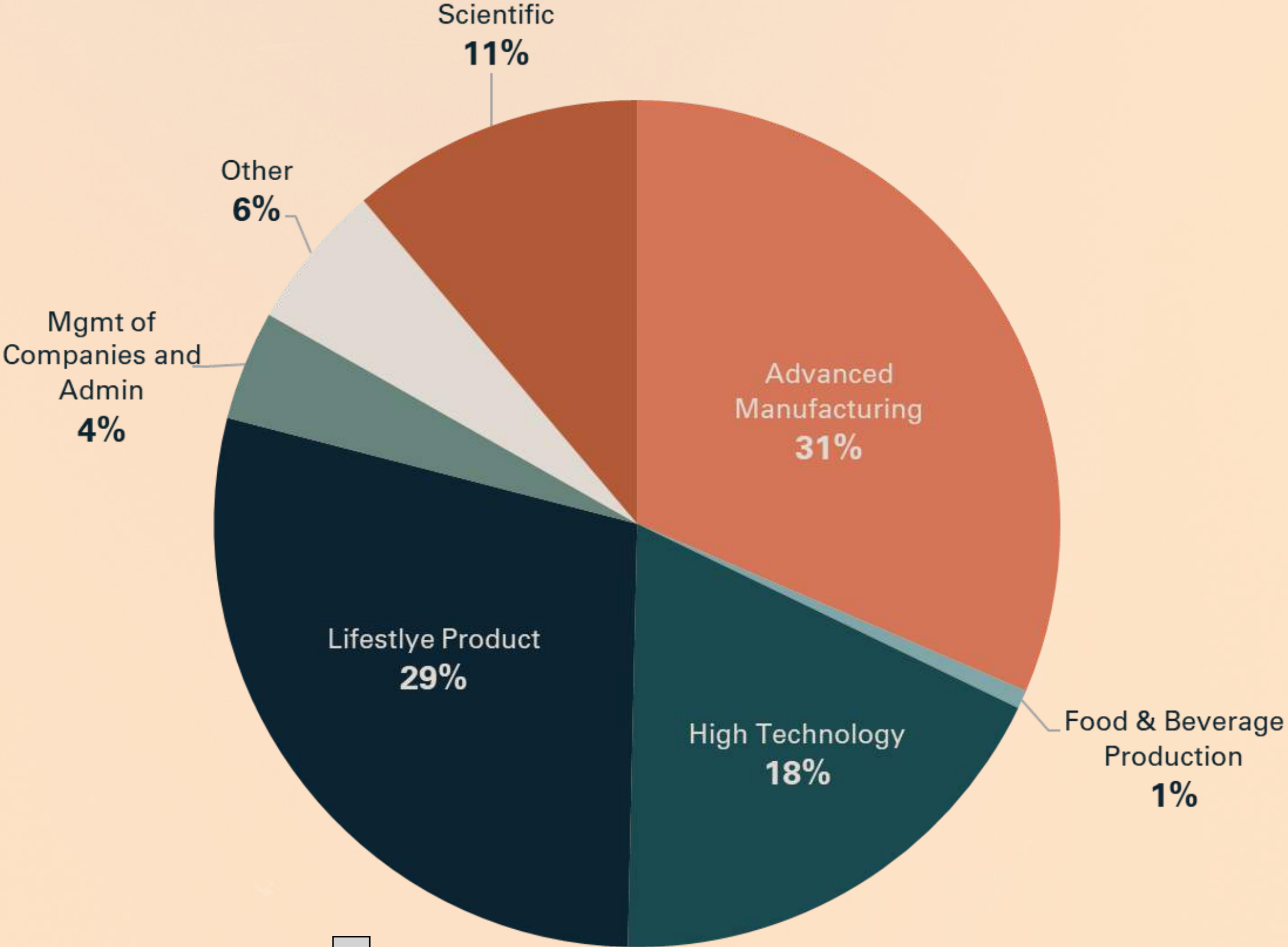
CENTRAL OREGON



PROJECTS BY INDUSTRY



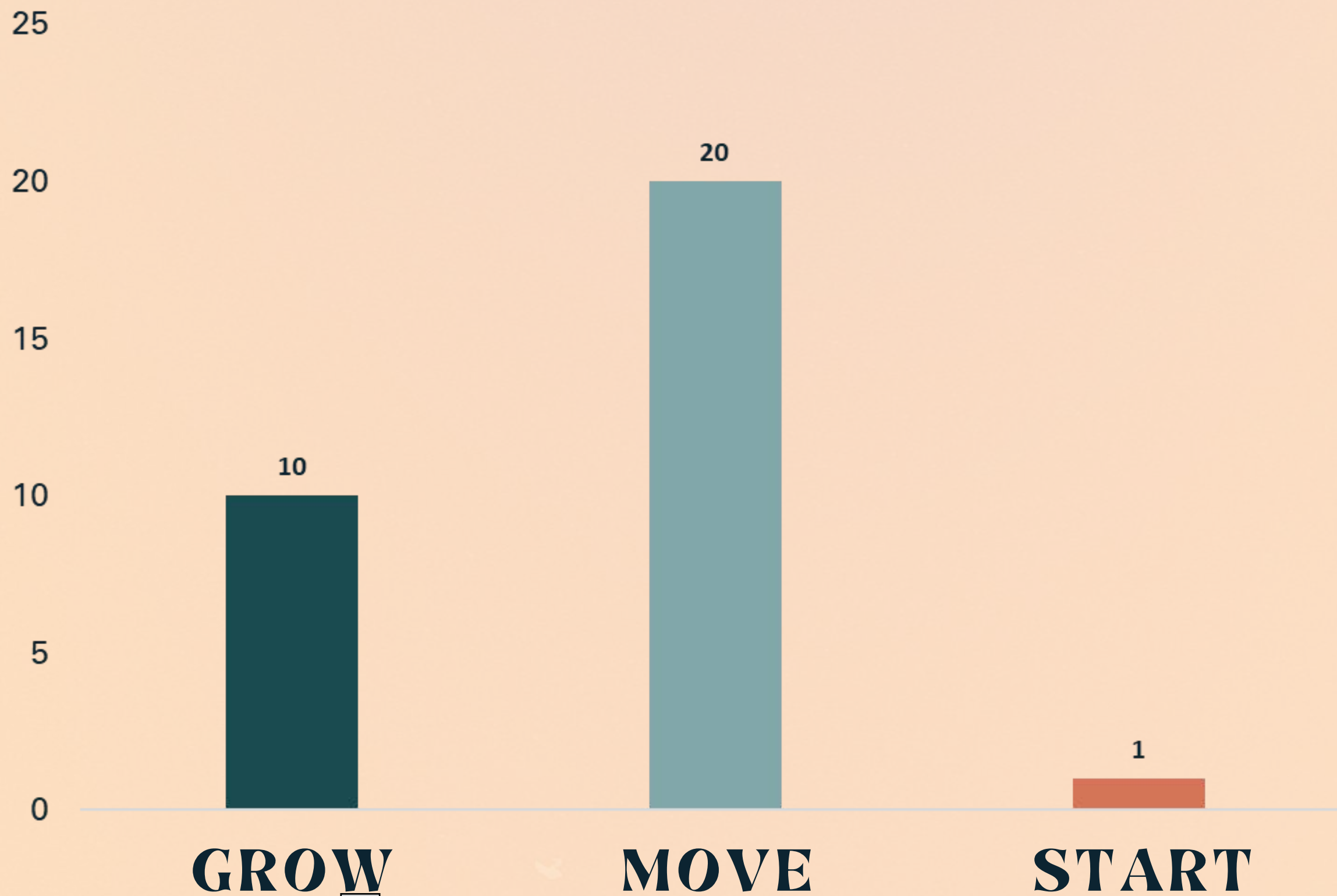
CENTRAL OREGON



TOTAL PENDING PROJECTS

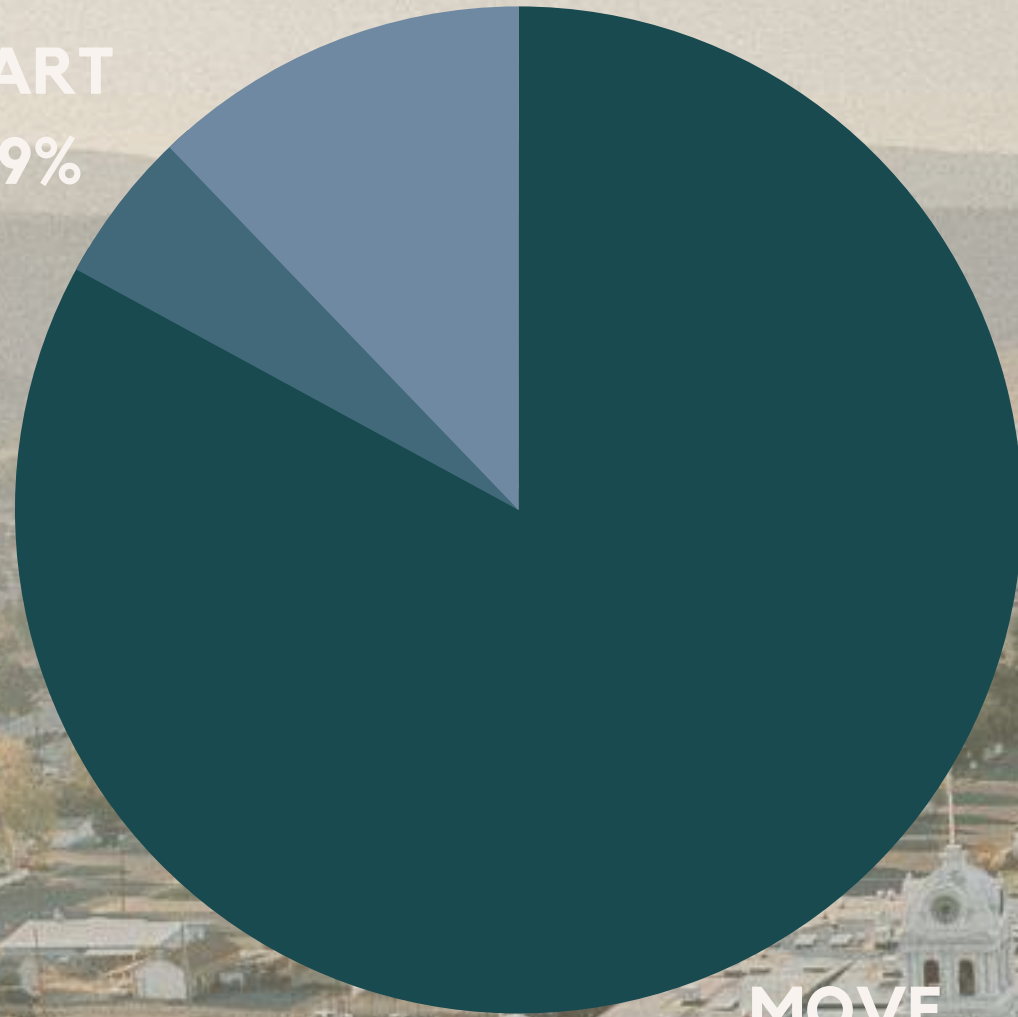


CROOK COUNTY



GROW
12.2%

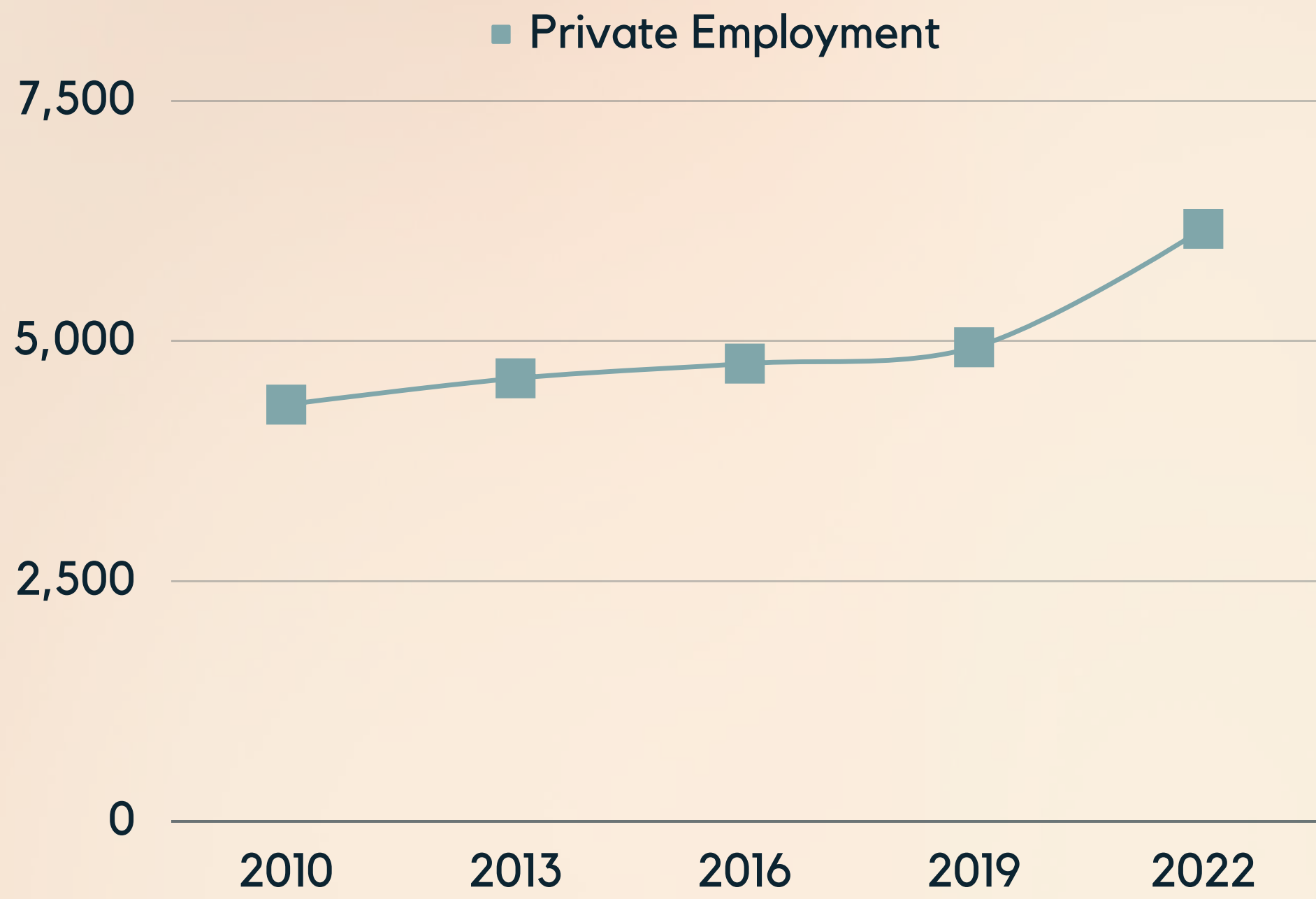
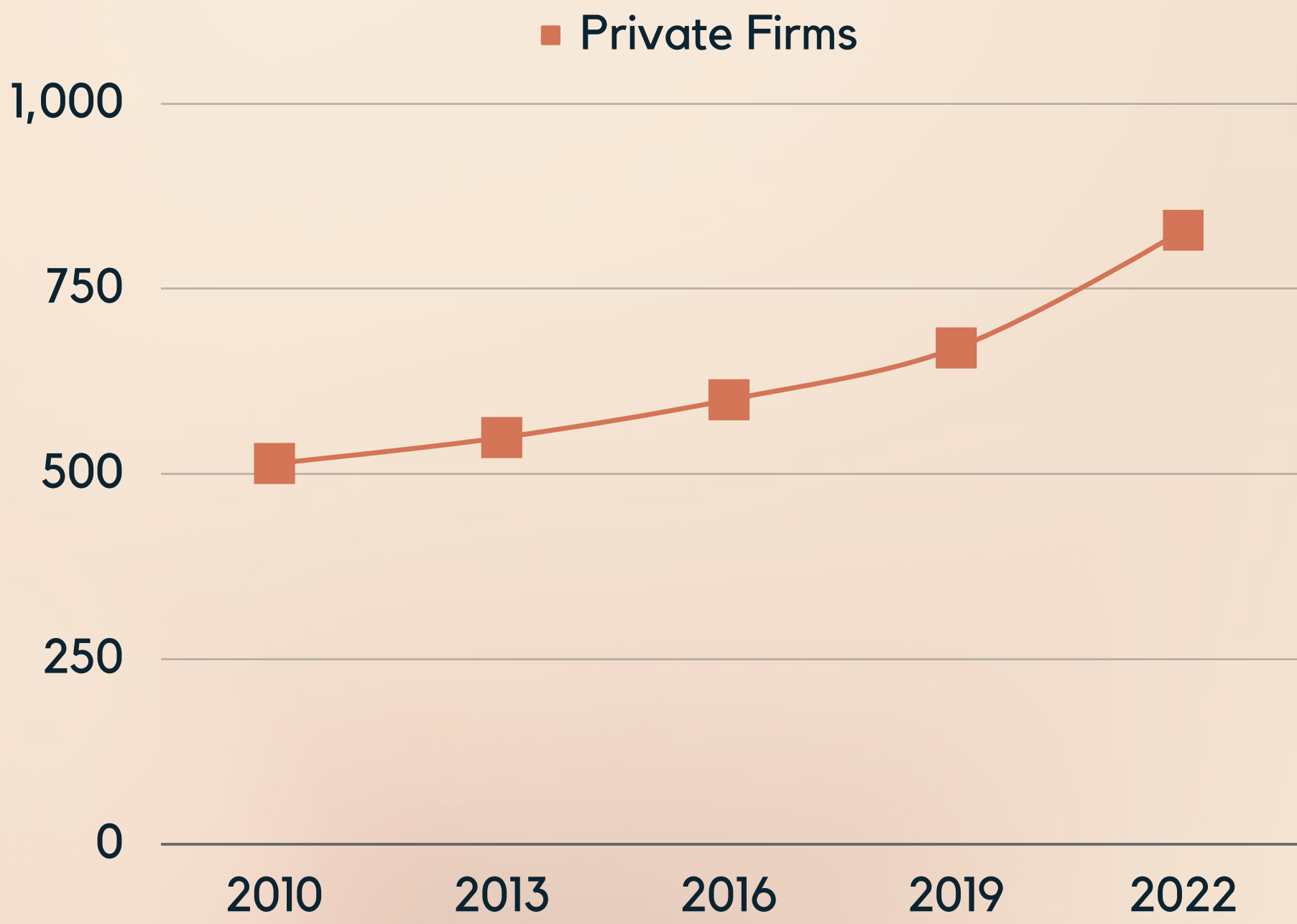
START
4.9%

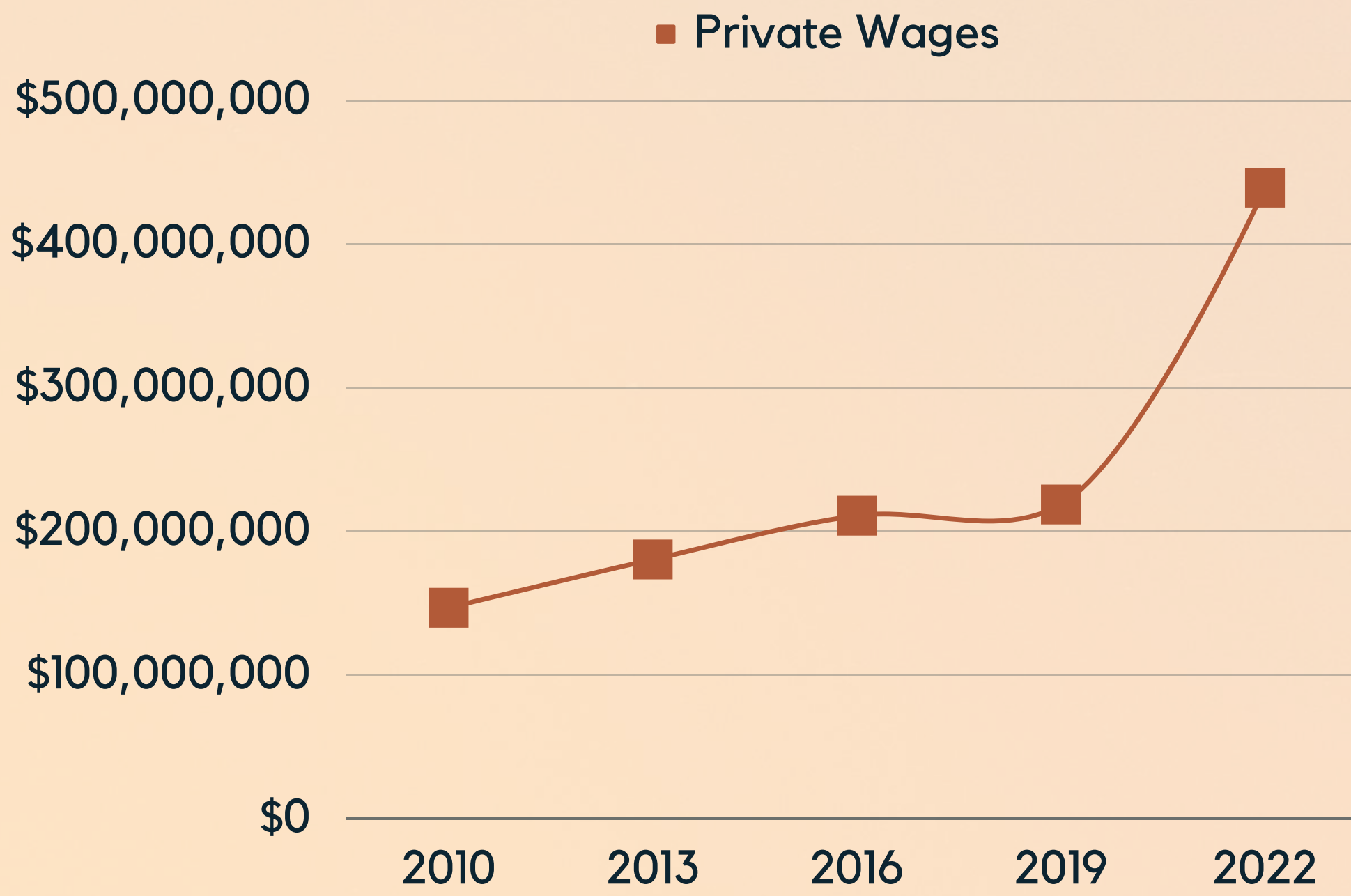


MOVE
82.9%



ADVANCED MANUFACTURING
BUILDING PRODUCTS
HIGH-TECHNOLOGY
AVIATION/AEROSPACE
RENEWABLE ENERGY
AGRICULTURE
FOOD PROCESSING





CROOK COUNTY TOP EMPLOYERS

- CROOK COUNTY SCHOOL DISTRICT
- LES SCHWAB PRINEVILLE OPERATIONS
- META - FACEBOOK DATA CENTER
- ROSENDIN
- BRASADA RANCH
- ENDURA PRODUCTS
- ST. CHARLES PRINEVILLE
- CROOK COUNTY
- OCHOCO NATIONAL FOREST
- WESTERN HEAVY HAUL & SMAF
- BUREAU OF LAND MANAGEMENT (BLM)
- CITY OF PRINEVILLE





ENTERPRISE ZONE RENEWAL
MARKETING CAMPAIGNS
DESTINATION DOWNTOWN
AIR SERVICE DEVELOPMENT
ENTREPRENEURSHIP - CORI
MEMBER EVENTS
OEDA SUPPORT

9.14.23
FALL MEMBER
MIXER

RDM COMMERCIAL AIR SERVICE
& AIRPORT EXPANSION

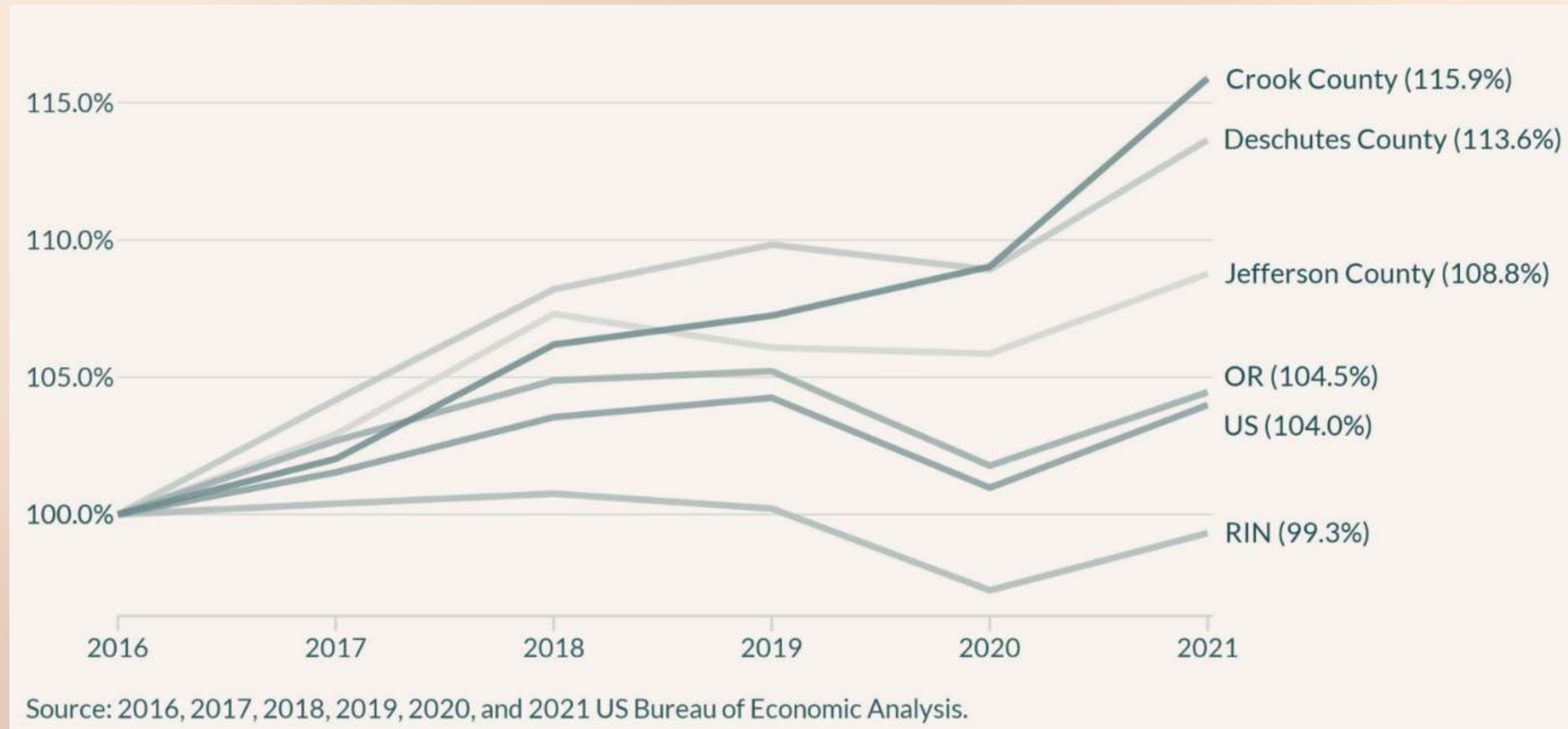
THIRD HIGHEST ANNUAL AVERAGE WAGE IN OREGON

- Deschutes ranked #7 and Jefferson #18 out of all 36 Oregon counties
- Crook County's wages grew 31% from 2021 to 2022 and 51% from Great Depression (2008) to 2022

Rank	Oregon County	2022 Annual Average	Growth (2021-2022)	2021 Rank	2021 Annual Average
1	Washington	\$85,667	7%	1	\$79,960
2	Multnomah	\$75,316	11%	2	\$68,091
3	Crook	\$70,221	31%	6	\$53,584
4	Clackamas	\$66,268	11%	4	\$59,602
5	Morrow	\$64,067	6%	3	\$60,563
6	Benton	\$62,575	8%	5	\$58,050
7	Deschutes	\$60,430	14%	7	\$52,962
8	Gilliam	\$58,639	11%	8	\$52,670
9	Marion	\$58,072	11%	9	\$52,480
10	Sherman	\$57,081	10%	10	\$51,950

EMPLOYMENT CHANGE IN THE LAST FIVE YEARS

- Nearly 16% more residents were employed in Crook County in 2021 than in 2016
- Unlike all comparison geographies, employment in Crook County was not impacted by the COVID-19 pandemic



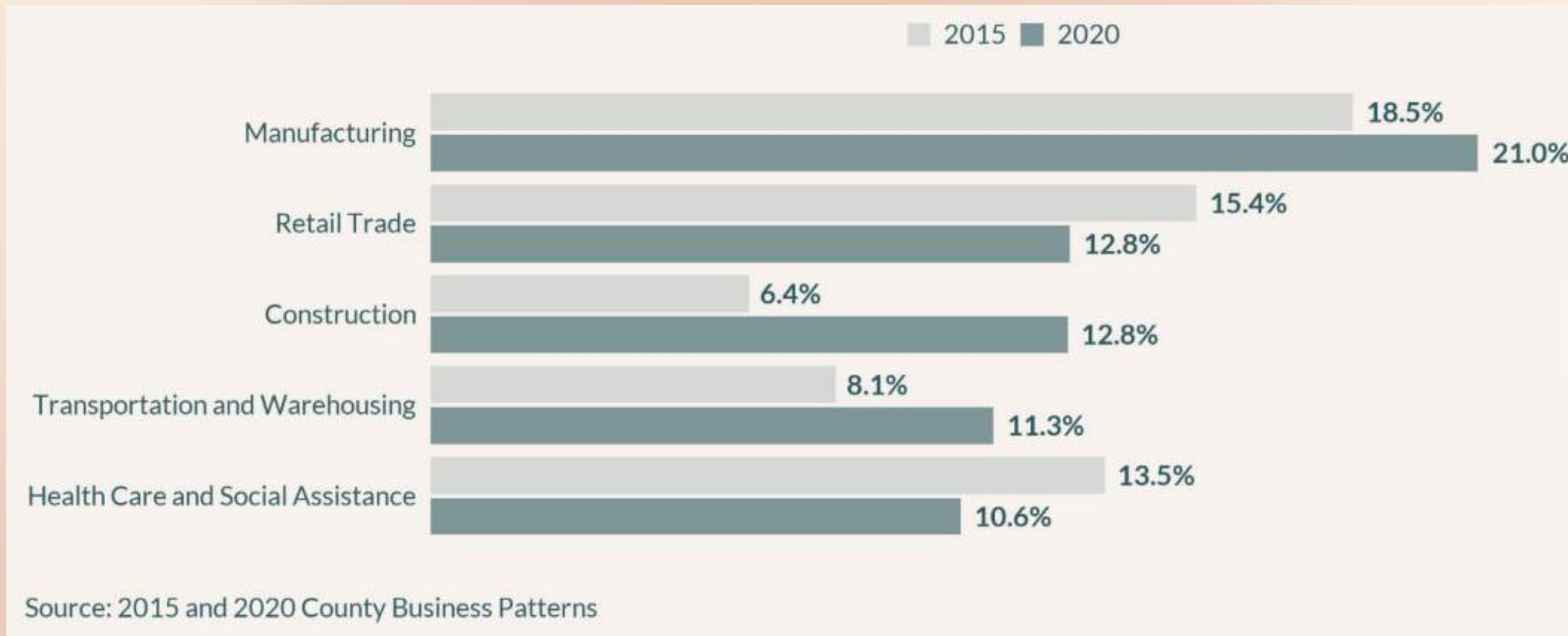
REAL GDP PER WORKER

- The 2021 GDP/worker in chained dollars in Crook County was \$84,278. This exceeds rural comparators and Deschutes County
- A homegrown tech sector could contribute to gains in this metric - increasing both personal wealth and broader economic output in the region



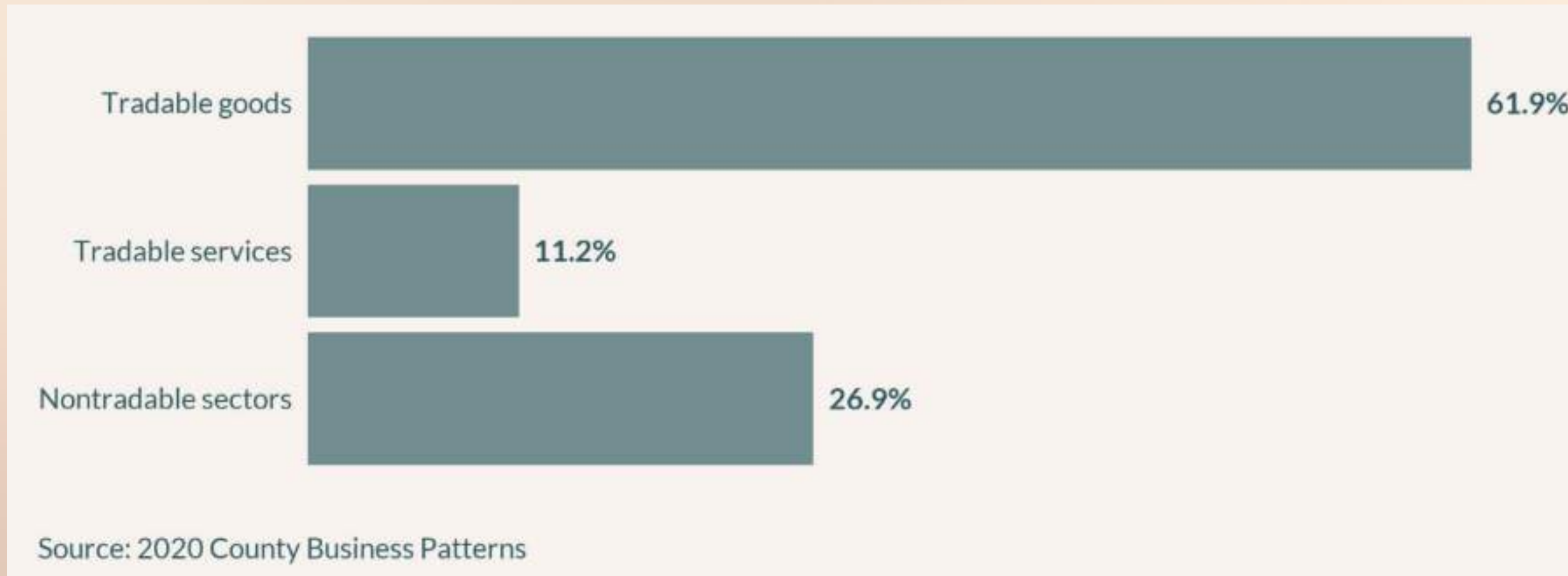
SHARE OF EMPLOYMENT FOR TOP INDUSTRIES

- 21% of workers are employed in manufacturing in Crook County
- Retail trade, construction, transportation and warehousing and health care/social assistance, round out the top five industries



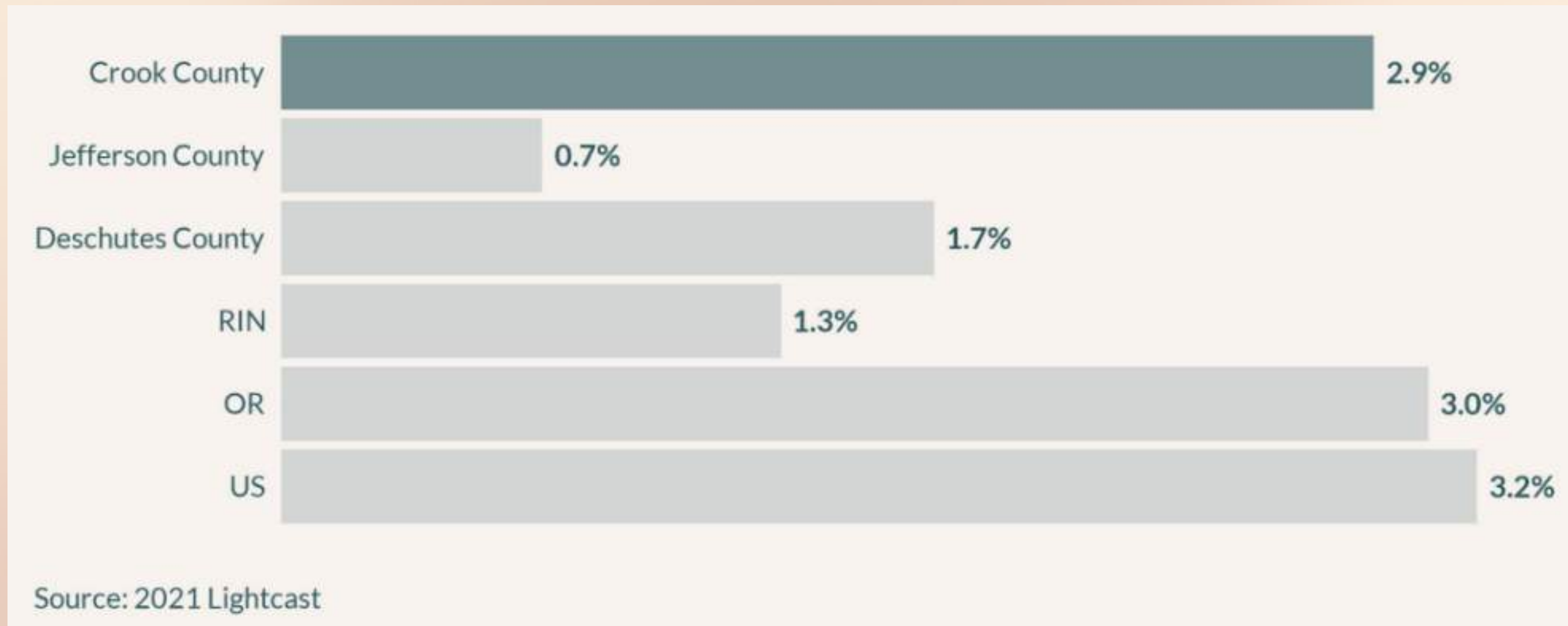
SHARE OF EMPLOYMENT BY SECTOR

- Over half of Crook County's workforce is employed in the tradable goods sector. This is likely attributable to the strong manufacturing presence
- However, only 11.2% of residents are employed in tradable services such as banking and financial services, consulting, and tech



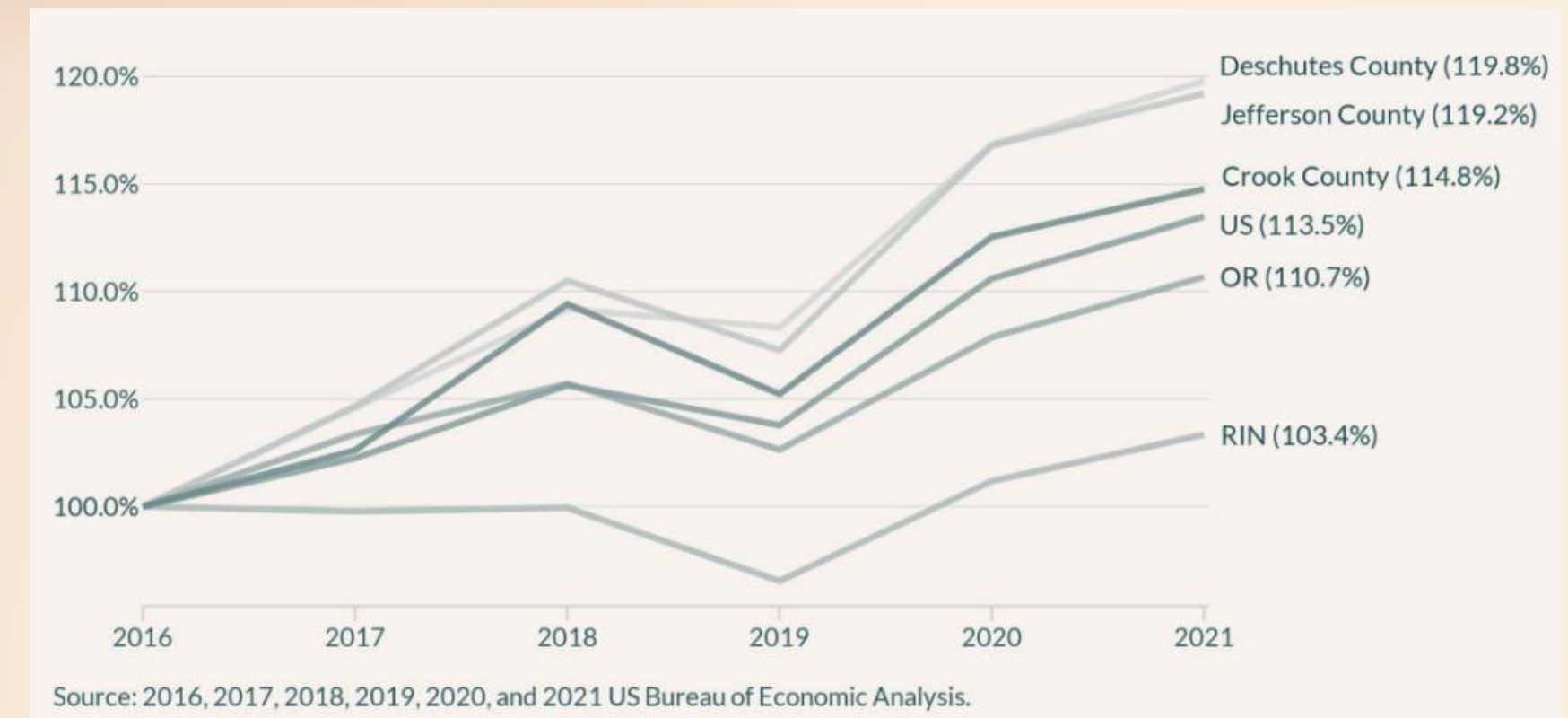
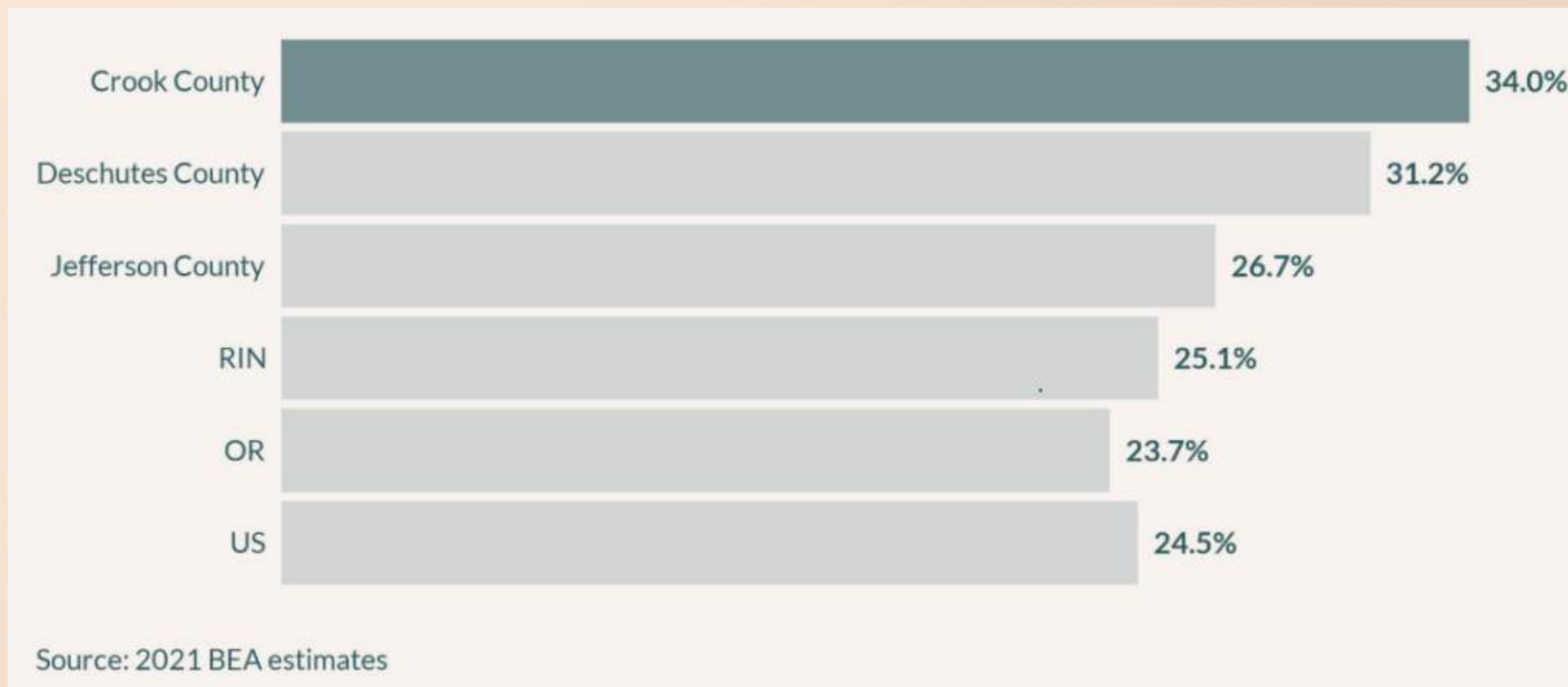
TECH EMPLOYMENT IN COMPUTER & MATH OCCUPATIONS

- Crook County leads all rural comparators and Deschutes County in the percent of residents employed in computer and math occupations



ENTREPRENEURSHIP IS INCREASING IN CROOK COUNTY

- Proprietors (small business owners / startup entrepreneurs / sole proprietors) account for over 1/3 of workers in Crook County
- Nearly 15% more individuals identified as self-employed in 2021 than did in 2016 in Crook County



SHARE OF WORKFORCE IN YOUNG FIRMS

- 12.3% of workers in Crook County work in companies less than five years old





ENDURA PRODUCTS



SHERPTEK



TOP GUN RESOURCES

NOTABLE PROJECTS

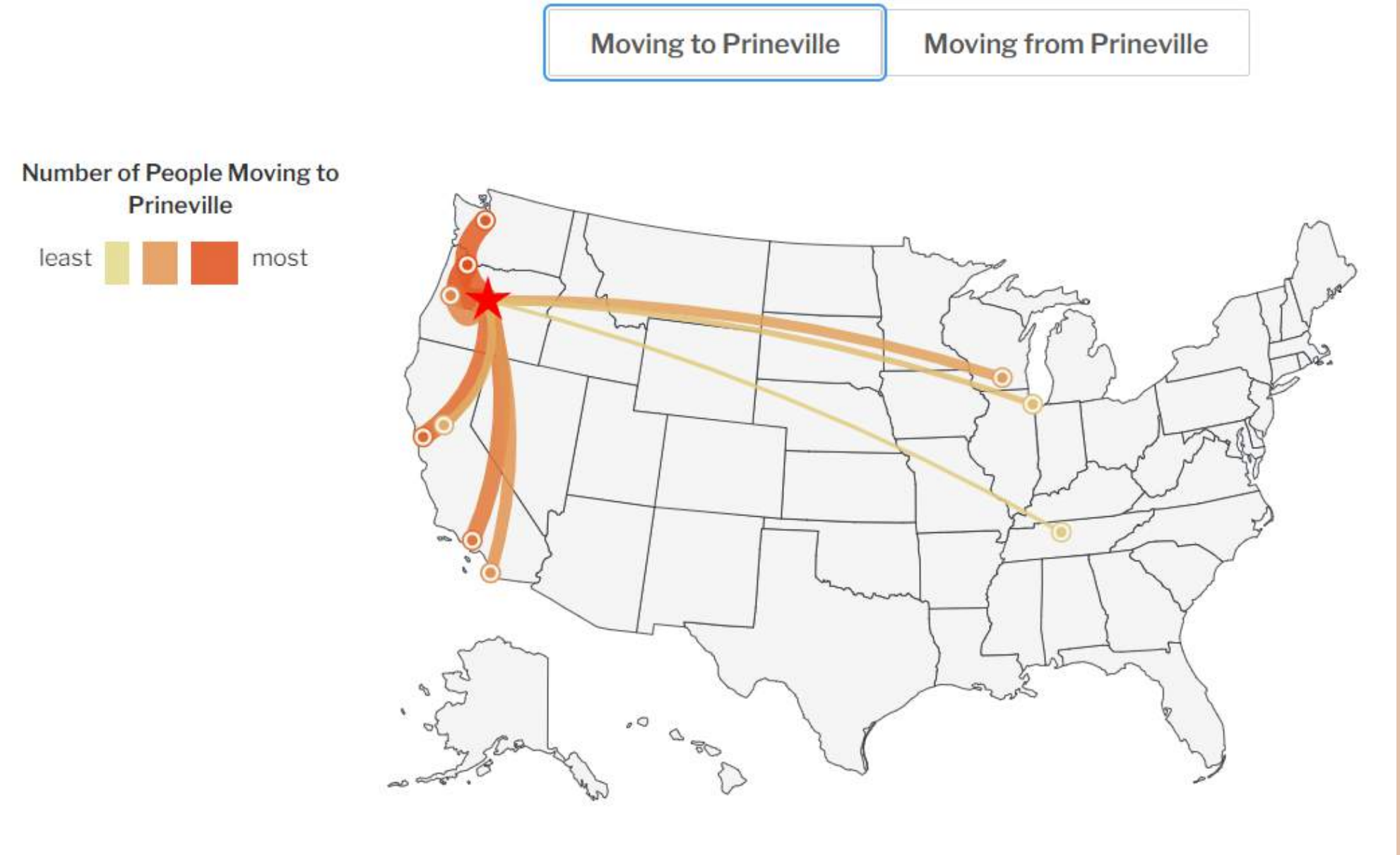
These projects can help to revitalize underutilized or blighted areas, increasing the demand for commercial real estate and driving up property values. In turn, this can lead to increased leasing and sales activity, providing a boost to the real estate market. Economic development projects can also attract new businesses and residents to the area, leading to increased demand for housing and commercial space. Additionally, these projects can improve the overall quality of life for residents by providing better infrastructure, amenities, and services.

ECONOMIC DEVELOPMENT FOR CENTRAL OREGON

CROOK COUNTY

People are moving to Prineville from 📄

Inbound Metros	Net inflow 📄 Jan '23 - Mar '23
1 Portland, OR	1,920
2 Seattle, WA	414
3 San Francisco, CA	376
4 Los Angeles, CA	228
5 Eugene, OR	90
6 San Diego, CA	89
7 Madison, WI	56
8 Sacramento, CA	45
9 Chicago, IL	39
10 Nashville, TN	35

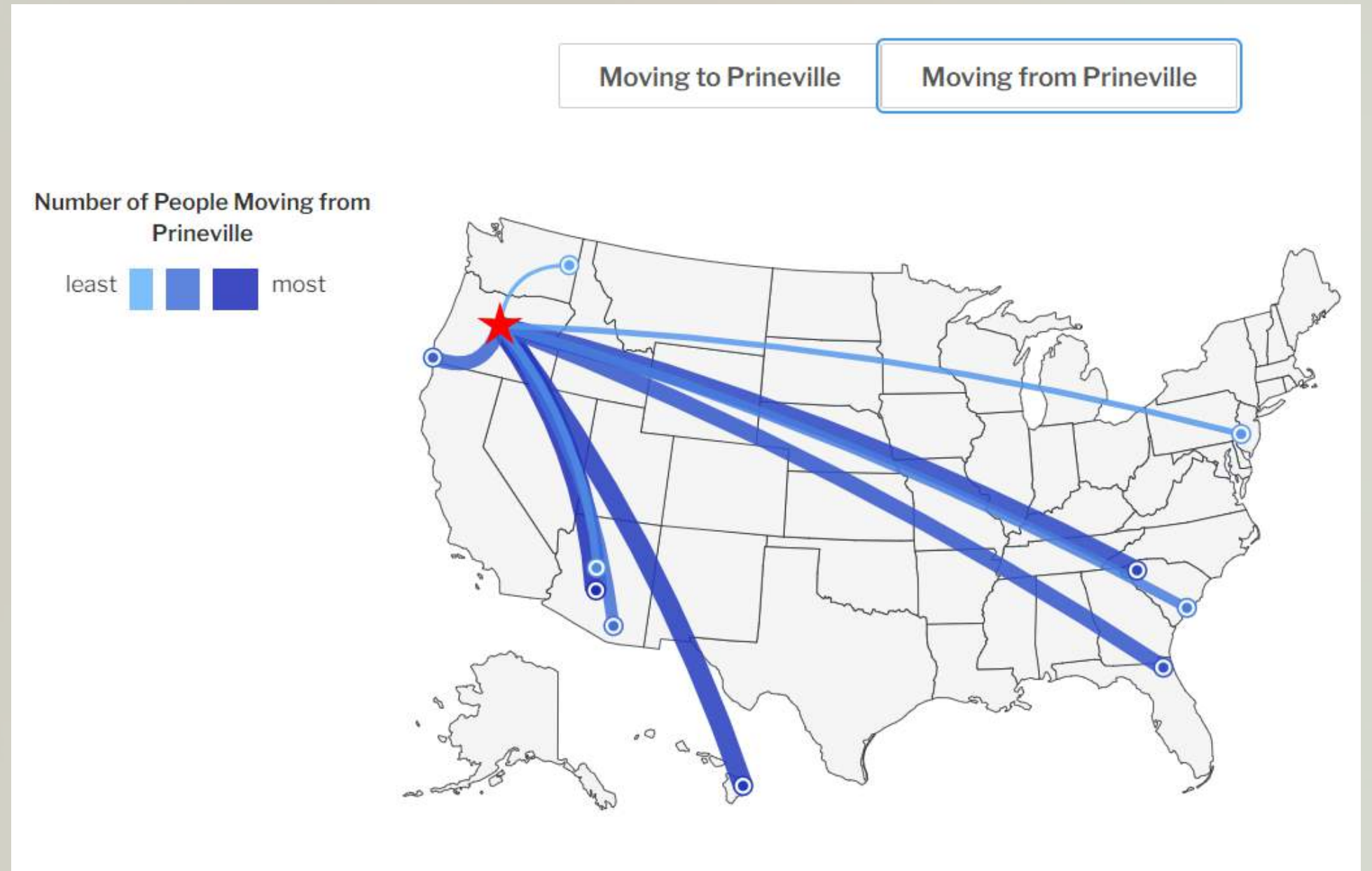


ECONOMIC DEVELOPMENT FOR CENTRAL OREGON

CROOK COUNTY

People are leaving Prineville for ⓘ

Outbound Metros		Net outflow ⓘ
		Jan '23 - Mar '23
1	Phoenix, AZ	39
2	Hilo, HI	13
3	Greenville, SC	10
4	Jacksonville, FL	10
5	Brookings, OR	9
6	Tucson, AZ	8
7	Charleston, SC	8
8	Prescott Valley, AZ	7
9	Philadelphia, PA	6
10	Spokane, WA	6



**THANK YOU
QUESTIONS?**

CROOK COUNTY ECONOMIC DEVELOPMENT



Kelsey Lucas,
Prineville/Crook County Director



541.213.3169



kelsey@edcoinfo.com



edcoinfo.com

(Print on official certificate or letterhead.)

Designation of July as Park and Recreation Month

WHEREAS parks and recreation programs are an integral part of communities throughout this country, including Prineville, Oregon; and

WHEREAS our parks and recreation are vitally important to establishing and maintaining the quality of life in our communities, ensuring the health of all citizens, and contributing to the economic and environmental well-being of a community and region; and

WHEREAS parks and recreation programs build healthy, active communities that aid in the prevention of chronic disease, provide therapeutic recreation services for those who are mentally or physically disabled, and also improve the mental and emotional health of all citizens; and

WHEREAS parks and recreation programs increase a community's economic prosperity through increased property values, expansion of the local tax base, increased tourism, the attraction and retention of businesses, and crime reduction; and

WHEREAS parks and recreation areas are fundamental to the environmental well-being of our community; and

WHEREAS parks and natural recreation areas improve water quality, protect groundwater, prevent flooding, improve the quality of the air we breathe, provide vegetative buffers to development, and produce habitat for wildlife; and

WHEREAS our parks and natural recreation areas ensure the ecological beauty of our community and provide a place for children and adults to connect with nature and recreate outdoors; and

WHEREAS the U.S. House of Representatives has designated July as Parks and Recreation Month; and

WHEREAS Prineville, Oregon recognizes the benefits derived from parks and recreation resources

NOW THEREFORE, BE IT RESOLVED BY the Prineville City Council that July is recognized as Park and Recreation Month in the city of Prineville.

(Add sections for official seal, signature(s) and date.)

City Manager Update to Council

July 11, 2023

Public Safety / Dispatch

The Police Department is still very active with all of the summer events ahead.

Public Works

Please welcome Kelly Woosley. He just joined our Public Works team filling a vacancy.

Streets:

- Assisted with street closures for 4th of July Parade
- Working on cleaning, replacing and fixing storm drain issues that surfaced in the big rain event.
- Completed annual crack sealing project last week
- Prepped the golf course path for paving and assisted during paving

Water:

- Assisted water line crossing on Lynn BLVD to Lane's RV park ahead of chip sealing.
- Performed locates and working on the design for our annual waterline capital improvement projects.
- Responded to and fixed 4 water leaks for the week

WWTP:

- Replaced two pumps in plant 1 headworks (all of plant 1 headworks are now brand new flight pumps)
- Main influent bar screen (Madras Highway Bar Screen) scheduled to be inspected and repaired on the 17th of July. This is a much needed job that has been difficult to get scheduled.
- Crack sealed the paved paths throughout the wetlands
- Standard irrigation, sampling, spraying

Rail Road

The Railroad finished the year stronger than estimated and is gearing up for their track tamping project.

Meadow Lakes Golf

The golf course is looking good and also ready to jump into their projects with the new budget now in effect. Meadow Lakes has had another record breaking June.

Airport

Still an increase in activity at the airport. Fuel sales hold steady with thankfully no fire fighting air equipment activity.

Planning

Planning is working on plans for two coffee huts', one on the east side of town and one on N. Main with an EV charging station. They just signed off on the building plans for the apartment complex on Madras Highway. The old mobile park that was over by Bi-Mart is cleared out and will be redeveloped and expanded with paving and sidewalks which will be a big improvement.

Josh has interviewed candidates to fill the associate planner vacancy and has selected an individual pending background.

Human Resources

Karee is officially the HR Manager as of July 1st and has moved over to the cubical close to Darla to continue the transition.

Information Technology – Nothing to report.

Finance

Corina is now at the payroll specialist desk and ready to go. Finance is still in the middle of mid-year audits.

City Recorder/Risk Management – No Update

City Legal – No Update

EDCO

Again, EDCO will be providing an update on July 11th.

Public Relations - No Update

Mayor/Council

LOC annual fall conference registration will open on July 13th. Please let us know if you would like to get registered. It is in October and will be in Eugene this year.

Other – Nothing to report

ORDINANCE NO. 1286

AN ORDINANCE AMENDING THE CITY’S ZONING MAP DESIGNATION FROM LIMITED RESIDENTIAL (R1) TO GENERAL RESIDENTIAL (R2)

Whereas, City of Prineville (“City”) adopted a Comprehensive Plan on or about April 10, 2007, pursuant to Ordinance 1143 and codified in Chapter 154 of the Prineville City Code; and

Whereas, the City’s Code establishes the policy and procedure to change the Zoning Map designation of a property. Pursuant to such policy and procedure a property owner or owner’s representative may initiate a request to change the zoning of a property: and

Whereas, John Evanski III, the owner of property identified as T14, R16, S32CB Tax Lots 100, 101, 102 & 1100 (“property”), has applied for a change to the Zoning map designation from Limited Residential (R1) to General Residential (R2); and

Whereas, the City has adjacent property identified as T14, R16, S32CB Tax Lots 103 & 300 “(property)” that will also be rezoned to the same designations as part of this application; and

Whereas, pursuant to Section 153.233 of the Code, required notice was sent to property owners within 250ft. of the subject properties. Notice was also submitted to the Department of Land Conservation and Development and published ten (10) days prior to the initial public hearing scheduled for June 6, 2023; and

Whereas, on June 6, 2023, the City Planning Commission held a public hearing and consented to the zone change amendments and recommended the City Council approve the amendments to Zoning Map shown in Exhibit A, attached hereto and by this reference made a part hereof; and

Whereas, on June 13, 2023, the City Council pursuant to Section 153.256.030 of the Code, accepted the Planning Commission recommendation without further review.

NOW, THEREFORE, the people of the City of Prineville ordain as follows:

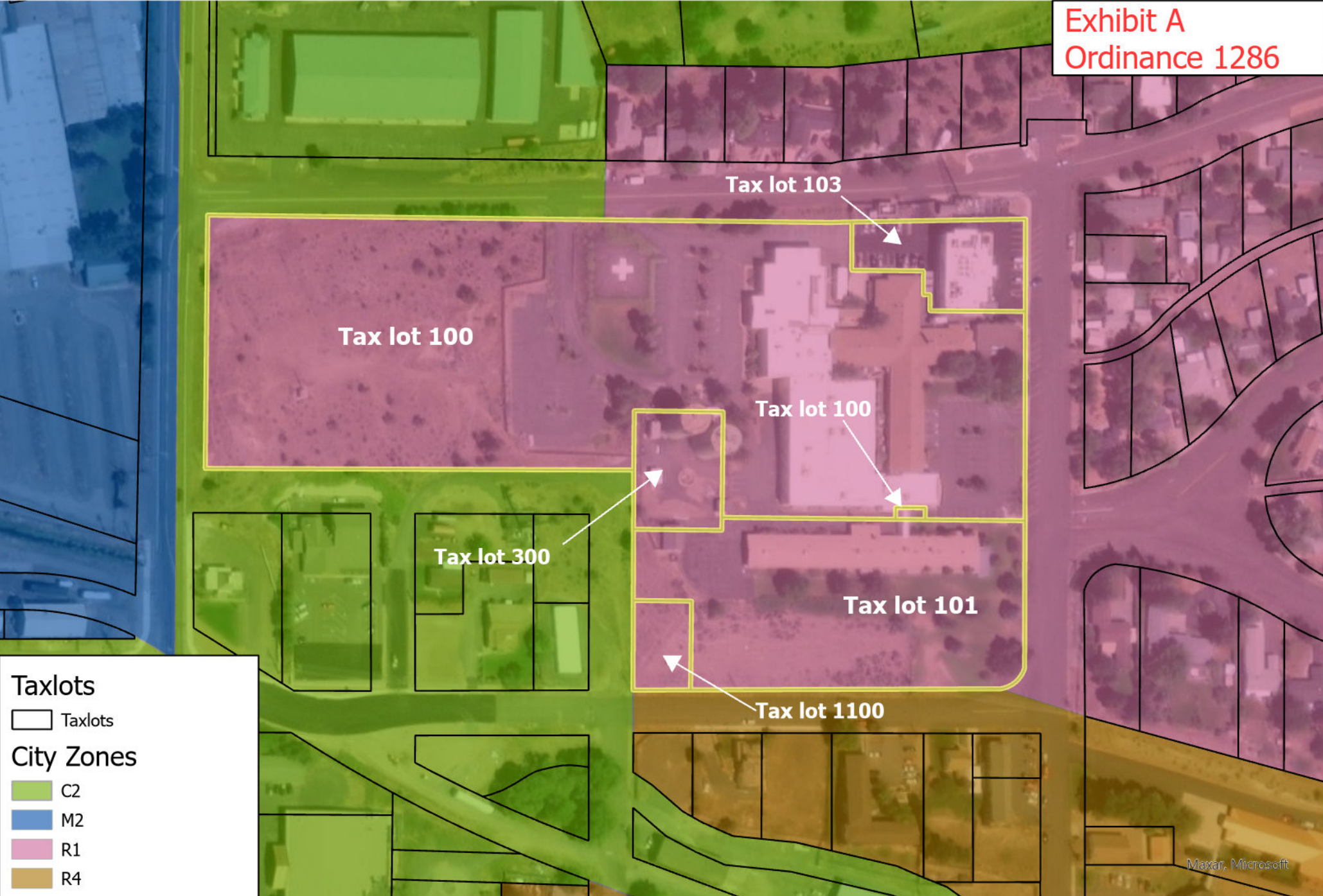
1. That the City’s Zone Map is hereby amended as described above and shown on Exhibit A.
2. The City Recorder shall place a certified copy of this Ordinance in the City’s permanent records.
3. The Ordinance shall be effective 30 days following its passage by the City Council.

Presented for the first time at a regular meeting of the City Council held on June 27, 2023, and passed the 11th day of July, 2023 for its second presentation.

Rodney J. Beebe
Mayor

ATTEST:

Lisa Morgan, City Recorder



Taxlots
[Outline] Taxlots

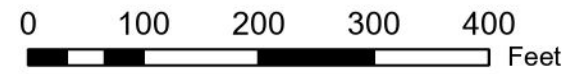
City Zones
[Green] C2
[Blue] M2
[Pink] R1
[Tan] R4

Maxar, Microsoft

2021 Aerial Date: 6/15/2023

AM-2023-101: Zone Change from R1 to R2
Map & Tax Lots 141632CB00100, 101, 102, 103, 300, 1100

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**RESOLUTION NO. 1569
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION APPROVING A RATE INCREASE FOR SOLID WASTE
FRANCHISEE SERVICES**

- A. The City of Prineville (“City”) granted Allied Waste Transfer Services of Oregon, LLC, dba Republic Services of Oregon (“Republic”) an exclusive franchise for solid waste services within the city limits of Prineville.
- B. Each year, Republic may file an application for an adjustment in rates.
- C. Republic filed an application for an adjustment to their rates of a 13.5 percent (13.5%) increase; however, after negotiations with the City’s Solid Waste Advisory Committee, adjusted the application to a 10 percent (10%) increase.
- D. The rate increase request was based on several factors including increased costs for labor, fuel, disposal, repairs, maintenance, and recycling.
- E. A public hearing was held by the Prineville City Council on June 27, 2023.

NOW, THEREFORE, the City of Prineville resolves that Republic shall be allowed to increase its rate of services, effective August 1, 2023, as set forth on the attached schedule.

Approved by the City Council this ____ day of July 2023.

Rodney J. Beebe, Mayor

ATTEST:

Lisa Morgan, City Recorder

Garbage - Prineville Crook Cnty					
CODE	SVC	UGB	New Rate	COU	New Rate
433100	35 SO weekly	\$19.80	\$21.59	\$21.20	\$23.11
433105	35 SO EOW	\$15.37	\$16.75	\$16.76	\$18.27
433110	35 SO E4W	\$12.39	\$13.50	\$13.78	\$15.02
433120	35 CO weekly- city 70+ or disabled	\$25.71	\$28.02	\$26.98	\$29.40
433125	35 CO EOW- city 70+ or disabled	\$18.74	\$20.42	\$20.13	\$21.94
433130	35 CO E4W- city 70+ or disabled	\$13.96	\$15.22	\$15.35	\$16.74
436100	65 SO weekly	\$31.64	\$34.49	\$33.05	\$36.02
436105	65 SO EOW	\$23.66	\$25.79	\$25.05	\$27.31
436110	65 SO E4W	\$18.32	\$19.97	\$19.71	\$21.49
436120	65 CO weekly- city 70+ or disabled	\$38.38	\$41.84	\$39.79	\$43.37
436125	65 CO EOW- city 70+ or disabled	\$27.03	\$29.47	\$28.43	\$30.98
436130	65 CO E4W- city 70+ or disabled	\$19.89	\$21.69	\$21.29	\$23.20
439100	95 SO weekly	\$40.55	\$44.20	\$41.95	\$45.72
439105	95 SO EOW	\$31.64	\$34.49	\$33.05	\$36.02
439110	95 SO E4W	\$25.74	\$28.06	\$27.13	\$29.58
439120	95 CO weekly- city 70+ or disabled	\$45.85	\$49.97	\$47.21	\$51.46
439125	95 CO EOW- city 70+ or disabled	\$35.01	\$38.16	\$36.42	\$39.70
439130	95 CO E4W- city 70+ or disabled	\$27.31	\$29.77	\$28.71	\$31.29
430110	1yd temp-3 days	\$59.35	\$64.69		\$0.00
430115	1 1/2yd temp-3 days	\$92.73	\$101.08	\$101.25	\$110.36
430170	Additional temp days	\$3.05	\$3.32	\$3.51	\$3.82

Recycling - Prineville Crook Cnty					
CODE	SVC	UGB	New Rate	COU	New Rate
420100	95 recycle	\$0.00	\$0.00	\$0.00	\$0.00
420110	95 CO recycle	\$0.00	\$0.00	\$0.00	\$0.00
420115	addt'l 95 recycle	\$1.39	\$1.52	\$1.39	\$1.52
443200	LEED Billing	\$224.80	\$245.03	\$224.80	\$245.03
420280	1 1/2yd occ	\$17.03	\$18.56	\$19.24	\$20.97
420290	2yd occ	\$34.05	\$37.11	\$38.49	\$41.95
420300	3yd occ	\$34.05	\$37.11	\$38.49	\$41.95

420310	4yd occ	\$51.07	\$55.67	\$57.73	\$62.92
420320	5yd occ	\$51.07	\$55.67	\$57.73	\$62.92
420330	6yd occ	\$51.07	\$55.67	\$57.73	\$62.92
420340	8yd occ	\$68.09	\$74.22	\$76.97	\$83.90
421010	10yd rec monthly rental				
421015	15yd rec monthly rental				
421020	20yd rec monthly rental				
421030	30yd rec monthly rental				
421040	40yd rec monthly rental				
422000	Rec haul fee				
422100	Rec truck time per hour				

Commercial - Prineville Crook Cnty					
CODE	SVC	UGB	New Rate	COU	New Rate
400100	1yd 1xweek	\$96.84	\$105.56	\$98.25	\$107.09
400110	1yd 2xweek	\$185.03	\$201.69		
400150	1 1/2yd 1xweek	\$116.11	\$126.56	\$117.50	\$128.08
400160	1 1/2yd 2xweek	\$221.66	\$241.61		
400200	2yd 1xweek	\$145.73	\$158.84	\$147.12	\$160.36
400210	2yd 2xweek	\$278.01	\$303.03		
400250	3yd 1xweek	\$186.10	\$202.85	\$187.49	\$204.37
400260	3yd 2xweek	\$367.21	\$400.26		
400300	4yd 1xweek	\$234.40	\$255.49	\$235.80	\$257.03
400310	4yd 2xweek	\$447.76	\$488.05		
400350	5yd 1xweek	\$309.27	\$337.10	\$310.66	\$338.62
400360	5yd 2xweek	\$589.21	\$642.24		
400400	6yd 1xweek	\$354.53	\$386.44	\$355.93	\$387.96
400410	6yd 2xweek	\$669.12	\$729.34		
401000	1yd special mt	Truck time per hour plus per yard (\$19.91 COU & \$18.56 UGB)			
401010	1 1/2yd special mt				
401020	2yd special mt				
401030	3yd special mt				
401040	4yd special mt				
401050	5yd special mt				
401060	6yd special mt				

Monthly Commercial Bins					
CODE	SVC	UGB	New Rate	COU	New Rate
401005	1yd Will call	\$16.86	\$18.38	\$16.86	\$18.38
401015	1 1/2yd Will call	\$19.67	\$21.44	\$19.67	\$21.44
401025	2yd Will call	\$22.48	\$24.50	\$22.48	\$24.50
401035	3yd Will call	\$25.29	\$27.57	\$25.29	\$27.57
401045	4yd Will call	\$28.10	\$30.63	\$28.10	\$30.63
401055	5yd Will call	\$30.91	\$33.69	\$30.91	\$33.69
401065	6yd Will call	\$33.72	\$36.75	\$33.72	\$36.75
400105	1yd E4W	\$28.97	\$31.57	\$30.45	\$33.19
400155	1 1/2yd E4W	\$37.82	\$41.23	\$40.05	\$43.65
400205	2yd E4W	\$46.69	\$50.89	\$49.65	\$54.12
400265	3yd E4W	\$61.60	\$67.14	\$66.05	\$71.99
400305	4yd E4W	\$76.51	\$83.40	\$82.45	\$89.87
400355	5yd E4W	\$91.43	\$99.65	\$98.83	\$107.73
400405	6yd E4W	\$106.34	\$115.91	\$115.23	\$125.60
400115	1yd EOW	\$45.43	\$49.52	\$46.92	\$51.14
400165	1 1/2yd EOW	\$62.53	\$68.16	\$64.74	\$70.57
400215	2yd EOW	\$79.62	\$86.79	\$82.58	\$90.01
400275	3yd EOW	\$111.00	\$120.98	\$115.45	\$125.84
400315	4yd EOW	\$142.38	\$155.19	\$148.31	\$161.66
400365	5yd EOW	\$173.76	\$189.40	\$181.17	\$197.47
400415	6yd EOW	\$205.14	\$223.60	\$214.03	\$233.29

Roll-offs - Prinveville - Crook Cnty					
CODE	SVC	UGB	New Rate	COU	New Rate
410110	10yd perm rental	\$130.37	\$142.10	\$130.37	\$142.10
410115	15yd perm rental	\$146.67	\$159.87	\$146.67	\$159.87
410120	20yd perm rental	\$162.97	\$177.64	\$162.97	\$177.64
410130	30yd perm rental	\$195.56	\$213.16	\$195.56	\$213.16
410140	40yd perm rental	\$228.16	\$248.69	\$228.16	\$248.69
410210	DON'T USE 10yd yearly rental	\$91.26	\$99.47	\$91.26	\$99.47

410215	DON'T USE 15yd yearly rental	\$103.34	\$112.64	\$103.34	\$112.64
410220	DON'T USE 20yd yearly rental	\$114.51	\$124.82	\$114.51	\$124.82
410230	DON'T USE 30yd yearly rental	\$136.88	\$149.20	\$136.88	\$149.20
410240	DON'T USE 40yd yearly rental	\$159.72	\$174.09	\$159.72	\$174.09
410310	10yd TEMP rental	\$180.37	\$196.60	\$180.37	\$196.60
410315	15yd TEMP rental	\$203.18	\$221.47	\$203.18	\$221.47
410320	20yd TEMP rental	\$225.08	\$245.34	\$225.08	\$245.34
410330	30yd TEMP rental	\$270.10	\$294.41	\$270.10	\$294.41
410340	40yd TEMP rental	\$315.42	\$343.81	\$315.42	\$343.81
410500	Set-up fee - CITY ONLY	\$0.00	\$0.00	\$0.00	\$0.00
410520	Truck time per hour	\$87.11	\$94.95	\$87.11	\$94.95
410525	Truck & Trailer time per hour	\$146.67	\$159.87	\$146.67	\$159.87
410700	Disposal fee	\$50.00	\$50.00	\$50.00	\$50.00
411000	Inactive box fee	\$114.63	\$124.95	\$114.63	\$124.95
411010	Relocate box fee (county+time)	\$69.82	\$76.10	\$69.82	\$76.10
	Dry Run	\$43.55	\$47.47	\$43.55	\$47.47

Extras

CODE	SVC	UGB	New Rate	COU	New Rate
440000	Senior Citizen Discount	10%		10%	
440010	Extra Trash per can/bag	\$4.78	\$5.21	\$5.06	\$5.51
440020	Extra Trash per yard	\$17.03	\$18.56	\$18.27	\$19.91
440030	Lawn Debris per can/bag	\$4.78	\$5.21	\$5.06	\$5.51
440060	Garbage or glass in recycle cart	\$13.78	\$15.02	\$13.78	\$15.02
440070	1yd occ contaminated with trash	\$23.46	\$25.57	\$23.46	\$25.57
440080	1 1/2yd occ contaminated with trash	\$29.83	\$32.52	\$29.83	\$32.52
440090	2yd occ contaminated with trash	\$40.49	\$44.13	\$40.49	\$44.13
440100	3yd occ contaminated with trash	\$53.28	\$58.07	\$53.28	\$58.07
440110	4yd occ contaminated with trash	\$60.19	\$65.61	\$60.19	\$65.61
440120	5yd occ contaminated with trash	\$75.04	\$81.79	\$75.04	\$81.79
440130	6yd occ contaminated with trash	\$89.86	\$97.95	\$89.86	\$97.95
440140	8yd occ contaminated with trash	\$115.08	\$125.43	\$115.08	\$125.43

DON'T USE - USE BULK PRICING- Special Services

442020	Special Services- 1 man per hour	\$50.00	\$54.50	\$50.00	\$54.50
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442030	Special Services- 2 man per hour	\$50.00	\$54.50	\$50.00	\$54.50
443000	Refrigerator	\$29.63	\$32.30	\$29.63	\$32.30
443010	Washer or dryer	\$22.22	\$24.22	\$22.22	\$24.22
443020	Stove (Range)	\$22.22	\$24.22	\$22.22	\$24.22
443030	Dishwasher	\$22.22	\$24.22	\$22.22	\$24.22
443040	Freezer	\$29.63	\$32.30	\$29.63	\$32.30
443050	Air-Conditioner	\$29.63	\$32.30	\$29.63	\$32.30
443060	Water Heater	\$22.22	\$24.22	\$22.22	\$24.22
443070	TV (27" approx)	\$10.37	\$11.31	\$10.37	\$11.31
443075	Vacuum	\$10.37	\$11.31	\$10.37	\$11.31
443080	Propane Tank	\$10.37	\$11.31	\$10.37	\$11.31
443090	Couch/Sofa	\$22.22	\$24.22	\$22.22	\$24.22
443100	Loveseat	\$14.81	\$16.15	\$14.81	\$16.15
443110	Recliner/Chair	\$11.86	\$12.93	\$11.86	\$12.93
443120	Mattress or Box spring-twin	\$7.40	\$8.06	\$7.40	\$8.06
443130	Mattress or Box spring-full	\$10.37	\$11.31	\$10.37	\$11.31
443140	Mattress or Box spring-queen	\$14.81	\$16.15	\$14.81	\$16.15
443150	Mattress or Box spring-king	\$17.78	\$19.38	\$17.78	\$19.38
443160	Pass Tire w/o rim	\$4.44	\$4.84	\$4.44	\$4.84
443170	Pass Tire w/ rim	\$11.86	\$12.93	\$11.86	\$12.93
443180	Truck Tire w/o rim	\$11.86	\$12.93	\$11.86	\$12.93
443190	Truck Tire w/ rim	\$20.75	\$22.62	\$20.75	\$22.62

Fees

CODE	SVC	UGB	New Rate	COU	New Rate
444000	Go back fee	\$13.96	\$15.22	\$20.95	\$22.84
445000	Stop svc fee-delinquent	\$35.00	\$35.00	\$35.00	\$35.00
445020	RC Rental	\$11.45	\$12.48	\$11.45	\$12.48
445030	NSF check fee	\$30.00	\$32.70	\$30.00	\$32.70
445040	Collection fee	\$10.00	\$10.90	\$10.00	\$10.90
445050	Comm cont pull fee	\$55.00	\$59.95	\$55.00	\$59.95
447000	35 RC purchase (lost/stolen)	\$50.00	\$54.50	\$50.00	\$54.50
447010	65 RC purchase (lost/stolen)	\$55.00	\$59.95	\$55.00	\$59.95
447020	95 RC purchase (lost/stolen)	\$60.00	\$65.40	\$60.00	\$65.40

447100	Equipment damage (per hr + parts)	\$75.00	\$81.75	\$75.00	\$81.75
447110	Locking Lids F/L	\$5.62	\$6.13	\$5.62	\$6.13
447120	Locking Lids Roll Carts	\$1.12	\$1.23	\$1.12	\$1.23
447130	Roll Off Lids Standard	\$11.24	\$12.25	\$11.24	\$12.25
447140	Roll Off Lids High Risk	\$28.10	\$30.63	\$28.10	\$30.63
	Bulk	\$40.00	\$43.60	\$65.00	\$70.85



STAFF REPORT

MEETING DATE:	7/11/2023	PREPARED BY:	Casey Kaiser
SECTION:	Resolutions	DEPARTMENT:	Public Works
CITY GOAL:	Quality Municipal Services & Programs		
SUBJECT:	Resolution 1570 Amends an existing waterline resiliency development agreement with Vitesse, LLC to provide for a cost share with Apple and add an ASR well to the project.		

REASON FOR CONSIDERATION:

Meta (Vitesse, LLC.) desires to improve the fire flows and resiliency of the water service to its data center facilities with the construction of the Waterline Resiliency project. The City currently has a development agreement in place with Vitesse, LLC. for them to fund 100% of the construction of the Waterline Resiliency project up to 8.4 million dollars plus a 10% administration fee.

This proposed amendment to the current agreement maintains Vitesse's total obligation at 8.4 million dollars plus a 10% administration fee but allocates the funds to cover 70% of the cost of the Waterline Resiliency Project, and any remaining amount towards the cost of the next ASR Well. Apple will contribute the remaining 30%.

There is no additional capacity reservation associated with the proposed agreement.

BACKGROUND:

In April 2022 City Council approved Resolution 1518 authorizing a development agreement with Vitesse, LLC. (Meta) whereby Vitesse agreed to pay for a waterline resiliency project at a cost of up to 8.4 million dollars with a 10% administration fee. Since that time Apple has agreed to pay 30% of that project cost as they will also benefit from the increased fire flows and resiliency the project will provide. With Apple now paying 30% of the cost, Vitesse has agreed to keep their total investment at 8.4 million (plus the 10% admin fee). They have agreed to pay their 70% portion of the waterline project cost and to pay that 30% difference towards the construction of an ASR Well. Based on current cost estimates for the waterline project, Meta will be contributing an estimated \$3,174,500 towards the ASR well.

Vitesse, LLC. Funding Breakdown is estimated as follows:

Waterline Resiliency Project	\$5,225,500 (70% of \$7,465,000 total cost)
ASR Well	\$3,174,500
10% Administration Fee	\$ 840,000
Total Contribution	\$9,240,000

FISCAL IMPACT: The City will receive a 10% administration fee of up to \$840,000 for delivery and administration of the projects. This amount is expected to cover all personnel and project related costs as well as a portion of the costs associated with updating the City Water Master Plan, Wastewater Facility Plan, and SDC Methodology reports for the water and wastewater systems.

RECOMMENDATION:

Staff recommends Council approve Resolution 1570 authorizing the amendment to the Waterline Resiliency Development Agreement with Vitesse, LLC.

ADDITIONAL DOCUMENTS: Resolution 1570, Amendment to Development Agreement with Vitesse, LLC.

**RESOLUTION NO. 1570
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION AUTHORIZING AMENDMENT TO DEVELOPMENT AGREEMENT
BETWEEN CITY OF PRINEVILLE AND VITESSE, LLC**

Whereas, City of Prineville (“City”) and Vitesse, LLC (“Vitesse”) executed a Development Agreement effective April 14, 2022 for the procurement, construction, installation, and maintenance of a 7,000 linear foot water pipe consisting of both 24 inch and 30 inch pipe (“Project”).

Whereas, City and Vitesse agreed to amend the Project to consist of 6,665 linear foot water pipe consisting of 30 inch polyvinyl chloride.

Whereas, due to contributions from Apple, Inc., Vitesse has agreed to contribute to seventy percent (70%) towards the Project and an additional Administrative Fee of ten percent (10%).

Whereas, Vitesse has agreed to provide the difference between the amount paid for the Project and the original estimate towards the Prineville Aquifer Storage Recover Project.

Whereas, City and Vitesse have negotiated an Amendment to Development Agreement (“Amendment”), which is attached to this Resolution and incorporated herein.

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

Now, Therefore, the City of Prineville resolves that the Amendment to Development Agreement attached to this Resolution between the City and Vitesse is hereby approved, and that the Mayor is authorized and instructed to sign such Agreement on behalf of the City.

Approved by the City Council this ____ day of July, 2023.

Rodney J. Beebe, Mayor

ATTEST:

Lisa Morgan, City Recorder

AMENDMENT TO DEVELOPMENT AGREEMENT
Between
City of Prineville and Vitesse, LLC

THIS AMENDMENT (“Amendment”) is made and entered into as of the date last written below (the “Effective Date”), by and between the **City of Prineville**, an Oregon municipal corporation (“City”) and **Vitesse, LLC**, a Delaware limited liability company (“User”); each of City and User are “Party” and together, the “Parties.”

RECITALS

A. The Parties executed a Development Agreement effective April 14, 2022 (“Agreement”), which is attached as Exhibit A and incorporated herein.

B. The Parties have agreed to certain amendments within the Agreement and wish to document those changes.

NOW, THEREFORE, in consideration of the foregoing, and the mutual covenants and agreements contained herein, including the Recitals which are incorporated herein by reference, which are relied upon by the Parties and which constitute part and parcel of this Agreement; and other good and valuable consideration the receipt and sufficiency of which are expressly acknowledged by the Parties, City and User hereby agree as follows:

1. **Recital C – Project 1B Description.** Recital C of the Agreement is deleted and replaced with the following:

“User desires to have City procure materials and construction services to construct, install, and maintain a 2,240 linear foot water pipe consisting of 30 inch polyvinyl chloride (‘PVC’) or high-density polyethylene (‘HDPE’) pipe, which will run from Wells to Millican and service the User’s property by improving fire flow capabilities and system redundancy in the event of a fire (‘Project 1B’).”

2. **Recital G – Project Cost.** Recital G of the Agreement is deleted and replaced with the following:

“Whereas, City has estimated that the total cost of Projects is SEVEN MILLION FOUR-HUNDRED SIXTY-FIVE THOUSAND, TWO-HUNDRED NINETEEN AND 57/100 DOLLARS (\$7,465,219.57) (the ‘Maximum Price’), as set forth on Exhibit C, attached hereto and incorporated herein.”

3. **Project Timelines.** Section 5 of the Agreement is deleted and replaced with the following:

“The Projects shall be completed in accordance with the design prepared by the Engineer and with all laws and regulations. City will strive to achieve Final Completion for the Projects no later than May 31, 2024.”

4. **Consideration.** Section 6 of the Agreement is deleted and replaced with the following:

“6. In consideration of City’s performance, User hereby agrees to pay City each of the following:

6.1 Seventy percent (70%) of the costs of constructing the Projects (collectively, the ‘Project Costs’). The Project Costs will not exceed seventy percent (70%) of the Maximum Price.

6.2 An administrative fee equal to the lesser of (a) ten percent (10%) of payments towards the Project Costs; or (b) FIVE HUNDRED TWENTY-TWO THOUSAND TWO HUNDRED FIFTY-SIX DOLLARS (\$522,256.00).

6.3 The difference between the amount paid pursuant to Section 6.1 and EIGHT MILLION FOUR-HUNDRED THOUSAND DOLLARS (\$8,400,000.00), which will be applied towards the Prineville Aquifer Storage Recovery Project (‘PASRP’).

6.4 An additional administrative fee of ten percent (10%) of any funds contributed under Section 6.3 and applied towards the PASRP. City agrees that User shall have the rights to claim the water conservation and environmental benefits of any improvement constructed as part of the PASRP under Section 6.3.”

5. **Payment Schedule.** Section 7 of the Agreement is deleted and replaced with the following:

“City may submit to User an invoice no more than once each month consisting of (1) all Project Costs incurred that have not been reimbursed and (2) a portion of the administrative fee equal to 10 percent of the Project Costs included in the invoice. The amount owed under each invoice shall also be reduced by retainage in accordance with Section 8. Payment shall be made, following review and approval of the invoice submitted by City, within thirty (30) days after User’s receipt of the invoice. If User objects to the invoice submitted, User shall advise City in writing, giving reason therefore, within fifteen (15) days after User’s receipt of said invoice. City shall submit invoices to User electronically to the following address: water@fb.com.

Notwithstanding Section 6 of this Agreement, in the event that City believes that the Project Costs will exceed seventy percent (70%) of the Maximum Price, City shall provide notice to User of its belief at least sixty (60) days before the Project Costs actually exceeds seventy percent (70%) of the Maximum Price. City will coordinate meetings among User, the Engineer, and the Project contractors to conduct value engineering analysis and explore opportunities for cost savings. Upon receiving a notice, User may elect to (1) suspend or terminate one or both Projects; (2) limit or modify the Projects; or (3) agree to amend the Agreement to increase the Maximum Price. User shall notify City of its election no later than thirty (30) days from receiving notice from City. Upon receiving User’s election, the Parties hereby agree to endeavor, in good faith, to

make any amendments required to the Agreement.

Unless City fails to provide notice as set forth in this paragraph, City shall not be responsible for costs exceeding the Maximum Price.”

6. **Project Cost Estimate Breakdown.** Exhibit C to this Agreement is deleted and replaced with Exhibit C to this Amendment.
7. **Reaffirmation of Agreement.** Except as modified by this Amendment, all terms and conditions of the Agreement are reaffirmed and remain unmodified and in full force and effect.
8. **Counterparts.** This Amendment may be executed in one or more counterparts, including electronically transmitted counterparts, which when taken together, shall constitute one in the same original. Facsimiles and electronic transmittals of signed documents shall be binding as though they were an original as such signed document.
9. **Other Necessary Acts.** Each Party shall execute and deliver to the other all such further instruments and documents as may be reasonably necessary to carry out this Amendment in order to provide and secure to the other Parties the full and complete enjoyment of rights and privileges hereunder.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

USER:

Vitesse, LLC,
a Delaware limited liability company

By: Paul C
Name: PAUL CLEMENTS
Its: AUTHORIZED REPRESENTATIVE
Date: 6/26/2023

CITY:

City of Prineville, Oregon,
an Oregon municipal corporation

By: _____
Name: _____
Its: _____
Date: _____

EXHIBIT C
COST ESTIMATE BREAKDOWN

Project Name: Estimate Class: Estimate #:
Resiliency Project, City of Prineville

Contact:
Niall Boggs

E-Mail: NBoggs@parametrix.com

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
10	MOBILIZATION	1.00	LS	\$312,000.00	\$312,000.00
20	TEMPORARY WORK ZONE TRAFFIC CONTROL	1.00	LS	\$16,500.00	\$16,500.00
30	TRAFFIC CONTROL PLAN	1.00	LS	\$285.00	\$285.00
40	EROSION CONTROL	1.00	LS	\$34,500.00	\$34,500.00
50	CLEARING AND GRUBBING	1.00	LS	\$25,500.00	\$25,500.00
60	GENERAL EXCAVATION	1,000.00	CY	\$19.25	\$19,250.00
70	POLLUTION CONTROL PLAN	1.00	LS	\$285.00	\$285.00
80	CONSTRUCTION SURVEY WORK	1.00	LS	\$47,300.00	\$47,300.00
90	30" C900 DR 18 PIPE	6,631.00	LF	\$551.20	\$3,655,007.20
110	24" C900 DR 18 PIPE	151.00	LF	\$485.00	\$73,235.00
120	30" DUCTILE IRON PIPE	697.00	LF	\$454.50	\$316,786.50
130	12" DUCTILE IRON PIPE	34.00	LF	\$235.00	\$7,990.00
140	8" DUCTILE IRON	120.00	LF	\$190.00	\$22,800.00
150	6" DUCTILE IRON	38.00	LF	\$400.00	\$15,200.00
160	CONNECTION TO EXISTING WATER MAIN (MILLICAN)	1.00	EACH	\$135,000.00	\$135,000.00
170	CONNECTION TO EXISTING WATER MAIN (AIRPORT WAY)	1.00	EACH	\$56,500.00	\$56,500.00
180	TAPS AT RESERVOIR	1.00	LS	\$23,750.00	\$23,750.00
190	30" BUTTERFLY VALVE	6.00	EACH	\$29,250.00	\$175,500.00
191	24" BUTTERFLY VALVE	2.00	EA	\$24,500.00	\$49,000.00
210	12" BUTTERFLY VALVE	3.00	EACH	\$4,225.00	\$12,675.00

220	8" GATE VALVE	2.00	EACH	\$2,980.00	\$5,960.00
230	6" GATE VALVE	9.00	EACH	\$2,120.00	\$19,080.00
240	12" X 6" REDUCER	5.00	EACH	\$1,060.00	\$5,300.00
ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
250	12" X 8" REDUCER	1.00	EACH	\$1,200.00	\$1,200.00
260	30" X 16" REDUCER	1.00	EACH	\$14,500.00	\$14,500.00
270	HYDRANT	7.00	EACH	\$5,390.00	\$37,730.00
280	30" 22.5 DEGREE BEND	6.00	EACH	\$14,150.00	\$84,900.00
290	30" 11.25 DEGREE BEND	2.00	EACH	\$14,150.00	\$28,300.00
300	30" 90 DEGREE BEND	2.00	EACH	\$14,150.00	\$28,300.00
310	8" 90 DEGREE BEND	3.00	EACH	\$850.00	\$2,550.00
311	24" 90 DEGREE BEND	1.00	EA	\$9,500.00	\$9,500.00
315	16" 90 DEGREE BEND	2.00	EA	\$4,900.00	\$9,800.00
320	30" TEE	3.00	EACH	\$19,880.00	\$59,640.00
321	30" X 24" TEE	1.00	EA	\$19,880.00	\$19,880.00
322	30" X 8" TEE	1.00	EA	\$19,880.00	\$19,880.00
323	30" X 6" TEE	11.00	EA	\$19,880.00	\$218,680.00
325	30" X 12" REDUCER	2.00	EA	\$14,485.00	\$28,970.00
330	30" X 12" REDUCING TEE	3.00	EACH	\$19,880.00	\$59,640.00
331	24" X 12" REDUCER	3.00	EA	\$10,700.00	\$32,100.00
340	30" END CAP	2.00	EACH	\$6,800.00	\$13,600.00
341	30" X 4" TAP CAP	2.00	EA	\$6,800.00	\$13,600.00
342	24" TEE	2.00	EA	\$13,000.00	\$26,000.00
351	12" END CAP	2.00	EACH	\$835.00	\$1,670.00
352	8" END CAP	2.00	EACH	\$585.00	\$1,170.00
380	AIR REALEASE VALVE	3.00	EACH	\$3,975.00	\$11,925.00
390	4" BLOW OFF VALVE ASSEMBLY	2.00	EACH	\$5,840.00	\$11,680.00
391	6" LOW POINT BLOW OFF ASSEMBLY	3.00	EA	\$11,180.00	\$33,540.00
392	6" BLOW OFF ASSEMBLY (DEAD END)	3.00	EA	\$8,750.00	\$26,250.00

393	2" DEAD END BLOW OFF W/ YARD HYDRANT ASSY	3.00	EA	\$3,750.00	\$11,250.00
400	GRAVEL ACCESS ROAD	3,050.00	TON	\$21.50	\$65,575.00
410	48" BORE AND CASING	90.00	LF	\$2,275.00	\$204,750.00
430	PUSH PIT PIT	500.00	CY	\$78.75	\$39,375.00
440	RECEIVING PIT	250.00	CY	\$139.00	\$34,750.00

Subtotal	\$6,180,108.70
10% Construction Contingency	\$618,010.87
Construction total	\$ 6,798,119.57

450	EASEMENTS	1.00	LS	\$667,100.00	\$667,100.00
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Grand Total \$ 7,465,219.57

DEVELOPMENT AGREEMENT
Between
City of Prineville and Vitesse, LLC

This Agreement ("Agreement") is made and entered into as of the date last written below (the "Effective Date"), by and between the **City of Prineville**, an Oregon municipal corporation ("City") and **Vitesse, LLC**, a Delaware limited liability company ("User"); each of City and User are "Party" and together, the "Parties."

RECITALS

A. Whereas, User owns and operates a data center on real property located within City and generally depicted on Exhibit A, attached hereto and incorporated herein.

B. Whereas, the property generally depicted in Exhibit A has significant fire suppression needs, and the Parties are desirous of making certain improvements to improve water flow capacity in the area.

C. Whereas, User desires to have City procure materials and construction services to construct, install, and maintain a 2,240 linear foot water pipe consisting of 24 inch polyvinyl chloride ("PVC") or high-density polyethylene ("HDPE") pipe, which will run from Wells to Millican and service the User's property by improving fire flow capabilities and system redundancy in the event of a fire ("Project 1B").

D. Whereas, User also desires to have City procure materials and construction services to construct, install, and maintain a 4,425 linear foot water pipe consisting of 30 inch PVC or HDPE pipe, which will run from tanks to Wells and service User's property by improving fire flow capabilities and system redundancy in the event of a fire ("Project 2B," collectively with Project 1B, the "Projects").

E. Whereas, the general location of the Projects is depicted on Exhibit B, attached hereto and incorporated herein.

F. Whereas, User directly contracted with an engineer (the "Engineer") to provide design and engineering services for the Projects.

G. Whereas, City has estimated that the total cost of Project 1B is THREE MILLION ONE-HUNDRED EIGHTY THOUSAND DOLLARS (\$3,180,000.00) and has estimated the total costs of Project 2B is FIVE MILLION ONE-HUNDRED NINETY THOUSAND DOLLARS (\$5,190,000.00) as set forth on Exhibit C, attached hereto and incorporated herein.

H. Whereas, City is willing to construct, install, and maintain the Projects.

NOW, THEREFORE, in consideration of the foregoing, and the mutual covenants and agreements contained herein, including the Recitals which are incorporated herein by reference, which are relied upon by the Parties and which constitute part and parcel of this Agreement; and

other good and valuable consideration the receipt and sufficiency of which are expressly acknowledged by the Parties, City and User hereby agree as follows:

1. Procurement. City will solicit and procure all materials and construction services necessary to construct, install, and maintain the Projects. City's solicitation and procurement process will include the solicitation of bids for purchase and installation of PVC and HDPE piping and ancillary materials for the Projects with pipe sizes consistent with the Recitals, although only one material type will be used to construct the Projects. All procurement activities must be conducted in accordance with Oregon's Public Contracting Code (ORS 279A, ORS 279B and ORS 279C), all applicable state and local contracting rules, and all applicable laws, rules and regulations relating to anti-corruption and anti-bribery.

2. Performance. City hereby agrees to complete and be responsible for the construction, installation, and maintenance of the Projects. During the course of each Project, City will:

2.1 monitor the budget and schedule of each Project and promptly notify User of any anticipated changes to the budget or schedule of either Project;

2.2 submit to User all applications for payment and invoices submitted by contractors and material suppliers for each Project;

2.3 submit to User all change order requests submitted by contractors for each Project;

2.4 coordinate all testing and inspections required by third parties;

2.5 promptly conduct all inspections City is obligated to perform; and

2.6 organize and conduct a final inspection with User, the Engineer, and each Project's contractor to confirm that the Project (i) is entirely complete in accordance with the Project's design, plans, and specifications and (ii) can be utilized by User for its intended purpose ("Final Completion").

3. Approval Authority. City will not execute any change order, request for substitution, construction contract amendment or other document authorizing changes to either Project's cost, schedule, or scope without User's prior written consent. User automatically consents, however, to change orders that are not objected to within 48 hours after User's receipt of the change order and a request for approval from City. User also automatically consents to other documents changing either Project's cost, schedule, or scope that are not objected to within fourteen days after User's receipt of the document and a request for approval from City.

4. Performance Bond. Unless exempted under ORS 279C.390, City will ensure that the contractor for each Project provides a performance bond in accordance with ORS 279C.380. The performance bond provided by the contractor must list User as an additional obligee and be in a form approved in writing by User.

5. Project Timelines. The Projects shall be completed in accordance with the design prepared by the Engineer and with all laws and regulations. City will achieve Final Completion for each Project as follows:

5.1 City will strive to achieve Final Completion of Project 1B no later than 210 days after the Effective Date of this Agreement.

5.2 City will strive to achieve Final Completion of Project 2B no later than 270 days after the Effective Date of this Agreement.

6. Consideration. In consideration of City's performance, User hereby agrees to pay City:

6.1 The entire cost of constructing the Projects (collectively, the "Project Costs"), which will not exceed EIGHT MILLION FOUR-HUNDRED THOUSAND DOLLARS (\$8,400,000.00) (the "Maximum Price"); and

6.2 An administrative fee equal to the lesser of (a) 10 percent (10%) of the Project Costs, or (b) \$840,000.

7. Payment Schedule. City may submit to User an invoice no more than once each month consisting of (1) all Project Costs incurred that have not been reimbursed and (2) a portion of the administrative fee equal to 10 percent of the Project Costs included in the invoice. The amount owed under each invoice shall also be reduced by retainage in accordance with Section 8. Payment shall be made, following review and approval of the invoice submitted by City, within thirty (30) days after User's receipt of the invoice. If User objects to the invoice submitted, User shall advise City in writing, giving reason therefore, within fifteen (15) days after User's receipt of said invoice.

Notwithstanding Section 6, in the event that City believes that the Project Costs will exceed the Maximum Price, City shall provide notice to User of its belief no sooner than sixty (60) days before the Maximum Price is exceeded. City will coordinate meetings among User, the Engineer, and the Project contractors to conduct value engineering analysis and explore opportunities for cost savings. Upon receiving a notice, User may elect to (1) suspend or terminate one or both Projects; (2) limit or modify the Projects; or (3) agree to amend the Agreement to increase the Maximum Price. User shall notify City of its election no later than thirty (30) days from receiving notice from City. Upon receiving User's election, the Parties hereby agree to endeavor, in good faith, to make any amendments required to the Agreement. Unless City fails to provide notice as set forth in this paragraph, City shall not be responsible for costs exceeding the Maximum Price.

8. Retainage. User shall withhold from each monthly payment retainage equal to ten percent (10%) of the administrative fee amount included in the invoice due to the City. The User will pay all retainage withheld under this Section within 30 days of Final Completion of Project 2B.

9. Progress Reports. City shall submit a progress report along with each monthly invoice that includes percentage completion data and summaries of progress for each Project based on their respective schedules and required dates of Final Completion. If the progress report indicates

that either Project is not projected to achieve Final Completion by the dates established in Section 5, then City will submit an acceleration plan summarizing the additional actions City will take to ensure completion in accordance with the dates established in Section 5. In addition, at User's request, the City will provide oral reports and presentations to User on the progress of the Projects.

10. Compliance. City and User agree to comply with all applicable laws, rules, and regulations, including but not limited to anti-corruption and anti-bribery, illegal kickbacks, illegal campaign contributions, import and export, trade sanctions, health and safety, the environment, and human rights.

10.1. Accurate Books and Records. The City will keep and maintain complete and accurate books and records in connection with its performance under this Agreement, including all Project Costs, and will retain these records for at least five (5) years after final payment under this Agreement. Upon request, City shall make these books and records available to User.

10.2. Notice and Cooperation. If City becomes aware of any violation or suspected violation of the laws set forth in Section 10 (Compliance) in connection with the performance of this Agreement, it shall provide prompt written notice to User setting forth the relevant facts and circumstances. City and User shall cooperate in good faith to review any violations or suspected violations, including by providing reasonable access to all relevant information, including documentation. The City's failure to cooperate with User shall be deemed a material breach of this Agreement.

11. Term. Unless terminated by the Parties, the term of this Agreement shall expire on the later of (1) ten (10) years after the date that Project 1B achieves Final Completion or (2) ten (10) years after the date that Project 2B achieves Final Completion.

12. Assignability of Agreement. This Agreement shall be fully assignable, in whole or in part, by either Party and shall bind and inure to the benefit of the Parties and their respective assigns and successors.

13. Confidentiality. Subject to the requirements of Oregon's Public Records Law (ORS 192), City shall not disclose at any time to any persons or entities any information that User identifies as confidential business information. If required by law to disclose confidential information, City shall redact or delete from the records it discloses, or makes available for inspection, all information designated by User as confidential. Promptly following City's receipt of a request to inspect or disclose copies of public records relating to this Agreement or the Projects, City shall give written notice and a copy of the request to User. City shall not allow inspection or disclose copies of any records until User has had at least fourteen (14) business days to determine whether to contest the right of the requestor to inspect or receive copies of the records.

14. Default; Remedy.

14.1 Default/Cure. The following shall constitute defaults on the part of a Party:

14.1.1 A breach of a material provision of this Agreement, whether by action or inaction of a Party which continues and is not remedied within ten (10) days after the other Party has given notice specifying the breach; provided that if the non-breaching Party determines that such breach cannot with due diligence be cured within a period of ten (10) days, the non-breaching Party may allow the breaching Party a longer period of time to cure the breach, and in such event the breach shall not constitute a default so long as the breaching Party diligently proceeds to affect a cure and the cure is accomplished within the longer period of time granted by the non-breaching Party; or

14.1.2 Any assignment by a Party for the benefit of creditors, or adjudication as a bankruptcy, or appointment of a receiver, trustee, or creditor's committee over a Party.

14.2 Remedies. Each Party shall have all available remedies at law or in equity to recover damages and compel the performance of the other Party pursuant to this Agreement. The rights and remedies afforded under this Agreement are not exclusive and shall be in addition to and cumulative with any and all rights otherwise available at law or in equity. The exercise by either Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different time, of any other such remedy for the same default or breach or of any of its remedies for any other default or breach of the other Party, including, without limitation, the right to compel specific performance.

15. Amendment or Termination of Agreement. This Agreement may be amended or terminated by the mutual consent of the Parties and their successors in interest.

16. Miscellaneous Provisions.

16.1 Notices. A notice or communication under this Agreement by either Party shall be dispatched by registered or certified mail, postage prepaid, return receipt requested, and

16.1.1 In the case of a notice or communication to User, address as follows:

Vitesse, LLC
1 Hacker Way
Menlo Park, CA 94025
Attn: _____

With a copy to:

Vitesse, LLC
1 Hacker Way
Menlo Park, CA 94025
Attn: Real Estate Counsel

In the case of a notice or communication to City, addressed as follows:

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

With a copy to:

Jered Reid
35 SE C Street, Suite D
Madras, Oregon 97741

or addressed in such other way in respect to a Party as that Party may, from time to time, designate in writing dispatched as provided in this section.

16.2 Headings. Any titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

16.3 Waivers. No waiver made by either Party with respect to the performance, or manner or time thereof, of any obligation of the other Party or any condition inuring to its benefit under this Agreement shall be considered a waiver of any other rights of the Party making the waiver. No waiver by City or User of any provision of this Agreement or any breach thereof shall be of any force or effect unless in writing; and no such waiver shall be construed to be a continuing waiver.

16.4 Attorneys' Fees. In the event of a suit, action, arbitration, or other proceeding of any nature whatsoever, including, without limitation, any proceeding under U.S. Bankruptcy Code, is instituted to interpret or enforce any provision of this Agreement, or with respect to any dispute relating to this Agreement, including, without limitation, any action in which a declaration of rights is sought or an action for rescission, the prevailing Party shall be entitled to recover from the losing Party its reasonable attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, as determined by the judge or arbitrator at trial or arbitration, as the case may be, or on any appeal or review, in addition to all other amounts provided by law. This provision shall cover costs and attorneys' fees related to or with respect to proceeding in Federal Bankruptcy Courts, including those related to issues unique to bankruptcy law.

16.5 Time of the Essence. Time is of the essence of this Agreement.

16.6 Choice of Law. This Agreement shall be interpreted under the laws of the State of Oregon.

16.7 Calculation of Time. All periods of time referred to herein shall include Saturdays, Sundays, and legal holidays in the State of Oregon, except that if the last day of any period falls on a Saturday, Sunday, or legal holiday in the State of Oregon, the period shall be extended to include the next day which is not a Saturday, Sunday, or such a holiday.

16.8 Construction. In construing this Agreement, singular pronouns shall be taken to mean and include the plural and the masculine pronoun shall be taken to mean and include the feminine and the neuter, as the context may require.

16.9 Severability. If any clause, sentence, or any other portion of the terms and conditions of this Agreement becomes illegal, null, or void for any reason, the remaining portions will remain in full force and effect to the fullest extent permitted by law.

16.10 Place of Enforcement. Any action or suit to enforce or construe any provision of this Agreement by any Party shall be brought in the Circuit Court of the State of Oregon for Crook County, or the United States District Court for the District of Oregon.

16.11 Good Faith and Reasonableness. The Parties intend that the obligations of good faith and fair dealing apply to this Agreement generally and that no negative inferences be drawn by the absence of an explicit obligation to be reasonable in any portion of this Agreement. The obligation to be reasonable shall only be negated if arbitrariness is clearly and explicitly permitted as to the specific item in question, such as in the case of a Party being given "sole discretion" or being allowed to make a decision in its "sole judgment."

16.12 Condition of City Obligations. All City obligations pursuant to this Agreement which require the expenditure of funds are contingent upon future appropriations by City as part of the local budget process. Nothing in this Agreement implies an obligation on City to appropriate any such monies. This condition may not, however, limit any remedies available to City or User under this Agreement.

16.13 Cooperation in the Event of Legal Challenge. In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the Parties agree to cooperate in defending such action.

16.14 Enforced Delay, Extension of Times of Performance. In addition to the specific provisions of this Agreement, performance by any Party shall not be in default where delays or default is due to war, insurrection, strikes, walkouts, riots, floods, drought, earthquakes, fires, casualties, acts of God, governmental restrictions imposed or mandated by governmental entities other than City, enactment of conflicting state or federal laws or regulations, new or supplementary environmental regulation, litigation or similar basis for excused performance which is not within reasonable control of the Party to be excused.

16.15 No Third-Party Beneficiaries. City and User and their successors and assigns 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 or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.

16.16 Other Necessary Acts. Each Party shall execute and deliver to the other all such further instruments and documents as may be reasonably necessary to carry out this Agreement in order to provide and secure to the other Parties the full and complete enjoyment of rights and privileges hereunder.

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

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

USER:

Vitesse, LLC,
a Delaware limited liability company

By: Paul Clements

Name: Paul Clements

Its: Authorized Signatory

Date: April 14, 2022

CITY:

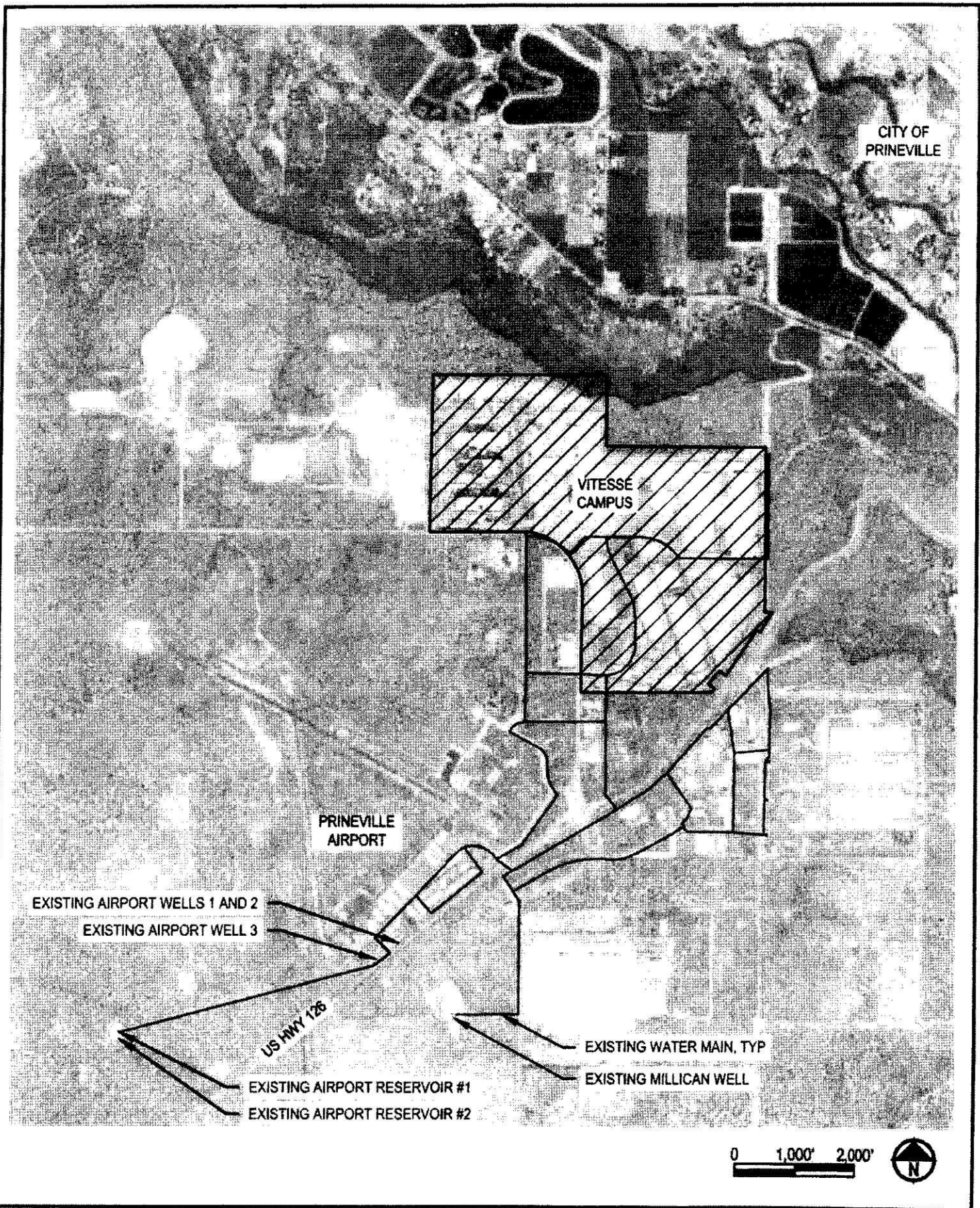
City of Prineville, Oregon,
an Oregon municipal corporation

By: Rodney J. Beebe

Name: Rodney J. Beebe

Its: Mayor

Date: April 12, 2022

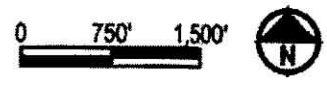
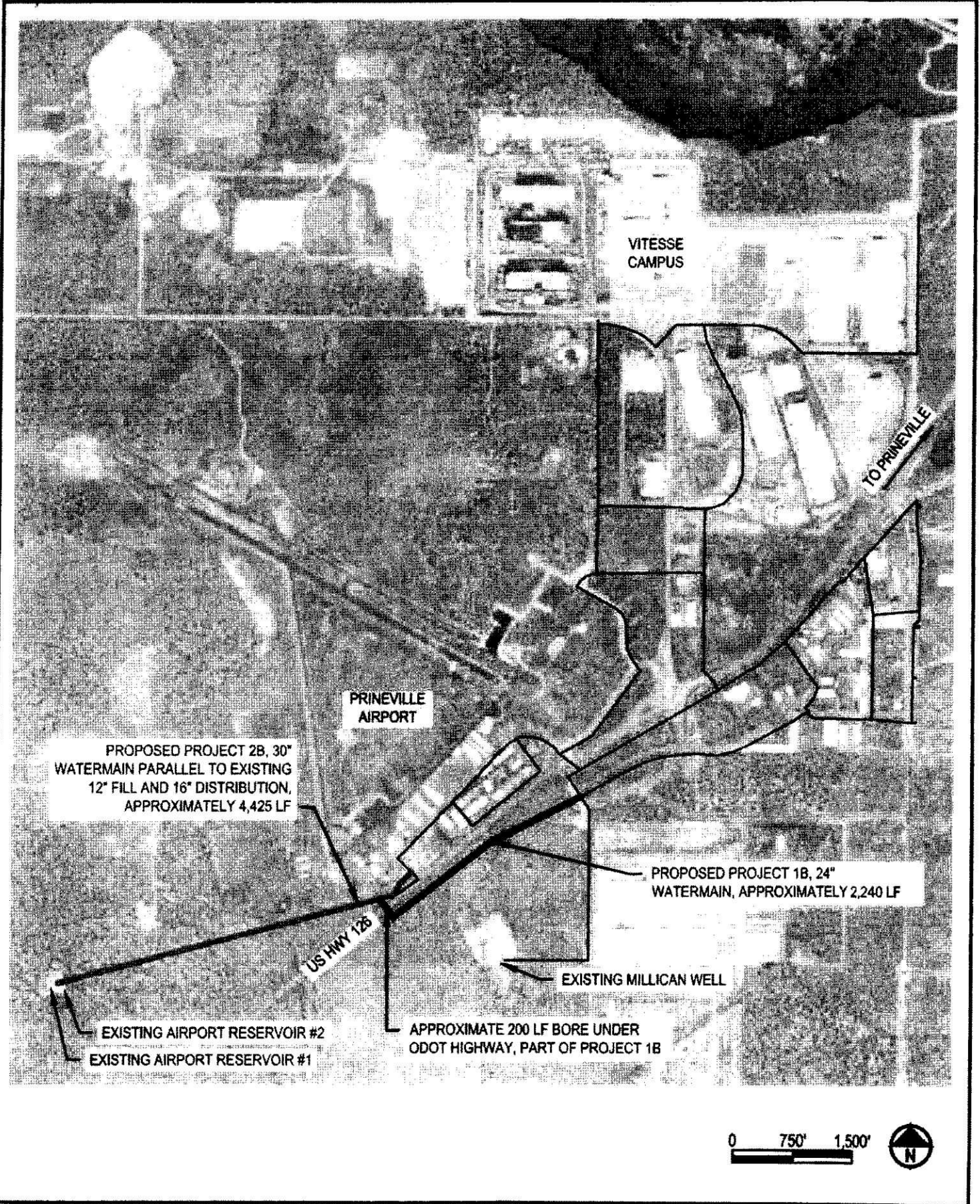


Parametrix

4000 River Street, Suite 200, Prineville, OR 97670

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 2021-00000000-0000-0000-0000-000000000000

Exhibit A - System Vicinity Map



Parametrix

Exhibit B - Pipeline Map

2021-01-14 10:00 AM
 2021-01-14 10:00 AM
 2021-01-14 10:00 AM

Table 6: Combined Estimated Range of Probable Project Costs for Resiliency Project #1 Improvements

Number	Sub-Project	-30% Construction Cost	Estimated Cost	+50% Construction Cost
1b	South 24"	\$2,230,000	\$3,180,000	\$4,770,000
2b	30" Parallel	\$3,640,000	\$5,190,000	\$7,790,000
R1a	Add'l 1.5MG Reservoir at Existing HGL	\$3,130,000	\$4,470,000	\$6,700,000
ASR 2+3	Combined ASR 2 & 3 cost	\$3,500,000	\$5,000,000	\$7,500,000
Total Resiliency Project #1 Estimated Cost		\$12,500,000	\$17,840,000	\$26,760,000



STAFF REPORT

MEETING DATE: 7/11/2023 **PREPARED BY:** Casey Kaiser

SECTION: Resolutions **DEPARTMENT:** Public Works

CITY GOAL: Quality Municipal Services & Programs

SUBJECT: Resolution 1571 approves development agreement with Apple, Inc. to participate in the Waterline Resiliency Project and pay a portion of its costs.

REASON FOR CONSIDERATION:

Apple desires to improve the fire flows and resiliency of the water service to its data center facilities. The Waterline Resiliency project has been designed to add the desired resiliency and increased fire flows. The improvements will not only benefit Apple (and Meta), but will benefit many industrial customers in the vicinity as well.

Meta has agreed to pay 70% of the cost of the project. With Apple paying the remaining 30% there is no cost to the city for the improvements. Additionally, the City will receive a 10% administration fee for delivering the projects.

BACKGROUND:

The City of Prineville began working with Apple and Meta several years ago to identify a series of improvements that could be made to the City water system to increase the resiliency and the available fire flows on the data center sites. The proposed waterline resiliency project has been identified by all parties as the most beneficial in terms of cost vs. benefit to move forward with at this time. The cost has been estimated at approximately 7.5 million. With the proposed agreement Apple would pay 30% of the project cost and a 10% administration fee. Meta has agreed to pay for the remaining 70% of the project cost.

Apple, Inc. Funding Breakdown:

Waterline Resiliency Project	\$2,239,500 (30% of \$7,465,000 total cost)
10% Administration Fee	\$ 223,950
Total Contribution	\$2,463,450

FISCAL IMPACT: The project costs will be paid in full by Apple and Meta. The City will receive a 10% administration fee of up to \$223,950 from Apple for delivery and administration of the project.

RECOMMENDATION:

Staff recommends Council approve Resolution 1571 authorizing the Waterline Resiliency Development Agreement with Apple, Inc.

ADDITIONAL DOCUMENTS: Resolution 1571, Development Agreement with Apple, Inc.

**RESOLUTION NO. 1571
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION AUTHORIZING DEVELOPMENT AGREEMENT BETWEEN CITY
OF PRINEVILLE AND APPLE, INC.**

Whereas, Apple, Inc. (“Apple”) owns and operates a data center within Prineville city limits that requires significant fire suppression requirements necessitating certain improvements to improve water flow capacity to the property.

Whereas, Apple desires to have City of Prineville (“City”) procure materials and constructions services to construct, install, and maintain 6,665 linear foot water pipe consisting of 30 inch pipe (“Project”).

Whereas, City is willing to contract, install, and maintain the Project pursuant to a development agreement.

Whereas, City and Apple have negotiated a Waterline Project Agreement (“Agreement”), which is attached to this Resolution and incorporated herein.

Whereas, based on contributions from Vitesse, LLC, Apple has agreed to contribute thirty percent (30%) towards the Project and an additional Administrative Fee of ten percent (10%).

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

Now, Therefore, the City of Prineville resolves that the Agreement attached to this Resolution between the City and Apple is hereby approved and that the Mayor is authorized and instructed to sign such Agreement on behalf of the City.

Approved by the City Council this ____ day of July, 2023.

Rodney J. Beebe, Mayor

ATTEST:

Lisa Morgan, City Recorder

WATERLINE PROJECT AGREEMENT
Between
City of Prineville and Apple, Inc.

This Waterline Project Agreement (“Agreement”) is made and entered into as of the date last written below (the “Effective Date”), by and between the **City of Prineville**, an Oregon municipal corporation (“City”) and **Apple Inc.**, a California corporation (“User”); each of City and User are “Party” and together, the “Parties.”

RECITALS

A. Whereas, User owns and operates a data center on real property located within City and generally depicted on Exhibit A, attached hereto and incorporated herein.

B. Whereas, the property generally depicted in Exhibit A has significant fire suppression needs, and the Parties desire to make certain improvements to improve water flow capacity in the area.

C. Whereas, User desires to have City procure materials and construction services to construct, install, and maintain a 2,240 linear foot water pipe consisting of 30 inch polyvinyl chloride (“PVC”) or high-density polyethylene (“HDPE”) pipe, which will run from a point approximately 150 lineal feet west of City of Prineville Heliport Well, south across Highway 126 to County land, then east to tie in with the existing 16” water main at Millican Road and improve service to the User’s property by improving fire flow capabilities and system redundancy in the event of a fire (“Project 1B”). Project 1B and anticipated approximate water delivery pressures to the User’s property is identified in the attached Exhibit B.

D. Whereas, User also desires to have City procure materials and construction services to construct, install, and maintain a 4,425 linear foot water pipe consisting of 30 inch PVC or HDPE pipe, which will run from the City of Prineville’s Airport Reservoir site to tie into the existing 18” watermain in Airport Way located between City of Prineville Airport Wells 1&2 and Heliport Well and improve service to the User’s property by improving fire flow capabilities and system redundancy in the event of a fire (“Project 2B,” collectively with Project 1B, the “Projects”). Project 2B and anticipated approximate water delivery pressures to the User’s property is identified in the attached Exhibit B.

E. Whereas, the general location of the Projects is depicted on Exhibit B, attached hereto and incorporated herein.

F. Whereas, Parametrix (the “Engineer”) has been contracted with to provide design and engineering services for the Projects.

G. Whereas, City has estimated that the total cost of Projects is SEVEN MILLION FOUR-HUNDRED SIXTY-FIVE THOUSAND, TWO-HUNDRED NINETEEN AND 57/100 DOLLARS (\$7,465,219.57), as more specifically set forth on Exhibit C, attached hereto and incorporated herein (“Total Project Cost”).

H. Whereas, City is willing to construct, install, and maintain the Projects.

NOW, THEREFORE, in consideration of the foregoing, and the mutual covenants and agreements contained herein, including the Recitals which are incorporated herein by reference, which are relied upon by the Parties and which constitute part and parcel of this Agreement; and other good and valuable consideration the receipt and sufficiency of which are expressly acknowledged by the Parties, City and User hereby agree as follows:

1. Procurement. City will solicit and procure all materials and construction services necessary to construct, install, and maintain the Projects. City's solicitation and procurement process will include the solicitation of bids for purchase and installation of PVC or HDPE piping and ancillary materials for the Projects with pipe sizes consistent with the Recitals, although only one material type will be used to construct the Projects. All procurement activities must be conducted in accordance with Oregon's Public Contracting Code (ORS 279A, ORS 279B and ORS 279C), all applicable state and local contracting rules, and all applicable laws, rules and regulations including those relating to anti-corruption and anti-bribery.

2. Performance. City hereby agrees to complete and be responsible for the construction, installation, and maintenance of the Projects. During the course of each Project, City will:

2.1 Monitor the budget and schedule of each Project and promptly notify User of any anticipated changes to the budget or schedule of either Project and manage project budgets to assure the cost of the Projects is limited to the greatest extent possible;

2.2 Submit to User all applications for payment and invoices submitted by contractors and material suppliers for each Project;

2.3 Coordinate all testing and inspections required by third parties;

2.4 Promptly conduct all inspections City is obligated to perform; and

2.5 Organize and conduct a final inspection with User, the Engineer, and each Project's contractor to confirm that each Project (i) is entirely complete in accordance with the Project's design, plans, and specifications, (ii) has received all applicable project completion certificates, and (iii) can be utilized by User for its intended purpose (collectively, "Final Completion").

3. Approval Authority. City will not execute any change order, request for substitution, construction contract amendment or other document authorizing changes to either Project's cost, schedule, or scope without User's prior written consent. User shall be deemed to consent, however, to change orders User does not object to within fourteen (14) days following User's receipt of the change order, including a request for approval from the City and a reasonably detailed explanation of the need for the change order and the impact such change order may have on the applicable Project's scope, schedule or cost.

4. Performance Bond. Unless exempted under ORS 279C.390, City will ensure that the contractor for each Project provides a performance bond in accordance with ORS 279C.380.

The performance bond provided by the contractor must list User as an additional obligee and be in a form approved in writing by User.

5. Project Timelines. The Projects shall be completed in accordance with the design prepared by the Engineer and with applicable all laws, ordinances and regulations. City will strive to achieve Final Completion for the Projects no later than 14 months after agreement is fully executed.

6. Consideration. In consideration of City's performance, User hereby agrees to pay City:

6.1 Up to thirty percent (30%) of the Total Project Cost which will not exceed TWO MILLION TWO-HUNDRED THIRTY-NINE THOUSAND, FIVE HUNDRED SIXTY-FIVE AND 87/100 DOLLARS (\$2,239,565.87) ("User Project Cost Cap"). User shall have no obligation to fund amounts in excess of the User Project Cost Cap.

7. Payment Schedule. City may submit to User an invoice no more than once each month consisting of (1) costs incurred for work actually completed and approved by the City that have not been previously reimbursed, and (2) an administrative fee equal to 10 percent (10%) of the applicable cost included in the invoice. Payment shall be made, following review and approval of the invoice submitted by City, within thirty (30) days after User's receipt of the invoice together with evidence of City's payment of the same along with reasonable supporting documentation. If User objects to the invoice submitted, User shall advise City in writing, giving reason therefore, within fifteen (15) days after User's receipt of said invoice and supporting documentation. City shall be able to submit to User invoices electronically to the following address: invoice.us@apple.com. If any portion of the work for which the City is seeking reimbursement does not substantially conform to the approved plans and specifications applicable thereto, and such non-conformance was not approved by User in writing, the existence of such non-conformity shall be an excuse to User's obligation to make applicable payment until such non conformity has been corrected to User's reasonable satisfaction.

Notwithstanding Section 6, in the event that City believes that User's portion of the Projects costs will exceed the User Project Cost Cap, City shall provide notice to User of its belief at least sixty (60) days before the User Project Cost Cap is expected to be exceeded. City will coordinate meetings among User, the Engineer, and the Project contractors to conduct value engineering analysis and explore opportunities for cost savings. Upon receiving a notice, User may elect to (1) suspend or terminate one or both Projects; (2) limit or modify the Projects; or (3) agree to amend the Agreement to increase the User Project Cost Cap. User shall notify City of its election no later than thirty (30) days from receiving notice from City. Upon receiving User's election, the Parties hereby agree to endeavor, in good faith, to make any amendments required to the Agreement. User shall have no obligation to fund amounts in excess of the User Project Cost Cap unless User affirmatively agrees to do so in a mutually executed amendment to this Agreement.

8. Progress Reports. City shall submit a progress report along with each monthly invoice that includes percentage completion data and summaries of progress for each Project based on their respective schedules and required dates of Final Completion. If the progress report indicates that either Project is not projected to achieve Final Completion by the date established in Section

5, then City will submit an acceleration plan summarizing the additional actions City will take to ensure completion in accordance with the date established in Section 5. In addition, at User's request, the City will provide oral reports and presentations to User on the progress of the Projects.

9. Disclaimer of Warranties. The City shall be responsible for enforcing all applicable warranties associated with the materials and construction services necessary to construct, install, and maintain the Projects; provided, however, City shall not be responsible for any warranties relating to the performance of the Engineer.

10. Compliance. The Parties shall comply with all applicable anti-corruption and anti-bribery laws and regulations. Neither Party shall directly or indirectly, pay, offer, promise to pay, or give anything of value to any person or entity, including an employee or official of a government, government controlled enterprise or company, or political party, with the reasonable knowledge that it will be used to obtain any improper benefit or to improperly influence any act or decision by such person or entity. Neither Party shall offer or accept bribes or kickbacks in any form.

10.1 Accurate Books and Records. The City will keep and maintain complete and accurate books and records in connection with its performance under this Agreement, including all costs applicable to the Projects, and will retain these records for at least five (5) years after final payment under this Agreement. Upon request, City shall make these books and records available to User.

10.2. Notice and Cooperation. If City becomes aware of any violation or suspected violation of the laws set forth in Section 10 (Compliance) in connection with the performance of this Agreement, it shall provide prompt written notice to User setting forth the relevant facts and circumstances. City and User shall cooperate in good faith to review any violations or suspected violations, including by providing reasonable access to all relevant information, including documentation. The City's failure to cooperate with User shall be deemed a material breach of this Agreement.

11. Term. Unless terminated by the Parties, the term of this Agreement shall expire on the later of (1) one (1) year after the date that Project 1B achieves Final Completion or (2) one (1) year after the date that Project 2B achieves Final Completion. All terms and provisions of this Agreement, which by their nature are intended to survive any termination or expiration of this Agreement, shall so survive.

12. Assignability of Agreement. Neither Party shall have the right to assign or transfer any of its rights or responsibilities hereunder to any person or entity without the other Party's prior written consent which may be given or withheld in such other Party's reasonable discretion.

13. Confidentiality. Subject to the requirements of Oregon's Public Records Law (ORS 192), City shall not disclose at any time to any persons or entities any information that User identifies as confidential business information. If required by law to disclose confidential information, City shall redact or delete from the records it discloses, or makes available for inspection, all information designated by User as confidential. Promptly following City's receipt

of a request to inspect or disclose copies of public records relating to this Agreement or the Projects, City shall give written notice and a copy of the request to User. City shall not allow inspection or disclose copies of any records until User has had at least twenty-one (21) calendar days to determine whether to contest the right of the requestor to inspect or receive copies of the records.

14. Default; Remedy.

14.1 Default/Cure. The following shall constitute defaults on the part of a Party:

14.1.1 A breach of a material provision of this Agreement, whether by action or inaction of a Party which continues and is not remedied within ten (10) days after the other Party has given notice specifying the breach; provided that if such breach cannot with due diligence be cured within a period of ten (10) days, the cure period may be extended up to a total of thirty (30) days so long as the breaching Party diligently proceeds to affect a cure and the cure is accomplished within such longer period; or

14.1.2 Any assignment by a Party for the benefit of creditors, or adjudication as a bankruptcy, or appointment of a receiver, trustee, or creditor's committee over a Party.

14.2 Remedies. Each Party shall have all available remedies at law or in equity to recover damages and compel the performance of the other Party pursuant to this Agreement. The rights and remedies afforded under this Agreement are not exclusive and shall be in addition to and cumulative with any and all rights otherwise available at law or in equity. The exercise by either Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different time, of any other such remedy for the same default or breach or of any of its remedies for any other default or breach of the other Party, including, without limitation, the right to compel specific performance.

15. Hold Harmless. The City agrees to indemnify and hold User harmless from any and all claims arising from the design, construction, maintenance and operation of the Projects.

16. Amendment or Termination of Agreement. This Agreement may be amended or terminated by the mutual consent of the Parties and their successors in interest.

17. Miscellaneous Provisions.

17.1.1 Notices. All notices, requests and demands to be made hereunder to the Parties hereto shall be made in writing to the addresses set forth below and shall be given by any of the following means: (a) by certified mail, return receipt requested, postage prepaid in the U.S. mail, (b) by personal delivery, or (c) by a nationally recognized overnight courier. If a notice is sent in the manner required by this Section above, it shall be deemed given upon receipt, refusal of delivery by the intended recipient or failure of delivery due to incorrect delivery information provided by the intended recipient.

17.2 In the case of a notice or communication to User, address as follows:

Apple Inc.
One Apple Park Way, MS: 47-2 REF
Cupertino, CA 95014
Attn: Real Estate & Development

And a copy of any notices of breach or default to:

Apple Inc.
One Apple Park Way, MS 4-D LAW
Cupertino, CA 95014
Attn: Real Estate Counsel

In the case of a notice or communication to City, addressed as follows:

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

With a copy to:

Jered Reid
35 SE C Street, Suite D
Madras, Oregon 97741

or addressed in such other way in respect to a Party as that Party may, from time to time, designate in writing dispatched as provided in this section.

17.3 Headings. Any titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

17.4 Waivers. No waiver made by either Party with respect to the performance, or manner or time thereof, of any obligation of the other Party or any condition inuring to its benefit under this Agreement shall be considered a waiver of any other rights of the Party making the waiver. No waiver by City or User of any provision of this Agreement or any breach thereof shall be of any force or effect unless in writing; and no such waiver shall be construed to be a continuing waiver.

17.5 Attorneys' Fees. In the event of a suit, action, arbitration, or other proceeding of any nature whatsoever, including, without limitation, any proceeding under U.S. Bankruptcy Code, is instituted to interpret or enforce any provision of this Agreement, or with respect to any dispute relating to this Agreement, including, without limitation, any action in which a declaration of rights is sought or an action for rescission, the prevailing Party shall be entitled to recover from the losing Party its reasonable attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and expenses actually incurred and reasonably necessary in

connection therewith, as determined by the judge or arbitrator at trial or arbitration, as the case may be, or on any appeal or review, in addition to all other amounts provided by law. This provision shall cover costs and attorneys' fees related to or with respect to proceeding in Federal Bankruptcy Courts, including those related to issues unique to bankruptcy law.

17.6 Time of the Essence. Time is of the essence of this Agreement.

17.7 Choice of Law. This Agreement shall be interpreted under the laws of the State of Oregon.

17.8 Calculation of Time. All periods of time referred to herein shall include Saturdays, Sundays, and legal holidays in the State of Oregon, except that if the last day of any period falls on a Saturday, Sunday, or legal holiday in the State of Oregon, the period shall be extended to include the next day which is not a Saturday, Sunday, or such a holiday.

17.9 Construction. In construing this Agreement, singular pronouns shall be taken to mean and include the plural and the masculine pronoun shall be taken to mean and include the feminine and the neuter, as the context may require.

17.10 Severability. If any clause, sentence, or any other portion of the terms and conditions of this Agreement becomes illegal, null, or void for any reason, the remaining portions will remain in full force and effect to the fullest extent permitted by law.

17.11 Place of Enforcement. Any action or suit to enforce or construe any provision of this Agreement by any Party shall be brought in the Circuit Court of the State of Oregon for Crook County, or the United States District Court for the District of Oregon.

17.12 Good Faith and Reasonableness. The Parties intend that the obligations of good faith and fair dealing apply to this Agreement generally and that no negative inferences be drawn by the absence of an explicit obligation to be reasonable in any portion of this Agreement. The obligation to be reasonable shall only be negated if arbitrariness is clearly and explicitly permitted as to the specific item in question, such as in the case of a Party being given "sole discretion" or being allowed to make a decision in its "sole judgment."

17.13 Condition of City Obligations. All City obligations pursuant to this Agreement which require the expenditure of funds are contingent upon future appropriations by City as part of the local budget process. Nothing in this Agreement implies an obligation on City to appropriate any such monies. This condition may not, however, limit any remedies available to City or User under this Agreement.

17.14 Cooperation in the Event of Legal Challenge. In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the Parties agree to cooperate in defending such action.

17.15 Enforced Delay, Extension of Times of Performance. In addition to the specific provisions of this Agreement, performance by any Party shall not be in default where delays or default is due to war, insurrection, strikes, walkouts, riots, floods, drought, earthquakes, fires, casualties, acts of God, governmental restrictions imposed or mandated by governmental entities

other than City, enactment of conflicting state or federal laws or regulations, new or supplementary environmental regulation, litigation or similar basis for excused performance which is not within reasonable control of the Party to be excused.

17.16 No Third-Party Beneficiaries. City and User and their successors and assigns 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 or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.

17.17 Other Necessary Acts. Each Party shall execute and deliver to the other all such further instruments and documents as may be reasonably necessary to carry out this Agreement in order to provide and secure to the other Parties the full and complete enjoyment of rights and privileges hereunder.

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

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

USER:

Apple Inc.,
a California corporation

By: Apple RE&D

Name: Danny Marconi

Its: _____

Date: 6/19/23

CITY:

City of Prineville, Oregon,
an Oregon municipal corporation

By: _____

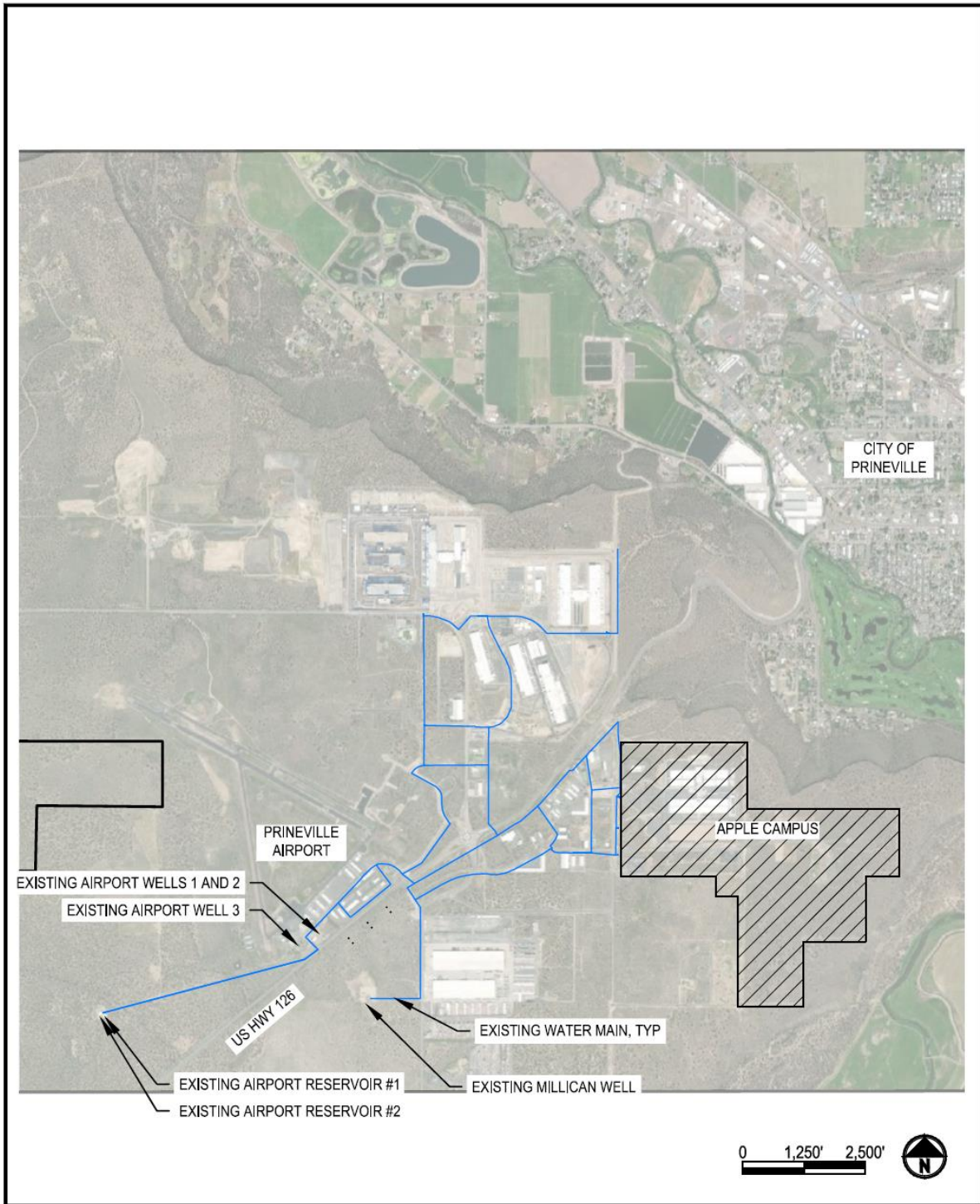
Name: _____

Its: _____

Date: _____

Exhibit A

Map of Apple Property



Parametrix
ENGINEERING · PLANNING · ENVIRONMENTAL SCIENCES
150 NW PACIFIC PARK LANE, SUITE 110 | BEND, OR 97701
P 541.508.7710
WWW.PARAMETRIX.COM

Exhibit A - System Vicinity Map

DATE: April 5, 2023 FILE: 2977875015-EXHIBITA&D

Exhibit B Location of the Projects

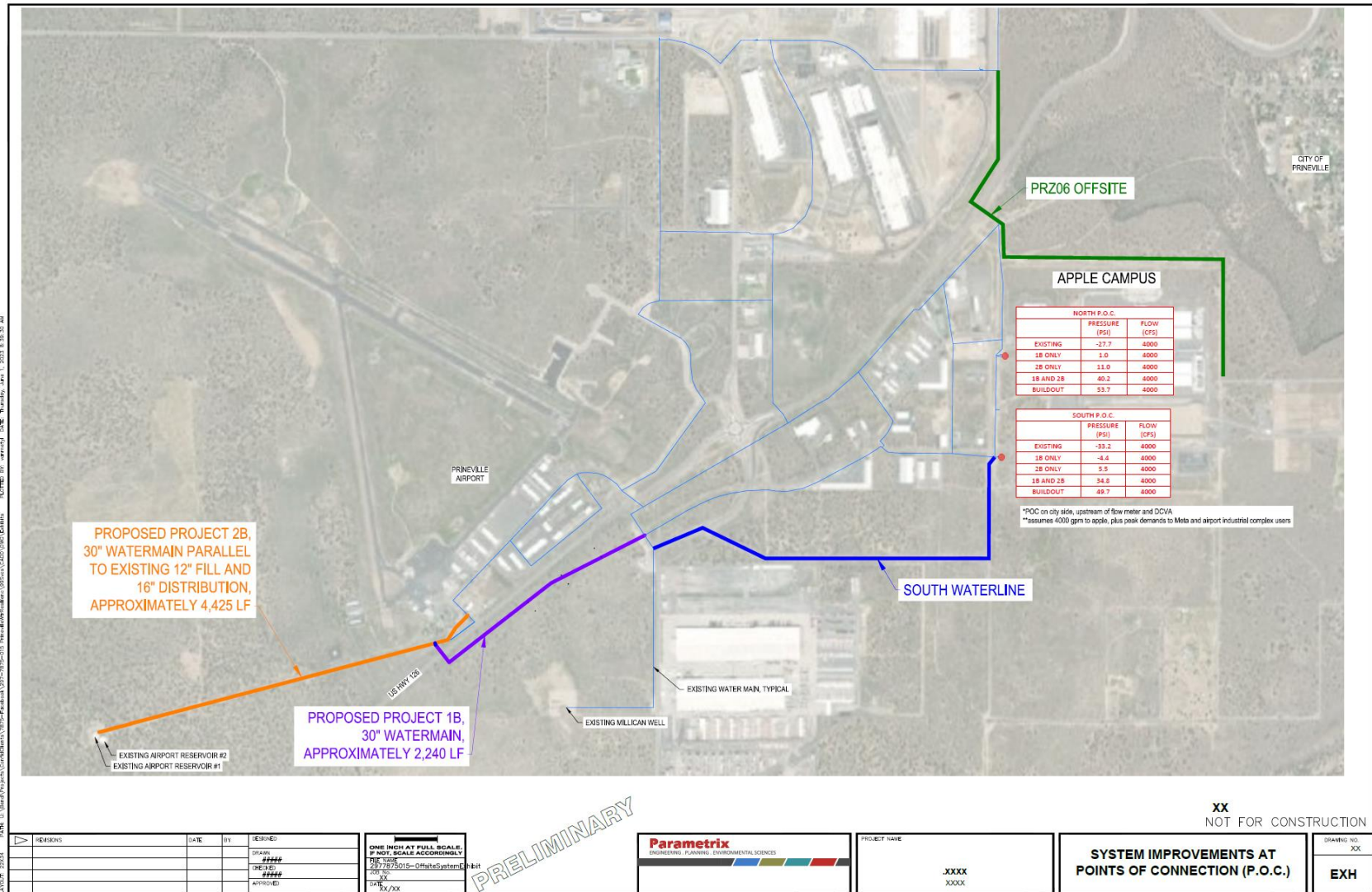


Exhibit B – Waterline Project Agreement Between City of Prineville, Oregon and Apple Inc.

Exhibit C
Cost of the Projects

Project Name: Estimate Class: Estimate #:

Resiliency Project, City of Prineville

Contact:

Niall Boggs

E-Mail: NBoggs@parametrix.com

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
10	MOBILIZATION	1.00	LS	\$312,000.00	\$312,000.00
20	TEMPORARY WORK ZONE TRAFFIC CONTROL	1.00	LS	\$16,500.00	\$16,500.00
30	TRAFFIC CONTROL PLAN	1.00	LS	\$285.00	\$285.00
40	EROSION CONTROL	1.00	LS	\$34,500.00	\$34,500.00
50	CLEARING AND GRUBBING	1.00	LS	\$25,500.00	\$25,500.00
60	GENERAL EXCAVATION	1,000.00	CY	\$19.25	\$19,250.00
70	POLLUTION CONTROL PLAN	1.00	LS	\$285.00	\$285.00
80	CONSTRUCTION SURVEY WORK	1.00	LS	\$47,300.00	\$47,300.00
90	30" C900 DR 18 PIPE	6,631.00	LF	\$551.20	\$3,655,007.20
110	24" C900 DR 18 PIPE	151.00	LF	\$485.00	\$73,235.00
120	30" DUCTILE IRON PIPE	697.00	LF	\$454.50	\$316,786.50
130	12" DUCTILE IRON PIPE	34.00	LF	\$235.00	\$7,990.00
140	8" DUCTILE IRON	120.00	LF	\$190.00	\$22,800.00
150	6" DUCTILE IRON	38.00	LF	\$400.00	\$15,200.00
160	CONNECTION TO EXISTING WATER MAIN (MILLICAN)	1.00	EACH	\$135,000.00	\$135,000.00
170	CONNECTION TO EXISTING WATER MAIN (AIRPORT WAY)	1.00	EACH	\$56,500.00	\$56,500.00
180	TAPS AT RESERVOIR	1.00	LS	\$23,750.00	\$23,750.00
190	30" BUTTERFLY VALVE	6.00	EACH	\$29,250.00	\$175,500.00
191	24" BUTTERFLY VALVE	2.00	EA	\$24,500.00	\$49,000.00
210	12" BUTTERFLY VALVE	3.00	EACH	\$4,225.00	\$12,675.00
220	8" GATE VALVE	2.00	EACH	\$2,980.00	\$5,960.00
230	6" GATE VALVE	9.00	EACH	\$2,120.00	\$19,080.00
240	12" X 6" REDUCER	5.00	EACH	\$1,060.00	\$5,300.00
ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
250	12" X 8" REDUCER	1.00	EACH	\$1,200.00	\$1,200.00
260	30" X 16" REDUCER	1.00	EACH	\$14,500.00	\$14,500.00
270	HYDRANT	7.00	EACH	\$5,390.00	\$37,730.00
280	30" 22.5 DEGREE BEND	6.00	EACH	\$14,150.00	\$84,900.00
290	30" 11.25 DEGREE BEND	2.00	EACH	\$14,150.00	\$28,300.00
300	30" 90 DEGREE BEND	2.00	EACH	\$14,150.00	\$28,300.00
310	8" 90 DEGREE BEND	3.00	EACH	\$850.00	\$2,550.00
311	24" 90 DEGREE BEND	1.00	EA	\$9,500.00	\$9,500.00
315	16" 90 DEGREE BEND	2.00	EA	\$4,900.00	\$9,800.00
320	30" TEE	3.00	EACH	\$19,880.00	\$59,640.00
321	30" X 24" TEE	1.00	EA	\$19,880.00	\$19,880.00
322	30" X 8" TEE	1.00	EA	\$19,880.00	\$19,880.00

323	30" X 6" TEE	11.00	EA	\$19,880.00	\$218,680.00
325	30" X 12" REDUCER	2.00	EA	\$14,485.00	\$28,970.00
330	30" X 12" REDUCING TEE	3.00	EACH	\$19,880.00	\$59,640.00
331	24" X 12" REDUCER	3.00	EA	\$10,700.00	\$32,100.00
340	30" END CAP	2.00	EACH	\$6,800.00	\$13,600.00
341	30" X 4" TAP CAP	2.00	EA	\$6,800.00	\$13,600.00
342	24" TEE	2.00	EA	\$13,000.00	\$26,000.00
351	12" END CAP	2.00	EACH	\$835.00	\$1,670.00
352	8" END CAP	2.00	EACH	\$585.00	\$1,170.00
380	AIR REALEASE VALVE	3.00	EACH	\$3,975.00	\$11,925.00
390	4" BLOW OFF VALVE ASSEMBLY	2.00	EACH	\$5,840.00	\$11,680.00
391	6" LOW POINT BLOW OFF ASSEMBLY	3.00	EA	\$11,180.00	\$33,540.00
392	6" BLOW OFF ASSEMBLY (DEAD END)	3.00	EA	\$8,750.00	\$26,250.00
393	2" DEAD END BLOW OFF W/ YARD HYDRANT ASSY	3.00	EA	\$3,750.00	\$11,250.00
400	GRAVEL ACCESS ROAD	3,050.00	TON	\$21.50	\$65,575.00
410	48" BORE AND CASING	90.00	LF	\$2,275.00	\$204,750.00
430	PUSH PIT PIT	500.00	CY	\$78.75	\$39,375.00
440	RECEIVING PIT	250.00	CY	\$139.00	\$34,750.00

Subtotal \$6,180,108.70
10% Construction Contingency \$618,010.87
Construction total \$ 6,798,119.57

450	EASEMENTS	1.00	LS	\$667,100.00	\$667,100.00
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Grand Total \$ 7,465,219.57
Apple 30% \$ 2,239,565.87