



Location: City Hall – Council Chambers  
Date: December 08, 2020  
Time: 6:30 PM

## City Council Meeting Agenda

Mayor Steve Uffelman, Council Members Jason Beebe, Janet Hutchison,

Patricia Jungmann, Gail Merritt, Jeff Papke, Teresa Rumble and City Manager Steve Forrester

**This meeting will be open to the public by telephonic communications due to commitment to eliminate the exposure and spread of COVID-19. This meeting can be attended by calling 346-248-7799 Meeting ID 947 5839 2608. Please visit our website for additional meeting information.**

### Call to Order

### Flag Salute

### Additions to Agenda

### Consent Agenda

- [1.](#) Regular Meeting Brief 11-10-2020

### Visitors, Appearances and Requests

### Council Business

2. CCHD COVID-19 Update - Vicky Ryan
3. Senior Center Rehabilitation Project Closing (**PUBLIC HEARING**) - Lisa Morgan / Andrew Spreadborough
- [4.](#) Planning Commission Reappointments - Josh Smith
5. Consideration of Second Council Meeting in December - Steve Forrester

### Staff Reports and Requests

6. Manager's Report - Steve Forrester
- [7.](#) Abstract of Votes - City General Election Results
- [8.](#) Quarterly Financial Report - Liz Schuette / Lori Hooper
9. COVID-19 OSHA Temporary Rules - Steve Forrester / Lisa Morgan

### Committee Reports

### Ordinances

- [10.](#) Ordinance No 1262 - Amending Chapter 153 of the Land Use Code (**FIRST PRESENTATION**) (**PUBLIC HEARING**) - Josh Smith



- [11.](#) Ordinance No 1263 - Adopting Changes to Prineville Code Section 150.01 - **(FIRST PRESENTATION)** - Josh Smith

## **Resolutions**

- [12.](#) Resolution No 1464 - Amending an Agreement with Crook County Parks & Recreation and Crook County - Eric Klann
- [13.](#) Resolution No 1465 - Confirming the City of Prineville as an Equal Opportunity Employer
- [14.](#) Resolution No 1466 - Authorization to Efficiently Minimize or Mitigate the Effects of COVID-19
- [15.](#) Resolution No 1467 - Authorizing an Indefeasible Right of Use - James Wilson

## **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

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

**City Council Meeting Brief**  
**November 10<sup>th</sup>, 2020**

**Council Members Present:**

Steve Uffelman  
Janet Hutchison  
Patricia Jungmann  
Jason Beebe

Gail Merritt  
Teresa Rumble

**Council Members Absent**

Jeff Papke

**Additions to the Agenda**

Crook County Health Department COVID-19 Update and Consideration of Second Council Meeting in November, to be added under Council Business.

**Consent Agenda**

**1. Regular Meeting Brief 10-27-2020**

**Councilor Jungmann made a motion to approve the Consent Agenda as presented. Motion seconded. No discussion on motion. No audio from Councilor Hutchison. All in favor motion carried.**

**Visitors, Appearances and Requests:**

None.

**Public Appearances**

There were no written comments to be included in the record.

**Council Business**

**2. Crook County Health Department – COVID-19 Update**

Vicky Ryan, Crook County Public Information Officer provided an update that included: November 14<sup>th</sup> there will be a drive through flu clinic that will include Mosaic medical to perform 40 rapid COVID tests and is open to anyone to come through; the Health Department will be doing PPE distribution along with hand sanitizer. There will be about 38 staff members including Mosaic staff that will be at the drive through flu clinic. The Health Department has already done two drive through' s in last couple years.

Ms. Ryan explained we have a rise in cases and had nine cases show up today; the counting week runs from Sunday – Saturday; nine counties are now on pause; 60 cases or more in two weeks would put a county on pause; the trend in cases is in gatherings; Crook County has a cumulative case count of 150; they are monitoring about 53 people who are contacts to a positive case; still running the full incident command at clinic; and there are five Crook County people in Bend St. Charles right now with three in ICU.

Discussions continued regarding the drive through flu clinic is from 10-3; they have also reached out to the Hispanic community; putting together a public service announcement from businesses urging the community to wear face coverings rather than it coming from the government; and reminders to stay the course.

### **3. Consideration for Cancellation of Second Council Meeting in November**

Jered Reid, City Attorney provided the background information explaining that the second Council meeting on November 24<sup>th</sup> falls during Thanksgiving Day week.

**Councilor Rumble made motion to cancel November 24<sup>th</sup>, 2020 meeting due to Thanksgiving. Motion seconded. No discussion on motion. All in favor motion carried.**

### **Staff Reports and Requests:**

#### **4. Manager's Report**

Steve Forrester, City Manager reported: the Iron Horse Lodge for senior housing received USDA funding for \$5,000 a month for senior rent assistance and we will respond to confirm that the city is interested; Josh Smith, Planning Director wanted to remind council of the land use code updates coming their way in December; Railroad Manager Matt Weiderholt is reporting that Envirotech has committed to 250 additional freight cars under their contract with ODOT for magnesium chloride; and Councilor Gail Merritt had a good visit with McCall Oil who participated in the Crook County Fair program auction as well as others across the state, and they had told her they had never experienced the support as they did from the students here in Crook County.

There were no further questions.



## 5. Crestcom Training Update – Steve Forrester / Cale Pearson / Manuel Martinez

Mr. Forrester introduced Mr. Pearson and Mr. Martinez from Crestcom explaining that they are our professional development coaches.

Mr. Pearson talked about the Crestcom relationship with the city starting in 2017 and went into the history on Crestcom including how many have graduated from around the world and nationally; the city has continued with their training to adapt with changing attitudes and behaviors; Prineville is ahead of most and it is remarkable to see; the staff continues to learn new skills and behaviors that they are able to apply to everyday situations.

Mr. Pearson provided background information about the JEDI training and that we came to a 2 year agreement for this process in developing the team and we will hit on a lot of JEDI training. Manny Martinez came in on this training with the city last year.

Mr. Martinez explained that every situation is a little unique and reached out to Jered Reid and citizen stakeholders to address the needs of our community; and the city recently completed conflict resolution techniques. We will be putting all of these aspects together to hit the right areas needed.

## 6. Habitat Conservation Plan (HCP) Update – Eric Klann

Eric Klann, City Engineer provided the background on why this plan became necessary from the early 2000's; how the hatchery fish were being reintroduced; and a judge ruling that you could not determine the difference between a hatchery fish and migratory fish in regards to fines for accidentally farming the fish by conducting normal business. If successful the incidental permit would provide 30 years of protection.

Mr. Forrester added that this has been a tremendous task on the city as well as many other district partners. It is part of the ESA and took a lot in trying to finding compromise. The HCP is a huge effort and investment and was a great job by a lot of people.

There were no questions.

## 7. Bowman Dam Update – Eric Klann

Mr. Forrester explained the effort that was made over the last couple of years for the Crooked River Act that was signed by President Obama to move the scenic boundary line that made room for a potential hydro power project.

Mr. Klann stated this effort went back to 2008 - 2009 when they started working on this project which is also a good project environmentally. Energy splashes off into the water and causes fish blisters on gills and scales and they can die. There is an Oregon Administrative Rule (OAR) that requires passage over the dam for new projects which could cost \$250M and that makes the project not viable. We have had meetings with ODF & W over the summer and another recent

meeting to hopefully come to an agreement. They were asking for a lot of extra water for fish that would have hurt the irrigators. We are hopeful after the last meeting and might have a shot.

Mayor Uffelman added the Fish Passage Task Force was discouraging.

### **Committee Reports**

Councilor Merritt talked about the Christmas in the Pines and that they have been doing this since 2013 and emphasized it was more important than ever for people to stay in their car to enjoy. It will open the day after Thanksgiving and go through Christmas Day. There will not be a Santa this year.

Mayor Uffelman read his email that he sent to the Council regarding their thoughts as he ends his term as Mayor, into the record for transparency. He explained that Prineville is changing and we need to be cognizant of that. There are more children in schools because of more jobs; more seniors, and he would like council to set aside some time to talk about the direction and future of Prineville. There are senior needs and services; an auto industry focused on electric cars and are there enough charging stations in town; are we prepared for the steps we should be taking; should we work with Parks and Rec for a community center with a pool. Mayor Uffelman asked Council to think about it and let's just have a conversation.

There is also Council training by League of Oregon Cities for elected officials coming up.

Mr. Forrester talked about relationships and the importance of that, and helping new council members.

Councilor Rumble said she would like getting more people involved and people wanting to have a voice and really hopes the new council can get more community involvement to find out what's going on.

Councilor Beebe thinks it would be a good idea and would like to have discussions with the rest of council and is excited to set something up for the direction of Prineville.

Mr. Klann explained how he expected this to happen after the new year, to discuss where we were, how we got here, what we worked on, commitments that have been made, and it will take some time and some thought.

Mr. Forrester added that perhaps a facilitator can focus on pulling out those items to make a strategic plan and the need to go through a strategic session to really look at this.

Councilor Rumble expressed a willingness to participate and agrees it would be best after the first of the year.

Mayor Uffelman stated that Councilor Papke said he would be interested in having a facilitator for this.

No other reports.

**Ordinances:**

None.

**Resolutions:**

**8. Resolution No. 1463 – Authorization to Efficiently Minimize or Mitigate the Effects of COVID-19**

Mr. Reid explained that this will remain with us through 2021 and we prepared the resolution in advance for consideration, in anticipation that there would not be a second Council meeting in November when this resolution is usually renewed.

There were no questions.

**Councilor Beebe made motion to approve Resolution No. 1463. Motion seconded. No discussion on motion. No audio from Councilor Hutchison. All in favor motion carried.**

**Visitors Appearances and Requests:**

None.

**Adjourn**

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

Meeting adjourned at 7:33 P.M.

**Motions and Outcomes:**

Motion:	Outcome	Beebe	Hutchison	Jungmann	Merritt	Papke	Rumble	Uffelman
Consent Agenda as Presented	PASSED	Y	-	Y	Y	-	-	Y
Motion to cancel November 24 <sup>th</sup> , 2020 Meeting Due to Thanksgiving	PASSED	Y	Y	Y	Y	-	Y	Y
Resolution No. 1463 – Authorization to Efficiently Minimize or Mitigate the Effects of COVID-19	PASSED	Y	-	Y	Y	-	Y	Y
Adjourn Meeting	PASSED	Y	-	Y	Y	-	Y	Y

**Public Records Disclosure**

Under the Oregon public records law, all documents referred to in this session are available at the City's website. [www.cityofprineville.com](http://www.cityofprineville.com). An electronic copy of the meeting packet is available for download at [www.cityofprineville.com/packets](http://www.cityofprineville.com/packets). A full recording of this meeting is available at [www.cityofprineville.com/meetings](http://www.cityofprineville.com/meetings)



# City of Prineville

## DEPARTMENT OF PLANNING & COMMUNITY DEVELOPMENT

### PLANNING COMMISSION RECOMMENDATION

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**DATE:** November 17<sup>th</sup>, 2020

**PURPOSE:** Recommendation to Reappoint Planning Commissioners

**BACKGROUND:**

The term of two of our current Planning Commissioners, Marty Bailey and Ron Cholin will expired on December 31, 2020. The remaining Planning Commissioners present voted unanimously to recommend that City Council reappoint Marty Bailey and Ron Cholin to new four-year terms.

Planning Staff supports the recommendation of the Planning Commission as both Commissioners add valuable perspective to the Commission and are reliable contributors to this body.

**RECOMMENDATION:**

The Planning Commission formally recommends that City Council reappoint Marty Bailey and Ron Cholin to four-year terms as Planning Commissioners, which would expire on December 31, 2024.

  
Marty Bailey, Planning Commission Chair



## STAFF REPORT

<b>DATE:</b> December 8, 2020	<b>PREPARED BY:</b> Lisa Morgan
<b>SECTION:</b> Staff Reports	<b>DEPARTMENT:</b> Administration
<b>CITY GOAL:</b> N/A	
<b>SUBJECT:</b> Abstract of Votes – City Election Results	

**REASON FOR CONSIDERATION:** The city received the Crook County General Election Results for the city election on November 3, 2020.

**BACKGROUND:** There were three council and one mayor positions with terms ending December 31, 2020. There was one candidate for the mayor position and three candidates for the three councilor positions. The certified results were as follows:

Mayor Position: Rodney Jason Beebe with 4,212 votes at 96.19%

Council Positions:

Raymond Law with 3,080 votes at 32.35%

Gail Merritt with 3,245 votes at 34.08%

Stephen Uffelman with 3,041 votes at 31.94%

Oaths of Office will take place at the January 12, 2021 Council Meeting.

**FISCAL IMPACT:** None.

**RECOMMENDATION:** Motion to accept certified Abstract of Votes election results (attached).

Statement of Votes Cast by Geography  
 Crook County, Oregon, General Election 2020, Nov 03, 2020  
 All Precincts, All Districts, All ScanStations, All Contests, All Boxes  
 Official FINAL Results  
 Total Ballots Cast: 15558  
 17 precincts reported out of 17 total

Choice	Votes	Vote %
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**All Precincts**

**President and Vice President (Vote for 1)**

**15558 ballots (1 over voted ballots, 1 overvotes, 109 undervotes)**

Donald J Trump / Michael R Pence	11287	73.06%
Joseph R Biden / Kamala D Harris	3801	24.61%
Jo Jorgensen / Jeremy (Spike) Cohen	231	1.50%
Howie Hawkins / Angela Walker	42	0.27%
Dario Hunter / Dawn Neptune Adams	16	0.10%
Write-in	71	0.46%
Total	15448	100.00%
Overvotes	1	
Undervotes	109	

**US Senator (Vote for 1)**

**15558 ballots (2 over voted ballots, 2 overvotes, 410 undervotes)**

Jo Rae Perkins	10628	70.17%
Jeff Merkley	4133	27.29%
Ibrahim A Taher	118	0.78%
Gary Dye	250	1.65%
Write-in	17	0.11%
Total	15146	100.00%
Overvotes	2	
Undervotes	410	

**US Representative, 2nd District (Vote for 1)**

**15545 ballots (0 over voted ballots, 0 overvotes, 579 undervotes)**

Robert Werch	378	2.53%
Cliff Bentz	11448	76.49%
Alex Spenser	3128	20.90%
Write-in	12	0.08%
Total	14966	100.00%
Overvotes	0	
Undervotes	579	

**Secretary of State (Vote for 1)**

**15545 ballots (0 over voted ballots, 0 overvotes, 534 undervotes)**

Nathalie Paravicini	229	1.53%
Kyle Markley	383	2.55%
Kim Thatcher	11022	73.43%
Shemia Fagan	3368	22.44%
Write-in	9	0.06%
Total	15011	100.00%
Overvotes	0	
Undervotes	534	

**State Treasurer (Vote for 1)**

**15545 ballots (0 over voted ballots, 0 overvotes, 649 undervotes)**

Michael P Marsh	481	3.23%
Tobias Read	3495	23.46%
Chris Henry	392	2.63%
Jeff Gudman	10518	70.61%
Write-in	10	0.07%
Total	14896	100.00%
Overvotes	0	
Undervotes	649	

**Attorney General (Vote for 1)**

**15545 ballots (0 over voted ballots, 0 overvotes, 698 undervotes)**

Ellen Rosenblum	3711	24.99%
Lars D H Hedbor	310	9%

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Choice	Votes	Vote %
Michael Cross	10773	72.56%
Write-in	53	0.36%
Total	14847	100.00%
Overvotes	0	
Undervotes	698	

**State Senator, 28th District (Vote for 1)**

**15545 ballots (0 over voted ballots, 0 overvotes, 785 undervotes)**

Hugh Palcic	3434	23.27%
Dennis Linthicum	11315	76.66%
Write-in	11	0.07%
Total	14760	100.00%
Overvotes	0	
Undervotes	785	

**State Representative, 55th District (Vote for 1)**

**15545 ballots (0 over voted ballots, 0 overvotes, 535 undervotes)**

Barbara Fontaine	3331	22.19%
Vikki Breese-Iverson	11653	77.63%
Write-in	26	0.17%
Total	15010	100.00%
Overvotes	0	
Undervotes	535	

**Judge of the Supreme Court, Position 4 (Vote for 1)**

**15545 ballots (0 over voted ballots, 0 overvotes, 5898 undervotes)**

Christopher L Garrett	9392	97.36%
Write-in	255	2.64%
Total	9647	100.00%
Overvotes	0	
Undervotes	5898	

**Judge of the Court of Appeals, Position 9 (Vote for 1)**

**15545 ballots (0 over voted ballots, 0 overvotes, 6056 undervotes)**

Jacqueline S Kamins	9258	97.57%
Write-in	231	2.43%
Total	9489	100.00%
Overvotes	0	
Undervotes	6056	

**Crook County Sheriff (Vote for 1)**

**15545 ballots (0 over voted ballots, 0 overvotes, 3479 undervotes)**

John W Gautney	11842	98.14%
Write-in	224	1.86%
Total	12066	100.00%
Overvotes	0	
Undervotes	3479	

**Mayor (Vote for 1)**

**5665 ballots (0 over voted ballots, 0 overvotes, 1286 undervotes)**

Rodney Jason Beebe	4212	96.19%
Write-in	167	3.81%
Total	4379	100.00%
Overvotes	0	
Undervotes	1286	

**City Council Member (Vote for 3)**

**5665 ballots (1 over voted ballots, 3 overvotes, 7470 undervotes)**

Gail Merritt	3245	8%
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Statement of Votes Cast by Geography  
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 All Precincts, All Districts, All ScanStations, All Contests, All Boxes  
 Official FINAL Results  
 Total Ballots Cast: 15558  
 17 precincts reported out of 17 total

Choice	Votes	Vote %
Stephen Uffelmann	3041	31.94%
Raymond Law	3080	32.35%
Write-in	117	1.23%
Write-in	25	0.26%
Write-in	14	0.15%
Total	9522	100.00%
Overvotes	3	
Undervotes	7470	

**Crook County Soil and Water Conservation, Director (Vote for 1)**  
**15545 ballots (0 over voted ballots, 0 overvotes, 14320 undervotes)**

Write-in	1225	100.00%
Total	1225	100.00%
Overvotes	0	
Undervotes	14320	

**Crook County Soil and Water Conservation District, Director - Crook County Soil and Water Conservation District (Vote for 1)**  
**15545 ballots (0 over voted ballots, 0 overvotes, 5532 undervotes)**

Gary Bedortha	9908	98.95%
Write-in	105	1.05%
Total	10013	100.00%
Overvotes	0	
Undervotes	5532	

**Crook County Soil and Water Conservation District, Director - Crook County Soil and Water Conservation District (Vote for 1)**  
**15545 ballots (1 over voted ballots, 1 overvotes, 5564 undervotes)**

William Sigman	9876	98.96%
Write-in	104	1.04%
Total	9980	100.00%
Overvotes	1	
Undervotes	5564	

**Question 7-107 (Vote for 1)**  
**15545 ballots (1 over voted ballots, 1 overvotes, 748 undervotes)**

Yes	9859	66.63%
No	4937	33.37%
Total	14796	100.00%
Overvotes	1	
Undervotes	748	

**Question 7-108 (Vote for 1)**  
**15545 ballots (0 over voted ballots, 0 overvotes, 395 undervotes)**

Yes	7161	47.27%
No	7989	52.73%
Total	15150	100.00%
Overvotes	0	
Undervotes	395	

**Question 7-109 (Vote for 1)**  
**15545 ballots (0 over voted ballots, 0 overvotes, 601 undervotes)**

Yes	5301	35.47%
No	9643	64.53%
Total	14944	100.00%
Overvotes	0	
Undervotes	601	

**Question 7-110 (Vote for 1)**  
**15545 ballots (0 over voted ballots, 0 overvotes, 615 undervotes)**

Yes	5443	6%
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Statement of Votes Cast by Geography  
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All Precincts, All Districts, All ScanStations, All Contests, All Boxes  
Official FINAL Results  
Total Ballots Cast: 15558  
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2020-11-20  
17:00:43

Choice	Votes	Vote %
No	9487	63.54%
Total	14930	100.00%
Overvotes	0	
Undervotes	615	

I, Cheryl W Seely, Crook County Clerk, do hereby certify that the votes recorded on this report correctly summarize the tally of votes cast at the November 3, 2020 General Election.

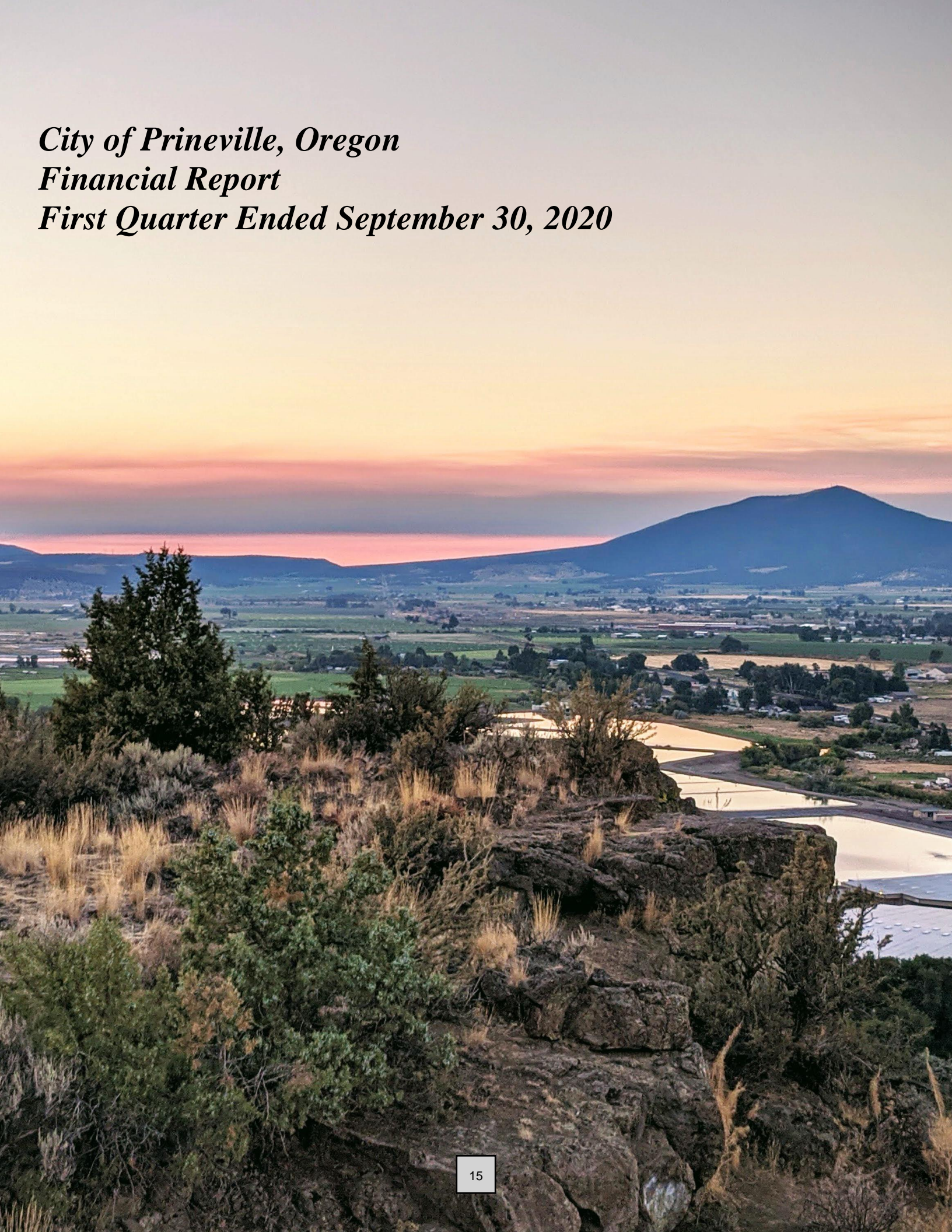
Dated this 20<sup>th</sup> day of November, 2020.

  
Cheryl W Seely  
Crook County Clerk





*City of Prineville, Oregon*  
*Financial Report*  
*First Quarter Ended September 30, 2020*





**Executive Summary**

The City of Prineville has moved to a biennial budget resulting in some changes being made to the presentation of the quarterly financial report. The report includes a city-wide summary of beginning fund balances, current period resources and expenditures, and the ending fund balances for all funds. Included in the fund summaries, starting on page six, are comparisons of actual to budgeted amounts, and narrative explaining results and highlights for the quarter. The biennial budget comparison to actual is highlighted in blue in each of the funds. Annual budget estimates for FY 21 reflect the remainder of the City’s 2020-21 biennial budget with budget adjustments during the biennium and the quarter budget estimates have been allocated proportionally of the fiscal year budget (25 percent). The financial information presented is unaudited.

Quarter budget estimates allocated at 25 percent of the fiscal year budget compared to actual			Fiscal year 2021 budget estimates based on the remainder of the 2020-21 biennial budget compared to actual				Biennial budget comparison to actual			
Current Quarter			Year to Date							
Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.	Biennial Budget	Biennial Actual to Date	Biennial Budget %	Biennial Budget Remaining Bal.

During the first quarter ending September 30, 2020 the City’s financial condition decreased by approximately \$1.62 million or -8 percent. Funds with a significant negative impact to fund balance include the General Fund, Transportation, Transportation SDC, Water SDC, and the Building Facilities Fund. Funds with significant increases in fund balance include Emergency Dispatch, PERS/POB, Water and Public Works Fund. Timing of property tax collection, capital improvements, and scheduled debt service payments largely contributed to the decrease in the City’s financial condition.

Through the first quarter, General Fund revenues came in at roughly 15 percent of the annual budget or \$972,000. Property tax revenue is at 2 percent and slightly up compared to the prior year. Transient lodging taxes are down in comparison to the prior year quarter end by roughly \$29,000 and are expected to continue on this downward trend with the restrictions that have been put out by the Governor due to the COVID-19 pandemic. Franchise fees are at roughly 22 percent of the annual budget with collection increasing approximately \$59,000 over the prior year at quarter end. Electrical franchise fees continue to be on the rise due to the continued build out of the data centers and are up over the prior year at quarter end roughly \$53,000. Overall, the General fund realized a reduction in fund balance of roughly -25 percent or approximately \$664,700 in the first quarter, bringing the fund balance to roughly \$1.88 million. With the collection of property taxes beginning in November, the fund balance will significantly improve. Prior year tax collections for November totaled approximately \$1.62 million.

The Transportation’s fund balance decreased roughly \$544,000 -35 percent through the first quarter. This is anticipated with the timing in which street projects are completed versus the timing in which revenue for the fund is received. First quarter state gas tax collection came in at roughly \$143,000 and is down approximately \$39,000 over the prior year quarter end with the Governor’s travel restrictions that were first put in place in March 2020 due to the COVID-19

pandemic. Capital improvements during the first quarter are largely associated with the 2020 paving project and the Fourth Street parking lot project.

In Emergency Dispatch, fund balance increased approximately \$250,000 through the first quarter. First quarter revenues were at roughly 35 percent of the annual budget with the fire district paying their annual user fees. Personnel services at 18 percent of the annual budget with overtime coming in at roughly 72 percent of the annual budget with newly hired dispatchers looking to complete their training.

Through the first quarter, fund balance decreased in both the Transportation SDC and the Water SDC Funds largely due to capital projects. In the Transportation SDC Fund, expenditures were largely associated with the 10<sup>th</sup> and Main Street project, the Rails to Trails project, and the Peters Road / Combs Flat extension project. In the Water SDC Fund, the Aquifer Storage and Recovery (ASR) project continued. The ASR project is a method of water storage that uses the natural water storage capabilities of underground aquifers as a cost-effective, scalable and ecologically friendly water storage alternative to traditional storage options, such as above-ground reservoirs and short-term water supply storage tanks. In the Wastewater SDC the fund balance increased approximately \$43,000 with no capital expenses during the first quarter. SDC collection during the first quarter was associated with roughly 18 housing starts.

During the first quarter, the railroad increased its operating revenue over the prior year quarter end by roughly 21 percent with significant increases in switching, freight depot and storage. The overall car count is down by approximately 10 cars but the revenue per car average has increased over the prior year at quarter end with the increase in haulage diversity. Freight Depot charges for services are up over prior year quarter end, largely due to the new lease with Krah, a piping company. Switching fees are up in line with the increased rail car storage. Every storage car that is handled by the railroad is charged a switch fee to move the car. Materials and services are at roughly 44 percent of the annual budget which includes approximately \$63,000 in liability insurance paid in the first quarter. Overall operating expenses are down in comparison to the prior year at quarter end by about 5 percent. Fund balance increase roughly \$31,000 or 3 percent through the first quarter.

In the Airport Fund, fund balance decreased approximately \$9,000 or -8 percent largely due to annual payments during the first quarter. Operating revenues are up 56 percent with operating expenses up 25 percent in comparison to the prior year at quarter end. Fuel sales are up significantly in comparison to the first quarter of the prior year by roughly 64 percent. August was a record fuel sales month for the airport due to firefighting air crafts setting up operations at the airport for the extremely active fire season. Fuel inventory at yearend totaled approximately \$28,000.

Meadow Lakes Golf shows an increase in fund balance through the first quarter of approximately \$34,000 or 3 percent. Operating revenue for the golf course is up in comparison to the prior year roughly 32 percent. Rounds of golf are up by approximately 1700 rounds in comparison to the prior year at quarter end. Golf is one of the few sports that can be played within the social distancing guidelines of the state due to COVID-19, this coupled with good weather, resulted in the best first quarter revenue numbers for the golf course since 2008. Golf course operating

September 30, 2020

expenditures are up approximately 6 percent and maintenance expenditures are down roughly -3 percent over the prior year at quarter end. The bidding process was completed for the irrigation process during the first quarter and the construction phase has started. The Golf Fund will require a supplemental budget during the second quarter in order for that project to be completed.

In the Administration and Financial Support Services the fund balance increased roughly 5 percent. A budget adjustment was done during the first quarter to provide additional dollars for 911 upgrades and additional costs associated with the COVID-19 pandemic in the Information Technology Department. The adjustment done was for known costs to date and a supplemental budget will be needed prior to yearend to recognize the reimbursements associated with these costs and the additional costs that are unknown at this time. Other departments in this fund are tracking slightly above budget with the annual insurance payment coming due during the first quarter and ongoing JEDI (justice, equity, diversity and inclusion) training being done in the first quarter and coming out of the City Manager Department.

Through the first quarter the Building Facilities fund balance decreased roughly -31 percent largely due to the capital projects associated with the adaptation and remodel of the new police facility building and the Sr. Center renovation. Capital expenditures during the first quarter were roughly \$1.03 million for the police facility, approximately \$201,000 for the Sr. Center and \$13,000 for the joints park master plan in the Barnes Butte Department. The new Police Department is expected to be ready for occupancy around April 2021 and the Sr. Center neared completion at the end of the first quarter.

Other funds are as anticipated at quarter end. A summary is presented in each fund to provide an explanation of financial performance and operating issues. We appreciate comments on how we may be able to improve this report to enhance your understanding of the City's finances.

Sincerely,

Steve Forrester  
City Manager

Liz Schuette,  
Finance Director

Lori Hooper,  
Accounting Manager

September 30, 2020

*All City Funds*

Fund	Current Budget Beginning Fund Balance	Unaudited Actual Fund Balance	Current Year Resources	Current Year Expenditures	Ending Fund Balance	Change in Fund Balance	Percentage Change in Fund Balance
General	\$ 1,918,286	\$ 2,500,771	\$ 972,423	\$ 1,597,612	\$ 1,875,582	\$ (625,189)	-25%
Transportation	456,058	184,692	360,339	904,513	(359,482)	(544,174)	-295%
Emergency Dispatch	376,056	730,916	626,227	376,044	981,099	250,183	34%
Planning	240,958	90,722	89,619	91,789	88,553	(2,169)	-2%
Transportation SDC	1,400,086	1,288,745	66,663	227,973	1,127,435	(161,310)	-13%
Water SDC	2,186,423	2,259,907	1,445,298	1,833,378	1,871,827	(388,080)	-17%
Wastewater SDC	3,127,928	869,460	44,447	1,488	912,420	42,960	5%
PERS / POB Fund	608,691	965,618	152,608	-	1,118,226	152,608	16%
Railroad	1,145,793	1,150,559	263,960	232,551	1,181,969	31,409	3%
Airport	116,835	116,835	248,689	257,825	107,699	(9,136)	-8%
Water	585,270	456,218	1,263,564	590,348	1,129,434	673,216	148%
Wastewater	3,932,316	3,179,624	1,068,141	1,020,031	3,227,734	48,110	2%
Golf Course and Restaurant	483,295	1,307,175	482,816	448,572	1,341,420	34,245	3%
Administration and Financial Services	452,914	157,625	809,573	801,966	165,233	7,607	5%
Building Facilities	2,871,408	3,917,100	121,533	1,334,570	2,704,063	(1,213,037)	-31%
Plaza Maintenance	36,318	29,092	4,071	2,640	30,524	1,432	5%
Public Works Support Services	174,933	173,520	557,881	481,251	250,150	76,630	44%
Totals	\$ 20,113,568	\$ 19,378,579	\$ 8,577,853	\$ 10,202,549	\$ 17,753,884	\$ (1,624,696)	-8%



*Fourth of July Fireworks sponsored by the City of Prineville, Crook County and Republic Services.*

**General Fund**

The General Fund accounts for the City’s police and non-departmental operations and activities. The primary sources of revenue include property taxes, transient lodging taxes, franchise fees, and intergovernmental revenue.

Overall revenue collection for the first quarter is at approximately \$972,000 or 15 percent of the annual budget. Year to date property tax revenue is roughly 2 percent of the annual budget and up slightly over the prior year at quarter end. Transient lodging taxes are down in comparison to the prior year quarter end by roughly \$29,000 which is likely due to the travel restrictions that have been put in place by the Governor due to the COVID-19 pandemic. Franchise fees are at roughly 22 percent of the annual budget with collection increasing approximately \$59,000 over prior year’s first quarter. Electrical franchise fees continue to be on the rise and are up over the prior year at quarter end roughly \$53,000 with the continued build outs of the data centers.

Police spending for the first quarter of the year was at approximately 25 percent of the annual budget. Personnel services are at roughly 24 percent of the annual budget with overtime tracking at approximately 23 percent. Many summer activities that require a larger police presence was either cancelled or modified due to COVID-19 restrictions.

Overall, the General Fund realized a reduction in fund balance of roughly -25 percent in the first quarter. With the collection of property taxes beginning in November, the fund balance will significantly improve. Prior year tax collections for November totaled approximately \$1.62 million.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Actual to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
Property taxes	\$ 537,250	\$ 33,726	6%	\$ 2,149,000	\$ 33,726	2%	\$ 2,115,274	\$ 4,570,000	\$ 2,331,221	51%	\$ 2,238,779
Transient lodging tax	80,000	115,961	145%	320,000	115,961	36%	204,039	760,000	427,960	56%	332,040
Franchise fees	784,175	704,302	90%	3,136,700	704,302	22%	2,432,398	6,558,000	3,969,975	61%	2,588,025
Licenses and permits	2,100	2,236	106%	8,400	2,236	27%	6,165	17,200	11,720	68%	5,480
Intergovernmental revenues	104,200	55,666	53%	416,800	55,666	13%	361,134	866,000	472,918	55%	393,082
Charges for services	71,250	1,373	2%	285,000	1,373	0%	283,627	560,000	281,871	50%	278,129
Interest	10,000	4,328	43%	40,000	4,328	11%	35,672	80,000	46,932	59%	33,068
Miscellaneous	10,250	54,832	535%	41,000	54,832	134%	(13,832)	81,000	164,227	203%	(83,227)
<b>Total revenue</b>	<b>\$ 1,599,225</b>	<b>\$ 972,423</b>	<b>61%</b>	<b>\$ 6,396,900</b>	<b>\$ 972,423</b>	<b>15%</b>	<b>\$ 5,424,477</b>	<b>\$ 13,492,200</b>	<b>\$ 7,706,825</b>	<b>57%</b>	<b>\$ 5,785,375</b>
<b>Expenditures</b>											
Police	\$ 1,335,000	1,313,862	98%	\$ 5,340,000	1,313,862	25%	4,026,138	\$ 11,102,100	\$ 6,608,653	60%	\$ 4,493,447
Non-departmental	309,800	283,750	92%	1,239,200	283,750	23%	955,450	2,210,900	1,375,916	62%	834,984
Contingency				2,362,401				2,097,486			
<b>Total expenditures</b>	<b>\$ 1,644,800</b>	<b>\$ 1,597,612</b>	<b>97%</b>	<b>\$ 8,941,601</b>	<b>\$ 1,597,612</b>	<b>18%</b>	<b>\$ 4,981,588</b>	<b>\$ 15,410,486</b>	<b>\$ 7,984,569</b>	<b>52%</b>	<b>\$ 5,328,431</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (45,575)</b>	<b>(625,189)</b>	<b>-</b>	<b>\$ (2,544,701)</b>	<b>(625,189)</b>	<b>-25%</b>	<b>442,889</b>	<b>\$ (1,918,286)</b>	<b>\$ (277,744)</b>	<b>-</b>	<b>\$ 456,944</b>
<b>Beginning fund balance</b>	<b>2,544,701</b>	<b>2,500,771</b>	<b>98%</b>	<b>2,544,701</b>	<b>2,500,771</b>	<b>98%</b>		<b>1,918,286</b>			
<b>Ending fund balance</b>	<b>\$ 2,499,126</b>	<b>\$ 1,875,582</b>	<b>75%</b>	<b>\$ -</b>	<b>\$ 1,875,582</b>	<b>-</b>		<b>\$ -</b>			



**Transportation Fund**

The Transportation Fund accounts for the operation and maintenance of the City’s streets, bike lanes, and sidewalk systems. Principal sources of revenue are state gas taxes allocated to cities, permits, and interest. Principal expenditures are for public works staff, patching, painting, slurry seals, signals, insurance and asphalt.

Revenue for the Transportation Fund through the first quarter is at approximately 20 percent of the annual budget. Intergovernmental revenue collection is at 17 percent of the annual budget with roughly \$143,000 coming in for gas taxes during the first quarter. State gas tax collection is down approximately \$39,000 over the prior year quarter end with COVID19 restrictions still in place.

Expenditures in the first quarter came in at approximately 45 percent of annual budget. Capital improvements during the first quarter were largely associated with the 2020 paving project (pictured below) and the completion of the Fourth Street parking lot project.

Fund balance decreased roughly \$544,000 through the first quarter. This is anticipated with the timing in which street projects are completed versus the timing in which revenue for the fund is received. Fund balance is anticipated to recover by yearend.



*Second Street paving, part of the 2020 paving project, that took place during the first quarter.*

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
Franchise fees	\$ 84,500	\$ 84,500	100%	\$ 338,000	\$ 84,500	25%	\$ 253,500	\$ 665,000	\$ 411,500	62%	\$ 253,500
Intergovernmental	262,600	174,515	66%	1,050,400	174,515	17%	875,885	1,962,700	1,095,638	56%	867,062
Transfers	100,000	100,000	100%	400,000	100,000	25%	300,000	700,000	400,000	57%	300,000
Interest	1,250	664	53%	5,000	664	13%	4,336	10,000	5,899	59%	4,101
Miscellaneous	2,250	660	29%	9,000	660	7%	8,340	28,000	36,118	129%	(8,118)
<b>Total revenue</b>	<b>\$ 450,600</b>	<b>\$ 360,339</b>	<b>80%</b>	<b>\$ 1,802,400</b>	<b>\$ 360,339</b>	<b>20%</b>	<b>\$ 1,442,061</b>	<b>\$ 3,365,700</b>	<b>\$ 1,949,155</b>	<b>58%</b>	<b>\$ 1,416,545</b>
<b>Expenditures</b>											
Personnel services	\$ 65,225	\$ 60,131	92%	\$ 260,900	\$ 60,131	23%	200,769	\$ 512,100	\$ 294,332	57%	\$ 217,768
Material and services	72,400	64,223	89%	289,600	64,223	22%	225,377	501,000	269,667	54%	231,333
Capital outlay											
Improvements	211,925	688,359	325%	847,700	688,359	81%	159,341	1,833,400	1,674,039	91%	159,361
Transfers	91,800	91,800	100%	367,200	91,800	25%	275,400	735,300	459,900	63%	275,400
Contingency				242,346				239,958			
<b>Total expenditures</b>	<b>\$ 441,350</b>	<b>\$ 904,513</b>	<b>205%</b>	<b>\$ 2,007,746</b>	<b>904,513</b>	<b>45%</b>	<b>\$ 860,887</b>	<b>\$ 3,821,758</b>	<b>\$ 2,697,938</b>	<b>71%</b>	<b>\$ 883,862</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 9,250</b>	<b>\$ (544,174)</b>	<b>-</b>	<b>\$ (205,346)</b>	<b>\$ (544,174)</b>	<b>-295%</b>	<b>\$ 581,174</b>	<b>\$ (456,058)</b>	<b>\$ (748,784)</b>	<b>-</b>	<b>\$ 532,684</b>
<b>Beginning fund balance</b>	<b>205,346</b>	<b>184,692</b>	<b>90%</b>	<b>205,346</b>	<b>184,692</b>	<b>90%</b>		<b>456,058</b>			
<b>Ending fund balance</b>	<b>\$ 214,596</b>	<b>\$ (359,482)</b>	<b>-</b>	<b>\$ -</b>	<b>\$ (359,482)</b>	<b>-</b>		<b>\$ -</b>			

**Emergency Dispatch Fund**

This fund accounts for the Emergency Dispatch operation. The operation provides dispatching and records management services for the public safety departments serving the Crook County area, with the exception of the State Police. The primary revenue sources are payments by users for services provided, including a transfer from the City’s police department in the General Fund. The operation is managed by the City’s Police Department.

Revenue collection for the Emergency Dispatch fund was approximately \$626,000 or 35 percent of the annual budget. First quarter intergovernmental revenue collection was at roughly \$426,000 and first quarter revenues are as anticipated with the fire district paying their annual user fees during the first quarter.

Expenditures came in at approximately \$376,000 or 15 percent of the annual budget. Personnel services are 18 percent of the annual budget or approximately \$239,800 with overtime coming in at roughly 72 percent of the annual budget. Dispatch continued to be short staffed during the first quarter as newly hired dispatchers looked to complete their training. Materials and services are at roughly 32 percent of the annual budget with the annual insurance payment coming out in the first quarter.

Fund balance increased roughly \$250,000 or 34 percent through the first quarter.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
Intergovernmental	\$ 243,100	\$ 426,021	175%	\$ 972,400	\$ 426,021	44%	\$ 546,379	\$ 1,874,200	\$ 1,403,270	75%	\$ 470,930
Miscellaneous	1,000	-	-	4,000	-	-	4,000	8,000	15	0%	7,985
Interest	2,500	1,631	65%	10,000	1,631	16%	8,369	20,000	12,594	63%	7,406
Transfers from other funds	198,575	198,575	100%	794,300	198,575	25%	595,725	1,501,700	905,975	60%	595,725
<b>Total revenue</b>	<b>\$ 445,175</b>	<b>\$ 626,227</b>	<b>141%</b>	<b>\$ 1,780,700</b>	<b>\$ 626,227</b>	<b>35%</b>	<b>\$ 1,154,473</b>	<b>\$ 3,403,900</b>	<b>\$ 2,321,854</b>	<b>68%</b>	<b>\$ 1,082,046</b>
<b>Expenditures</b>											
Personnel services	\$ 327,900	\$ 239,837	73%	\$ 1,311,600	\$ 239,837	18%	1,071,763	\$ 2,457,100	\$ 1,268,109	52%	\$ 1,188,991
Material and services	68,375	87,572	128%	273,500	87,572	32%	185,928	553,600	333,765	60%	219,835
Capital outlay											
Equipment	13,750	1,260	9%	55,000	1,260	2%	53,740	90,000	13,523	15%	76,477
Transfers	47,375	47,375	100%	189,500	47,375	25%	142,125	372,900	230,775	62%	142,125
Contingency				689,672				306,356			
<b>Total expenditures</b>	<b>\$ 457,400</b>	<b>\$ 376,044</b>	<b>82%</b>	<b>\$ 2,519,272</b>	<b>\$ 376,044</b>	<b>15%</b>	<b>\$ 1,453,556</b>	<b>\$ 3,779,956</b>	<b>\$ 1,846,171</b>	<b>49%</b>	<b>\$ 1,627,429</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (12,225)</b>	<b>\$ 250,183</b>	<b>-</b>	<b>\$ (738,572)</b>	<b>\$ 250,183</b>	<b>34%</b>	<b>\$ (299,083)</b>	<b>\$ (376,056)</b>	<b>\$ 475,683</b>	<b>-</b>	<b>\$ (545,383)</b>
<b>Beginning fund balance</b>	<b>376,056</b>	<b>730,916</b>	<b>194%</b>	<b>738,572</b>	<b>730,916</b>	<b>99%</b>		<b>376,056</b>			
<b>Ending fund balance</b>	<b>\$ 363,831</b>	<b>\$ 981,099</b>	<b>270%</b>	<b>\$ -</b>	<b>\$ 981,099</b>	<b>-</b>		<b>\$ -</b>			

**Planning Fund**

The Planning Fund accounts for the planning activities of the City. A transfer of funds from General Fund to Planning helps support the short term planning needs of the city. General administrative costs are paid through internal charges to the Internal Services Fund for the following services based upon the cost to the department for using these services; administrative and financial services, risk management, computer and phone services. The costs of these services are at full cost, including replacement cost, thereby providing a more accurate cost of providing services.

First quarter revenue collection came in at approximately \$90,000 or 23 percent of the annual budget. Revenue collection for the licenses and permits is at approximately \$6,000, a decrease over prior year first quarter by roughly \$2,700. Development highlights include roughly 18 housing starts that paid SDC's during the first quarter.

Expenditures during the first quarter are at approximately \$92,000 or 19 percent of the annual budget. Expenditures are tracking slightly below budget at quarter end with annual insurance being paid during the first quarter.

Fund balance decreased approximately \$2,000 or -2 percent.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
Licenses and permits	\$ 10,000	\$ 6,201	62%	\$ 40,000	\$ 6,201	16%	\$ 33,799	\$ 80,000	\$ 38,520	48%	\$ 41,480
Intergovernmental	1,250	-	-	5,000	-	-	5,000	10,000	16,978	170%	(6,978)
Charges for services	6,175	3,129	51%	24,700	3,129	13%	21,571	171,600	159,257	93%	12,343
Interest	1,000	289	29%	4,000	289	7%	3,711	8,000	4,084	51%	3,916
Transfers from other funds	80,000	80,000	100%	320,000	80,000	25%	240,000	360,000	120,000	33%	240,000
<b>Total revenue</b>	<b>\$ 98,425</b>	<b>\$ 89,619</b>	<b>91%</b>	<b>\$ 393,700</b>	<b>\$ 89,619</b>	<b>23%</b>	<b>\$ 304,081</b>	<b>\$ 629,600</b>	<b>\$ 338,840</b>	<b>54%</b>	<b>\$ 290,760</b>
<b>Expenditures</b>											
Personnel services	\$ 62,825	\$ 58,281	93%	\$ 251,300	\$ 58,281	23%	\$ 193,019	\$ 479,700	\$ 287,466	60%	\$ 192,234
Material and services	9,900	3,008	30%	39,600	3,008	8%	36,592	93,500	54,526	58%	38,973.59
Transfers	30,500	30,500	100%	122,000	30,500	25%	91,500	241,000	149,500	62%	91,500.14
Contingency				71,205				56,358			
<b>Total expenditures</b>	<b>\$ 103,225</b>	<b>\$ 91,789</b>	<b>89%</b>	<b>\$ 484,105</b>	<b>\$ 91,789</b>	<b>19%</b>	<b>\$ 321,111</b>	<b>\$ 870,558</b>	<b>\$ 491,492</b>	<b>56%</b>	<b>\$ 322,708</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (4,800)</b>	<b>\$ (2,169)</b>	<b>-</b>	<b>\$ (90,405)</b>	<b>\$ (2,169)</b>	<b>-2%</b>	<b>\$ (17,031)</b>	<b>\$ (240,958)</b>	<b>\$ (152,652)</b>	<b>-</b>	<b>\$ (31,948)</b>
<b>Beginning fund balance</b>	<b>240,958</b>	<b>90,722</b>	<b>38%</b>	<b>90,405</b>	<b>90,722</b>	<b>100%</b>		<b>240,958</b>			
<b>Ending fund balance</b>	<b>\$ 236,158</b>	<b>\$ 88,553</b>	<b>37%</b>	<b>\$ -</b>	<b>\$ 88,553</b>	<b>-</b>		<b>\$ -</b>			

**Transportation SDC Fund**

This fund accounts for the collection and expenditure of transportation system development charges. The primary revenue source is SDC's. Expenditures are for qualified capital improvement projects and related costs.

Revenue collection for the Transportation SDC fund is at approximately 17 percent of the annual budget. SDC collection at quarter end is at roughly \$64,000 with roughly 18 housing starts that paid SDC's in the first quarter.

Expenditures at quarter end were primarily associated with capital projects. Capital expenditures during the first quarter were largely for the 10<sup>th</sup> and Main Street design build, the Rails to Trails project and the Peters Road / Combs Flat extension project.

Fund balance decreased roughly \$161,000 or -13 percent through the first quarter. Budgeted capital expenditures have contributed to the decrease in fund balance.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
<b>Revenue</b>											
Intergovernmental	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ 1,500,400	\$ 1,547,600	103%	\$ (47,200)
Miscellaneous	-	-	-	-	-	-	-	122,667	-	-	122,667
Interest	3,000	2,988	100%	12,000	2,988	25%	9,012	49,000	27,523	56%	21,477
System development charges	96,750	63,675	66%	387,000	63,675	16%	323,325	988,500	697,021	71%	291,479
<b>Total revenue</b>	\$ 99,750	\$ 66,663	67%	\$ 399,000	\$ 66,663	17%	\$ 332,337	\$ 2,660,567	\$ 2,272,145	85%	\$ 388,422
<b>Expenditures</b>											
Material and services	\$ 2,500	\$ 394	16%	\$ 10,000	\$ 394	4%	\$ 9,606	\$ 20,000	\$ 394	2%	\$ 19,606
Capital outlay											
Improvements	327,475	227,580	69%	1,309,900	227,580	17%	1,082,320	3,700,000	2,613,272	71%	1,086,728
Transfers	4,850	-	-	19,400	-	-	19,400	54,400	31,798	58%	22,602
Contingency				243,066				286,253			
<b>Total expenditures</b>	\$ 334,825	\$ 227,973	68%	\$ 1,582,366	\$ 227,973	14%	\$ 1,111,327	\$ 4,060,653	\$ 2,645,464	65%	\$ 1,128,936
<b>Revenue over (under) expenditures</b>	\$ (235,075)	\$ (161,310)	-	\$ (1,183,366)	\$ (161,310)	-13%	\$ (778,990)	\$ (1,400,086)	\$ (373,319)		\$ (740,514)
<b>Beginning fund balance</b>	1,400,086	1,288,745	92%	1,183,366	1,288,745	109%		1,400,086			
<b>Ending fund balance</b>	\$ 1,165,011	\$ 1,127,435	97%	\$ -	\$ 1,127,435	-		\$ -			

**Water SDC Fund**

This fund accounts for the collection and expenditure of water system development charges. The primary revenue source is SDC's. Expenditures are for qualified capital improvement projects and related costs.

Revenue for the first quarter was at approximately \$1.45 million which was largely associated with the collection of SDC's. There were 18 housing starts that paid SDC's during the first quarter. SDC's were also collected in association with the Aquifer Storage and Recovery (ASR) project from Apple.

Expenditures are at roughly \$1.83 million for the first quarter and are solely associated with capital expenditures for the ASR project. The ASR project is a method of water storage that uses the natural water storage capabilities of underground aquifers as a cost-effective, scalable and ecologically friendly water storage alternative to traditional storage options, such as above-ground reservoirs and short-term water supply storage tanks. It allows water to be appropriated and injected into the aquifer via wells during periods of cooler temperatures, higher streamflow and lower demands. The stored water can later be recovered and used during periods of hotter temperatures and higher demands, thereby reducing stress on native water sources. In addition, it also provides for a readily available source of stored water for use in the event of drought or supply interruption.

At first quarter end, fund balance decreased roughly \$388,000 or -17 percent.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
<b>Revenue</b>											
Interest	\$ 3,000	\$ 4,849	162%	\$ 12,000	\$ 4,849	40%	\$ 7,151	\$ 90,000	\$ 25,137	28%	\$ 64,863
System development charges	483,550	1,440,450	298%	1,934,200	1,440,450	74%	493,750	7,627,200	7,494,293	98%	132,907
Transfers	372,450	-	-	489,800	-	-	489,800	1,489,800	1,000,000	0%	489,800
Debt Proceeds	750,000	-	-	3,024,900	-	-	3,024,900	3,000,000	-	0%	3,000,000
<b>Total revenue</b>	<b>\$ 1,609,000</b>	<b>\$ 1,445,298</b>	<b>90%</b>	<b>\$ 5,460,900</b>	<b>\$ 1,445,298</b>	<b>26%</b>	<b>\$ 4,015,602</b>	<b>\$ 12,207,000</b>	<b>\$ 8,519,430</b>	<b>70%</b>	<b>\$ 3,687,570</b>
<b>Expenditures</b>											
Capital outlay											
Improvements	\$ 1,706,925	\$ 1,833,378	107%	\$ 6,827,700	\$ 1,833,378	27%	\$ 4,994,322	\$ 12,880,400	\$ 7,886,004	61%	\$ 4,994,396
Debt service				158,000			158,000	-	-	-	-
Transfers	117,075	-	-	468,300	-	-	468,300	690,000	472,394	68%	217,606
Contingency				266,808				823,023			
<b>Total expenditures</b>	<b>\$ 1,824,000</b>	<b>\$ 1,833,378</b>	<b>101%</b>	<b>\$ 7,720,808</b>	<b>\$ 1,833,378</b>	<b>24%</b>	<b>\$ 5,620,622</b>	<b>\$ 14,393,423</b>	<b>\$ 8,358,398</b>	<b>58%</b>	<b>\$ 5,212,002</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (215,000)</b>	<b>\$ (388,080)</b>	<b>-</b>	<b>\$ (2,259,908)</b>	<b>\$ (388,080)</b>	<b>-17%</b>	<b>\$ (1,605,020)</b>	<b>\$ (2,186,423)</b>	<b>\$ 161,032</b>		<b>\$ (1,524,432)</b>
<b>Beginning fund balance</b>	<b>2,259,908</b>	<b>2,259,907</b>	<b>100%</b>	<b>2,259,908</b>	<b>2,259,907</b>	<b>100%</b>		<b>2,186,423</b>			
<b>Ending fund balance</b>	<b>\$ 2,044,908</b>	<b>\$ 1,871,827</b>	<b>92%</b>	<b>\$ -</b>	<b>\$ 1,871,827</b>	<b>-</b>		<b>\$ -</b>			

**Wastewater SDC Fund**

This fund accounts for the collection and expenditure of wastewater system development charges. The primary revenue source is SDC's. Expenditures are for qualified capital improvement projects and related costs.

Overall revenue for the first quarter is at approximately \$44,000. First quarter revenue can largely be attributed to SDC collection from 18 housing starts that paid SDC's in the first quarter.

During the first quarter, expenditures for materials and services are for consulting in associated with groundwater monitoring and industrial pre-treatment services.

Fund balance increased roughly \$43,000 or 5 percent.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
Interest	\$ 1,250	\$ 2,276	182%	\$ 5,000	\$ 2,276	46%	\$ 2,724	\$ 55,000	\$ 66,597	121%	\$ (11,597)
System development charges	29,425	42,171	143%	117,700	42,171	36%	75,529	235,400	232,148	99%	3,252
<b>Total revenue</b>	<b>\$ 30,675</b>	<b>\$ 44,447</b>	<b>145%</b>	<b>\$ 122,700</b>	<b>\$ 44,447</b>	<b>36%</b>	<b>\$ 78,253</b>	<b>\$ 290,400</b>	<b>\$ 298,746</b>	<b>103%</b>	<b>\$ (8,346)</b>
<b>Expenditures</b>											
Material and services	\$ 1,350	1,488	110%	5,400	1,488	28%	3,913	25,000	21,073	84%	3,927
Capital outlay											
Improvements	56,625	-	-	226,500	-	-	226,500	1,540,000	1,317,749	86%	222,251
Transfers	142,900	-	-	571,600	-	-	571,600	1,703,800	1,175,433	69%	528,367
Contingency				192,988				149,528			
<b>Total expenditures</b>	<b>\$ 200,875</b>	<b>\$ 1,488</b>	<b>1%</b>	<b>\$ 996,488</b>	<b>\$ 1,488</b>	<b>0%</b>	<b>\$ 802,013</b>	<b>\$ 3,418,328</b>	<b>\$ 2,514,254</b>	<b>74%</b>	<b>\$ 754,546</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (170,200)</b>	<b>\$ 42,960</b>	<b>-25%</b>	<b>\$ (873,788)</b>	<b>\$ 42,960</b>	<b>5%</b>	<b>\$ (723,760)</b>	<b>\$ (3,127,928)</b>	<b>\$ (2,215,508)</b>		<b>\$ (762,892)</b>
<b>Beginning fund balance</b>	<b>3,127,928</b>	<b>869,460</b>	<b>28%</b>	<b>873,788</b>	<b>869,460</b>	<b>100%</b>		<b>3,127,928</b>			
<b>Ending fund balance</b>	<b>\$ 2,957,728</b>	<b>\$ 912,420</b>	<b>31%</b>	<b>\$ -</b>	<b>\$ 912,420</b>	<b>-</b>		<b>\$ -</b>			

**PERS/ POB Fund**

This fund accounts for the issuance of pension obligation debt to fund the City’s existing unfunded actuarial liability (UAL) and associated debt repayment. The principal source of revenue is charges to other funds with salaries subject to PERS via a surcharge. A transfer from the General Fund is included to pre-fund a portion of debt service costs. Expenditures are for payments to PERS for the UAL and for debt service requirements.

First quarter revenue is roughly 23 percent of budget. Miscellaneous revenue is associated with a PERS rate credit from the creation of the City’s new side account in March 2019.

Expenditures through the first quarter are as anticipated with the debt service payments coming out in December and June annually.

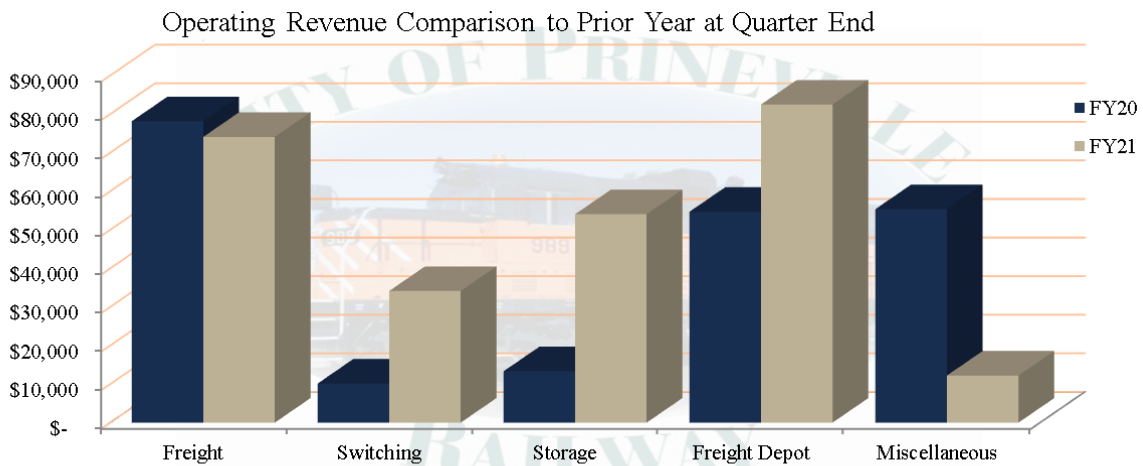
Fund balance increased approximately 16 percent through the first quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
<b>Revenue</b>											
Charges for services	\$ 132,775	\$ 133,075	100%	\$ 531,100	\$ 133,075	25%	\$ 398,025	\$ 997,900	\$ 611,653	61%	\$ 386,247
Interest	5,000	2,473	49%	20,000	2,473	12%	17,527	35,000	18,299	52%	16,701
Miscellaneous	-	17,060	-	-	17,060	-	(17,060)	-	82,101	-	(82,101)
Transfer from other funds	25,000	-	-	100,000	-	-	100,000	200,000	100,000	50%	100,000
<b>Total revenue</b>	<b>\$ 162,775</b>	<b>\$ 152,608</b>	<b>94%</b>	<b>\$ 651,100</b>	<b>\$ 152,608</b>	<b>23%</b>	<b>\$ 498,492</b>	<b>\$ 1,232,900</b>	<b>\$ 812,053</b>	<b>66%</b>	<b>\$ 420,847</b>
<b>Expenditures</b>											
Personnel services	\$ -	\$ -	-	\$ -	\$ -	-	-	\$ -	\$ -	-	\$ -
Debt service											
Principal - POB 2013	54,750	-	-	219,000	-	-	219,000	419,500	200,465	48%	219,035
Interest - POB 2013	20,050	-	-	80,200	-	-	80,200	167,800	87,592	52%	80,208
Contingency				1,317,518				955,091			
<b>Total expenditures</b>	<b>\$ 74,800</b>	<b>\$ -</b>	<b>-</b>	<b>\$ 1,616,718</b>	<b>\$ -</b>	<b>-</b>	<b>\$ 299,200</b>	<b>\$ 1,542,391</b>	<b>\$ 288,057</b>	<b>19%</b>	<b>\$ 299,243</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 87,975</b>	<b>\$ 152,608</b>	<b>173%</b>	<b>\$ (965,618)</b>	<b>\$ 152,608</b>	<b>16%</b>	<b>\$ 199,292</b>	<b>\$ (309,491)</b>	<b>\$ 523,996</b>		<b>\$ 121,604</b>
<b>Debt service reserve</b>	<b>299,200</b>			<b>299,200</b>				<b>299,200</b>			<b>299,200</b>
<b>Beginning fund balance</b>	<b>965,618</b>	<b>965,618</b>	<b>100%</b>	<b>965,618</b>	<b>965,618</b>	<b>100%</b>		<b>608,691</b>			
<b>Ending fund balance</b>	<b>\$ 1,053,593</b>	<b>\$ 1,118,226</b>	<b>106%</b>	<b>\$ (299,200)</b>	<b>\$ 1,118,226</b>	<b>-</b>		<b>\$ -</b>			

***Railroad Fund***

This fund accounts for the activities of the City’s railroad operation and for the City’s freight depot operation. Starting in FY 14 the Railroad and Freight Depot Funds were consolidated. Primary revenue sources are payments for the use of railroad and freight depot facilities and related services. Expenditures are for the railroad and freight depot operations, including repair, debt service and capital improvements. Additionally, transfers to other City operations are budgeted.

At quarter end, overall revenue collection is at approximately \$264,000 or 24 percent of the annual budget. Charges for services for the railroad are at approximately \$108,000 or 23 percent of the annual budget, with the freight depot at approximately \$82,000 or 25 percent of annual budget. Overall operating revenue is up roughly 21 percent in comparison to the prior year at quarter end with an increase in switching, freight depot and storage. The revenue per car average has increased over the prior year at quarter end with decreasing tire haulage and an increase in more diversified commodities being hauled through the City of Prineville Railway. The revenue per railcar average at quarter end is approximately \$463 compared to \$457 the prior year. Freight Depot charges for services are up over prior year quarter end, largely due to the new lease with Krah. Switching fees are up in line with the increased rail car storage. Every storage car that is handled by the railroad is charged a switch fee to move the car. Below is a prior year comparison at quarter end of operating revenues for the Railroad Fund.

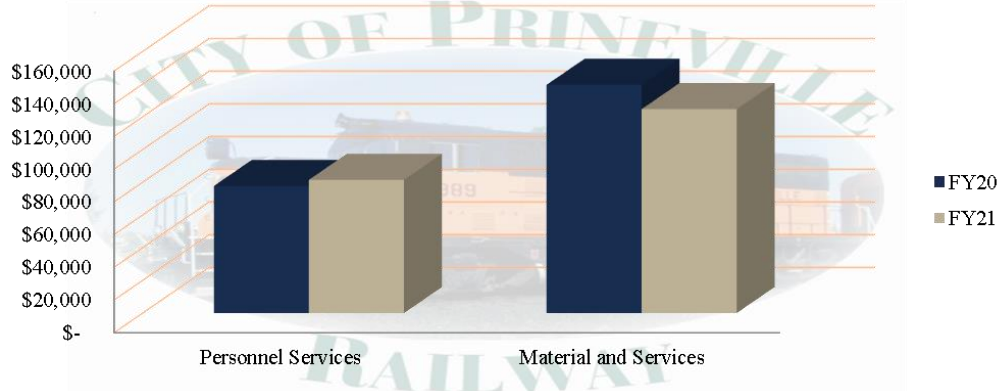


Overall expenditures at quarter end are at approximately \$233,000 or 10 percent of the annual budget. Materials and services are at roughly 44 percent of the annual budget or \$125,000, which includes approximately \$63,000 in liability insurance. Personnel services are at roughly \$81,000 or 20 percent of the annual budget. Overall operating expenditures are down in comparison to the prior year at quarter end approximately 5 percent. Capital expenditures are for some of the finishing touches for the new office building project that started during the fourth quarter. On the next page is a graph comparison of operating expenditures at quarter end to prior year.



**Railroad Fund- Continued**

Operating Expenditure Comparison to Prior Year at Quarter End



Fund balance increase roughly \$31,000 or 3 percent through the first quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Budget Est.	Actual	Quarter Budget %	Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
<b>Revenue</b>											
Charges for services											
Railroad	\$ 118,750	\$ 108,195	91%	\$ 475,000	\$ 108,195	23%	\$ 366,805	\$ 755,000	\$ 484,240	64%	\$ 270,760
Freight Depot	81,250	82,470	102%	325,000	82,470	25%	242,530	480,000	328,550	68%	151,450
Use of money and property	52,650	61,068	116%	210,600	61,068	29%	149,532	270,200	234,280	87%	35,920
Miscellaneous	18,750	12,226	65%	75,000	12,226	16%	62,774	145,000	162,043	112%	(17,043)
<b>Total revenue</b>	<b>\$ 271,400</b>	<b>\$ 263,960</b>	<b>97%</b>	<b>\$ 1,085,600</b>	<b>\$ 263,960</b>	<b>24%</b>	<b>\$ 821,640</b>	<b>\$ 1,650,200</b>	<b>\$ 1,209,113</b>	<b>73%</b>	<b>\$ 441,087</b>
<b>Expenditures</b>											
Personnel services	\$ 102,825	\$ 81,487	79%	\$ 411,300	\$ 81,487	20%	\$ 329,813	\$ 747,000	\$ 395,030	53%	\$ 351,970
Material and services	70,600	124,714	177%	282,400	124,714	44%	157,686	543,300	418,142	77%	125,158
Capital outlay											
Improvements	73,500	3,625	5%	294,000	3,625	1%	290,375	404,000	225,923	56%	178,077
Transfers	22,725	22,725	100%	90,900	22,725	25%	68,175	181,700	113,525	62%	68,175
Contingency				1,161,585				919,993			
<b>Total expenditures</b>	<b>\$ 269,650</b>	<b>\$ 232,551</b>	<b>86%</b>	<b>\$ 2,240,185</b>	<b>\$ 232,551</b>	<b>10%</b>	<b>\$ 846,049</b>	<b>\$ 2,795,993</b>	<b>\$ 1,152,620</b>	<b>41%</b>	<b>\$ 723,380</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 1,750</b>	<b>\$ 31,409</b>	<b>1795%</b>	<b>\$ (1,154,585)</b>	<b>\$ 31,409</b>	<b>3%</b>	<b>\$ (24,409)</b>	<b>(1,145,793)</b>	<b>\$ 56,494</b>		<b>\$ (282,294)</b>
<b>Beginning fund balance</b>	<b>1,154,585</b>	<b>1,150,559</b>	<b>100%</b>	<b>1,154,585</b>	<b>1,150,559</b>	<b>100%</b>		<b>1,145,793</b>			
<b>Ending fund balance</b>	<b>\$ 1,156,335</b>	<b>\$ 1,181,969</b>	<b>102%</b>	<b>\$ -</b>	<b>\$ 1,181,969</b>	<b>-</b>		<b>\$ -</b>			

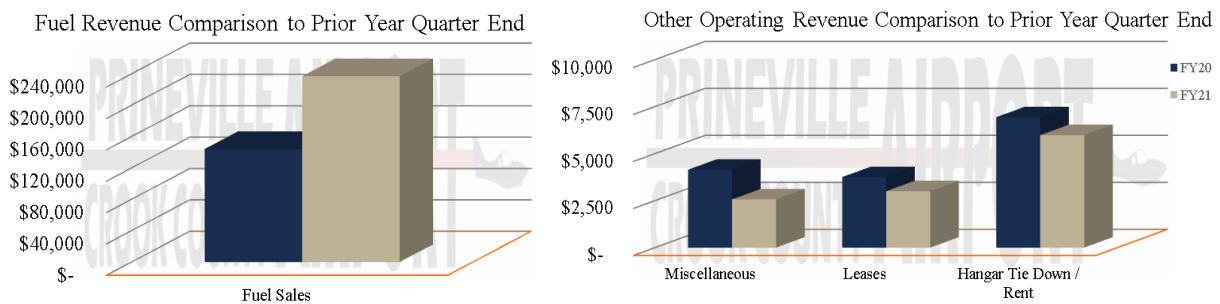


City of Prineville Railway transferring 100 cars with the BNSF in August 2020.

***Airport Fund***

This fund accounts for the activities of the airport. The airport’s main source of operating revenue is through charges for services that revolve around fuel sales and hangar leases. Expenditures are for general operations of the airport including cost of goods sold, maintenance and capital improvements.

Revenue collection through the fourth quarter came in at approximately 32 percent of the annual budget or \$249,000. Overall charges for services are up approximately 56 percent over the prior year at quarter end largely due to fuel sales being up roughly 64 percent. The airport had a record fuel sale month in August due to several firefighting aircrafts that set up operations at the airport during the fire season. Below is a prior year comparison for operating revenue making up charges for services.

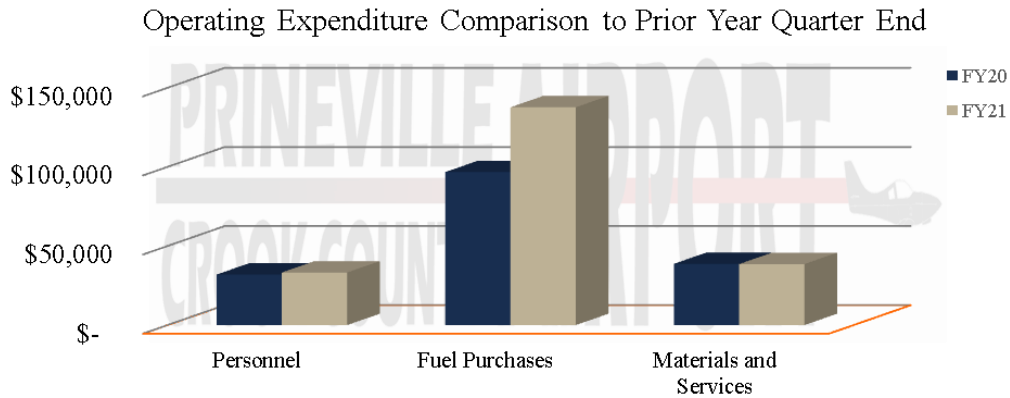


Overall expenditures through the first quarter came in at approximately \$258,000 or 27 percent of the annual budget. Materials and services are roughly 33 percent of the annual budget with the annual payment for liability insurance and fuel purchases necessary to keep up with the firefighting demand taking place during the first quarter. The annual debt service payment of \$25,000 for the Les Schwab hangars also was completed during the first quarter. Overall operating expenses are up roughly 25 percent over the prior year at quarter end all due to the needed fuel inventory. On the next page is a prior year comparison of operating expenditures.



*Erickson’s sky crane was one of the aircraft at the airport working on the summer fires.*

**Airport Fund - Continued**



At first quarter end, fund balance decreased roughly \$9,000 or -8 percent. Decreases in fund balance are largely due to annual payments coming out during the first quarter. Inventory at yearend totaled approximately \$28,000.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
<b>Revenue</b>											
Intergovernmental	\$ 47,500	\$ -	-	\$ 190,000	\$ -	-	\$ 190,000	\$ 1,180,000	\$ 633,583	54%	\$ 546,417
Charges for services	144,000	248,520	173%	576,000	248,520	43%	327,481	1,164,000	667,894	57%	496,106
Interest	250	170	68%	1,000	170	17%	830	-	1,109	-	(1,109)
Transfers	13,750	-	-	55,000	-	-	55,000	180,000	225,000	125%	(45,000)
<b>Total revenue</b>	<b>\$ 205,500</b>	<b>\$ 248,689</b>	<b>121%</b>	<b>\$ 822,000</b>	<b>\$ 248,689</b>	<b>30%</b>	<b>\$ 573,311</b>	<b>\$ 2,524,000</b>	<b>\$ 1,527,586</b>	<b>61%</b>	<b>\$ 996,414</b>
<b>Expenditures</b>											
Personnel service	\$ 33,550	\$ 33,243	99%	\$ 134,200	\$ 33,243	25%	\$ 100,957	\$ 269,900	\$ 167,046	62%	\$ 102,854
Materials and services	133,275	176,264	132%	533,100	176,264	33%	356,836	1,088,400	539,302	50%	549,098
Capital outlay	33,750	9,268	27%	135,000	9,268	7%	125,732	1,000,000	743,029	74%	256,971
Debt service											
Les Schwab Hangar	6,250	25,000	400%	25,000	25,000	100%	-	50,000	50,000	100%	-
Transfers	14,050	14,050	100%	56,200	14,050	25%	42,150	122,700	80,550	66%	42,150
Contingency				55,335				109,835			
<b>Total expenditures</b>	<b>\$ 220,875</b>	<b>\$ 257,825</b>	<b>117%</b>	<b>\$ 938,835</b>	<b>\$ 257,825</b>	<b>27%</b>	<b>\$ 625,675</b>	<b>\$ 2,640,835</b>	<b>\$ 1,579,927</b>	<b>60%</b>	<b>\$ 951,073</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (15,375)</b>	<b>\$ (9,136)</b>	<b>-</b>	<b>\$ (116,835)</b>	<b>\$ (9,136)</b>	<b>-8%</b>	<b>\$ (52,364)</b>	<b>\$ (116,835)</b>	<b>\$ (52,340)</b>		<b>\$ 45,340</b>
<b>Beginning fund balance</b>	<b>116,835</b>	<b>116,835</b>	<b>100%</b>	<b>116,835</b>	<b>116,835</b>	<b>100%</b>		<b>116,835</b>			
<b>Ending fund balance</b>	<b>\$ 101,460</b>	<b>\$ 107,699</b>	<b>106%</b>	<b>\$ -</b>	<b>\$ 107,699</b>	<b>-</b>		<b>\$ -</b>			



Smoke off in the distance at the Prineville Airport in September as fires raged throughout Oregon.

**Water Fund**

This fund accounts for the activities of the City’s water utility. The primary source of revenue is water sales and expenditures are for the operation of the system including repair and maintenance of infrastructure.

Overall revenue collection through the first quarter came in at approximately \$1.26 million or 43 percent of the annual budget. Revenue associated with charges for service came in at roughly \$1.26 million which is an increase over the prior year of roughly \$326,000. Facebook started construction of its ninth building in June 2020 and bulk water sales increased significantly with the timing of the construction. This is the largest contributing factor to the increase in revenue over the prior year.

First quarter expenditures are at approximately \$590,000 or 18 percent of the annual budget. Materials and services are at 36 percent of the annual budget with the annual insurance coming out in the first quarter. Capital expenditures are largely associated with well improvements, Crooked River Concepts and the Habitat Conservation Plan.

Fund balance increased roughly \$673,000 or 148 percent through the first quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
<b>Revenue</b>											
Charges for services	\$ 706,065	\$ 1,260,060	178%	\$ 2,824,260	\$ 1,260,060	45%	\$ 1,564,200	\$ 5,785,000	\$ 3,995,503	69%	\$ 1,789,497
Intergovernmental	-	2,550	-	-	2,550	-	(2,550)	-	2,550	-	(2,550)
Interest	1,500	128	9%	6,000	128	2%	5,872	40,000	5,826	15%	34,174
Miscellaneous	1,375	826	60%	5,500	826	15%	4,674	11,000	826	8%	10,174
Transfers	32,250	-	-	129,000	-	-	129,000	255,000	177,438	70%	77,562
<b>Total revenue</b>	<b>\$ 741,190</b>	<b>\$ 1,263,564</b>	<b>170%</b>	<b>\$ 2,964,760</b>	<b>\$ 1,263,564</b>	<b>43%</b>	<b>\$ 1,701,196</b>	<b>\$ 6,091,000</b>	<b>\$ 4,182,143</b>	<b>69%</b>	<b>\$ 1,908,857</b>
<b>Expenditures</b>											
Materials and services	\$ 146,350	\$ 208,762	143%	\$ 585,400	\$ 208,762	36%	\$ 376,638	\$ 1,184,500	\$ 806,049	68%	\$ 378,451
Franchise fee expense	36,750	36,750	100%	147,000	36,750	25%	110,250	289,000	178,750	62%	110,250
Capital outlay											
Improvements	42,300	39,561	94%	169,200	39,561	23%	129,639	1,269,000	1,138,614	90%	130,386
Debt service											
Principal											
Refunding bond 2017	35,075	-	-	140,300	-	-	140,300	276,900	136,602	49%	140,299
Interest											
Refunding bond 2017	13,575	-	-	54,300	-	-	54,300	112,300	57,913	52%	54,387
Transfers	305,275	305,275	100%	1,221,100	305,275	25%	915,825	2,431,700	1,515,875	62%	915,825
Contingency				908,777				918,270			
<b>Total expenditures</b>	<b>\$ 579,325</b>	<b>\$ 590,348</b>	<b>102%</b>	<b>\$ 3,226,077</b>	<b>\$ 590,348</b>	<b>18%</b>	<b>\$ 1,726,952</b>	<b>\$ 6,481,670</b>	<b>\$ 3,833,802</b>	<b>59%</b>	<b>\$ 1,729,598</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 161,865</b>	<b>\$ 673,216</b>	<b>416%</b>	<b>\$ (261,317)</b>	<b>\$ 673,216</b>	<b>148%</b>	<b>\$ (25,756)</b>	<b>\$ (390,670)</b>	<b>\$ 348,341</b>		<b>\$ 179,259</b>
<b>Debt service reserve</b>	<b>194,600</b>			<b>194,600</b>				<b>194,600</b>			<b>194,600</b>
<b>Beginning fund balance</b>	<b>585,270</b>	<b>456,218</b>	<b>78%</b>	<b>455,917</b>	<b>456,218</b>	<b>100%</b>		<b>585,270</b>			
<b>Ending fund balance</b>	<b>\$ 747,135</b>	<b>\$ 1,129,434</b>	<b>151%</b>	<b>\$ -</b>	<b>\$ 1,129,434</b>	<b>-</b>		<b>\$ -</b>			

**Wastewater Fund**

This fund accounts for the activities of the City’s wastewater and treatment facilities. The primary source of revenue is sewer service fees. Expenditures are for the operation of the wastewater system including repair and maintenance of infrastructure and debt service related to infrastructure costs.

Overall revenue collection at quarter end came in at approximately \$1.07 million or 28 percent of the annual budget. Revenue collection for charges for services was roughly \$1.02 million or 28 percent of annual budget which is an increase of approximately \$116,000 over the prior year at quarter end. This increase can largely be attributed to the data centers increased water usage.

Expenditures at quarter end came in at roughly \$1.02 million or 18 percent of the annual budget. Personnel services and materials and services are tracking within budget with the annual insurance payment of roughly \$66,000 coming out in the first quarter. Also taking place in the first quarter was roughly \$294,000 in debt service payments.

Fund balance increased roughly \$48,000 or 2 percent through the first quarter.

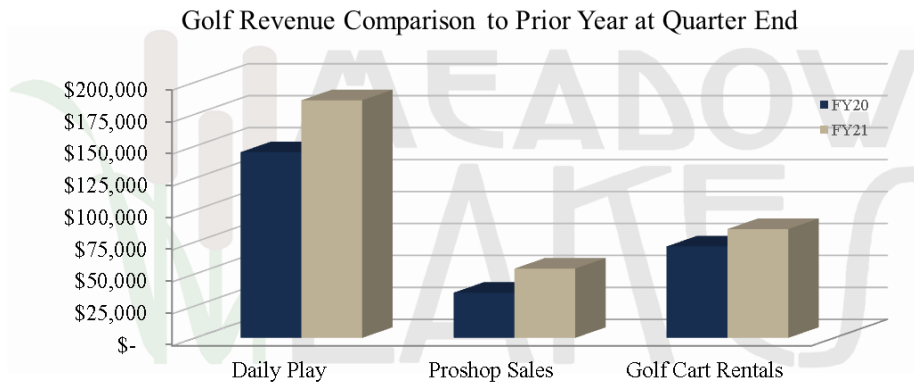
Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
Charges for services	\$ 925,000	\$ 1,018,968	110%	\$ 3,700,000	\$ 1,018,968	28%	\$ 2,681,032	\$ 7,518,300	\$ 4,565,667	61%	\$ 2,952,633
Interest	10,500	6,841	65%	42,000	6,841	16%	35,159	96,000	54,390	57%	41,610
Miscellaneous	18,300	36,605	200%	73,200	36,605	50%	36,595	167,400	122,936	73%	44,464
SDCs - reimbursement fees	12,500	-	-	50,000	-	-	50,000	98,000	166,208	170%	(68,208)
Intergovernmental	-	5,726	-	-	5,726	-	(5,726)	-	5,726	-	(5,726)
<b>Total revenue</b>	<b>\$ 966,300</b>	<b>\$ 1,068,141</b>	<b>111%</b>	<b>\$ 3,865,200</b>	<b>\$ 1,068,141</b>	<b>28%</b>	<b>\$ 2,802,785</b>	<b>\$ 7,879,700</b>	<b>\$ 4,914,927</b>	<b>62%</b>	<b>\$ 2,964,773</b>
<b>Expenditures</b>											
Personnel services	\$ 32,975	\$ 31,589	96%	\$ 131,900	\$ 31,589	24%	\$ 100,311	\$ 259,000	\$ 153,259	59%	\$ 105,741
Materials and services	203,750	187,781	92%	815,000	187,781	23%	627,219	1,448,900	802,838	55%	646,062
Franchise fee expense	47,750	47,750	100%	191,000	47,750	25%	143,250	376,000	232,750	62%	143,250
Capital outlay											
Improvements	270,950	294	0%	1,083,800	294	0%	1,083,506	1,355,000	141,609	10%	1,213,391
Debt service											
Principal											
DEQ CWSRF R74682/2	122,350	242,874	199%	489,400	242,874	50%	246,526	964,700	718,118	74%	246,582
Refunding 2017	40,950	-	-	163,800	-	-	163,800	323,200	159,399	49%	163,802
State of Oregon IFA	6,775	-	-	27,100	-	-	27,100	58,400	26,753	46%	31,647
USDA 2015	14,825	-	-	59,300	-	-	59,300	117,000	57,704	49%	59,296
Interest											
DEQ CWSRF R74682/2	24,475	50,736	207%	97,900	50,736	52%	47,164	209,900	162,712	78%	47,188
Refunding 2017	15,850	-	-	63,400	-	-	63,400	131,000	67,577	52%	63,423
State of Oregon IFA	1,750	-	-	7,000	-	-	7,000	14,500	7,302	50%	7,198
USDA 2015	26,725	-	-	106,900	-	-	106,900	215,400	108,456	50%	106,944
Fees											
DEQ CWSRF R74682/2	4,325	17,257	399%	17,300	17,257	100%	43	37,000	36,890	100%	110
Transfers	584,500	441,750	76%	2,338,000	441,750	19%	1,896,250	4,273,900	2,948,650	69%	1,325,250
Contingency				176,589				813,316			
<b>Total expenditures</b>	<b>\$ 1,397,950</b>	<b>\$ 1,020,031</b>	<b>73%</b>	<b>\$ 5,768,389</b>	<b>\$ 1,020,031</b>	<b>18%</b>	<b>\$ 4,571,769</b>	<b>\$ 10,597,216</b>	<b>\$ 5,624,017</b>	<b>53%</b>	<b>\$ 4,159,883</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (431,650)</b>	<b>\$ 48,110</b>	<b>-11%</b>	<b>\$ (1,903,189)</b>	<b>\$ 48,110</b>	<b>2%</b>	<b>\$ (1,768,984)</b>	<b>\$ (2,717,516)</b>	<b>\$ (709,089)</b>		<b>\$ (1,195,111)</b>
<b>Other resources / (requirements)</b>											
Debt service reserve	1,014,800			1,014,800				1,014,800			1,014,800
Capital reserve	200,000			200,000				200,000			200,000
<b>Beginning fund balance</b>	<b>3,117,989</b>	<b>3,179,624</b>	<b>102%</b>	<b>3,117,989</b>	<b>3,179,624</b>	<b>102%</b>		<b>3,932,316</b>			
<b>Ending fund balance</b>	<b>\$ 2,686,339</b>	<b>\$ 3,227,734</b>	<b>120%</b>	<b>\$ -</b>	<b>\$ 3,227,734</b>	<b>-</b>		<b>\$ -</b>			



***Golf Course and Restaurant Fund***

This fund accounts for the activities of Meadow Lakes Golf Course and Restaurant. Revenue is generated through user fees, restaurant lease revenue (starting February 2019), and an operating payment from the City’s Wastewater Fund for treatment.

Overall revenue collection is at approximately \$483,000 at quarter end or 40 percent of the annual budget. Golf operating revenue came in at about \$368,000 or 47 percent of the annual budget which is an increase over the prior year of roughly 32 percent. Rounds of golf are up roughly 1700 rounds through the first quarter compared to the prior year quarter end. Golf is one of the few sports that can be played within the social distancing guidelines of the state due to COVID-19, this coupled with good weather, resulted in the best first quarter revenue numbers for the golf course since 2008. Below is a comparison to the prior year of the significant operating revenue sources for the golf course.

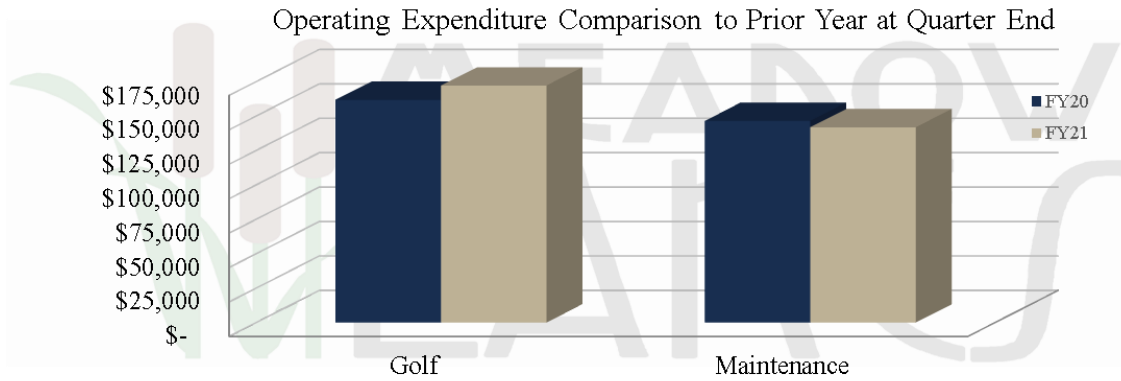


Expenditures at quarter end came in at roughly \$449,000 or 28 percent of the annual budget. Waste disposal expenditures are at roughly \$142,000 or 28 percent of the annual budget, a decrease of approximately -3 percent over the prior year. Golf course operating expenditures are up approximately 6 percent over the prior year at quarter end and are roughly 43 percent of the annual budget. This is partially due to a fire that took place on the fourth of July that required part of the fence to be rebuilt (pictured below). The irrigation project has started with the bidding process completed during the first quarter. This project will require a supplemental budget during the second quarter. The winning bid that was approved by council in August was more than originally anticipated in the budgeting process almost two years ago. On the following page is a comparison of operating only expenditures to the prior year by department.



*Fire at Meadow Lakes on the Fourth of July, 2020.*

**Golf Course and Restaurant Fund - Continued**



Fund balance increased roughly \$34,000 or 3 percent through the first quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
<b>Revenue</b>											
Charges for services											
Golf Course	\$ 197,625	\$ 367,694	186%	\$ 790,500	\$ 367,694	47%	\$ -422,806	\$ 1,556,000	\$ 1,186,405	76%	\$ 369,595
Waste Disposal	92,500	92,500	100%	370,000	92,500	25%	277,500	740,000	462,500	62%	277,500
Restaurant	6,650	5,358	81%	26,600	5,358	20%	21,242	48,200	23,218	48%	24,982
Other	1,125	1,540	137%	4,500	1,540	34%	2,960	9,000	6,318	70%	2,682
Interest	1,500	3,463	231%	6,000	3,463	58%	2,537	15,000	28,569	190%	(13,569)
Transfers	-	-	-	-	-	-	-	750,000	750,000	100%	-
Miscellaneous	1,250	12,047	964%	5,000	12,047	241%	(7,047)	10,000	16,583	166%	(6,583)
Intergovernmental	-	215	-	-	215	-	(215)	-	215	-	(215)
<b>Total revenue</b>	<b>\$ 300,650</b>	<b>\$ 482,816</b>	<b>161%</b>	<b>\$ 1,202,600</b>	<b>\$ 482,816</b>	<b>40%</b>	<b>\$ 719,999</b>	<b>\$ 3,128,200</b>	<b>\$ 2,473,809</b>	<b>79%</b>	<b>\$ 654,391</b>
<b>Expenditures</b>											
Golf Course	\$ 142,400	\$ 242,752	170%	\$ 569,600	\$ 242,752	43%	\$ 326,848	\$ 1,880,100	\$ 818,019	44%	\$ 1,062,081
Waste Disposal	126,925	141,799	112%	507,700	141,799	28%	365,901	994,500	629,338	63%	365,162
Restaurant	8,750	6,309	72%	35,000	6,309	18%	28,691	68,000	28,129	41%	39,871
Debt service											
Principal - note payable	14,075	56,213	399%	56,300	56,213	100%	87	82,200	82,088	100%	112
Interest - note payable	50	111	222%	200	111	56%	89	2,200	2,070	94%	130
Principal - 2017 bond	11,250	-	-	45,000	-	-	45,000	90,000	45,000	50%	45,000
Interest - 2017 bond	2,075	-	-	8,300	-	-	8,300	17,800	9,452	53%	8,348
Scooter lease	-	1,386	-	-	1,386	-	(1,386)	-	4,962	-	(4,962)
Contingency	-	-	-	394,295	-	-	-	394,295	-	-	394,295
<b>Total expenditures</b>	<b>\$ 305,525</b>	<b>\$ 448,572</b>	<b>147%</b>	<b>\$ 1,616,395</b>	<b>\$ 448,572</b>	<b>28%</b>	<b>\$ 774,914</b>	<b>\$ 3,529,095</b>	<b>\$ 1,619,058</b>	<b>46%</b>	<b>\$ 1,910,037</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (4,875)</b>	<b>\$ 34,245</b>	<b>-702%</b>	<b>\$ (413,795)</b>	<b>\$ 34,245</b>	<b>3%</b>	<b>\$ (54,916)</b>	<b>\$ (400,895)</b>	<b>\$ 854,751</b>		<b>\$ (1,255,646)</b>
<b>Debt service reserve</b>		82,400			82,400				82,400		82,400
<b>Beginning fund balance</b>	496,195	1,307,175	263%	496,195	1,307,175	263%		483,295			
<b>Ending fund balance</b>	<b>\$ 491,320</b>	<b>\$ 1,341,420</b>	<b>273%</b>	<b>\$ -</b>	<b>\$ 1,341,420</b>	<b>-</b>		<b>\$ -</b>			

Notes: This fund will require a supplemental budget to complete the irrigation project.

**Administration and Financial Support Services Fund**

This fund accounts for the activities of the City Manager’s office, human resources, recorder, finance, Council directed contributions, and information technology services. The primary source of revenue is charges to other funds for services.

Overall revenue collection through the first quarter came in at approximately \$810,000 or 31 percent of the annual budget. First quarter charges for services include approximately \$100,000 in 911 user equipment reimbursements and \$607,000 in Internal Service Fund transfers. Intergovernmental revenue is from the Coronavirus Relief Funds Grant totaling roughly \$92,000 in the first quarter.

Overall expenditures at quarter end are at approximately 26 percent of the annual budget or \$802,000. Expenditures are as anticipated in the City Council Department with annual membership payments due in the first quarter. In the Administrative Services Department expenditures are up slightly. City management is taking JEDI (justice, equity, diversity and inclusion) trainings and the annual insurance payment came due in the first quarter which also affects the Finance and Information Technology Departments. A budget adjustment was done for the Information Technology Department in August to provide additional dollars for 911 upgrades and additional costs associated with the Covid-19 pandemic. The adjustment done was for known costs to date and a supplemental budget will be needed prior to yearend to recognize the reimbursements associated with these costs and the additional costs that are unknown at this time.

Fund balance increased roughly \$8,000 or 5 percent through the first quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
<b>Revenue</b>											
Charges for services	\$ 649,375	\$ 716,590	110%	\$ 2,597,500	\$ 716,590	28%	\$ 1,880,910	\$ 5,319,900	\$ 3,863,942	73%	\$ 1,455,958
Intergovernmental Revenue	-	92,414	-	-	92,414	-	(92,414)	-	139,068	-	(139,068)
Interest	2,500	568	23%	10,000	568	6%	9,432	20,000	6,727	34%	13,273
<b>Total revenue</b>	<b>\$ 651,875</b>	<b>\$ 809,573</b>	<b>124%</b>	<b>\$ 2,607,500</b>	<b>\$ 809,573</b>	<b>31%</b>	<b>\$ 1,797,927</b>	<b>\$ 5,339,900</b>	<b>\$ 4,009,737</b>	<b>75%</b>	<b>\$ 1,330,163</b>
<b>Expenditures</b>											
City Council	\$ 22,950	\$ 24,131	105%	\$ 91,800	\$ 24,131	26%	\$ 67,669	\$ 182,100	\$ 111,516	61%	\$ 70,584
Administration / Team Services	202,875	216,880	107%	811,500	216,880	27%	594,620	1,614,500	1,075,382	67%	539,118
Financial Services	237,900	252,886	106%	951,600	252,886	27%	698,714	1,878,500	1,124,930	60%	753,570
Information Technology	299,050	308,068	103%	1,196,200	308,068	26%	888,132	2,083,000	1,800,768	86%	282,232
Contingency				34,714				34,714			34,714
<b>Total expenditures</b>	<b>\$ 762,775</b>	<b>\$ 801,966</b>	<b>105%</b>	<b>\$ 3,085,814</b>	<b>\$ 801,966</b>	<b>26%</b>	<b>\$ 2,249,134</b>	<b>\$ 5,792,814</b>	<b>\$ 4,112,596</b>	<b>71%</b>	<b>\$ 1,680,218</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (110,900)</b>	<b>\$ 7,607</b>	<b>-7%</b>	<b>\$ (478,314)</b>	<b>\$ 7,607</b>	<b>5%</b>	<b>\$ (451,207)</b>	<b>\$ (452,914)</b>	<b>\$ (102,858)</b>		<b>\$ (350,056)</b>
<b>Beginning fund balance</b>	<b>478,314</b>	<b>157,625</b>	<b>33%</b>	<b>478,314</b>	<b>157,625</b>	<b>33%</b>		<b>452,914</b>			<b>295,289</b>
<b>Ending fund balance</b>	<b>\$ 367,414</b>	<b>\$ 165,233</b>	<b>45%</b>	<b>\$ -</b>	<b>\$ 165,233</b>	<b>-</b>		<b>\$ -</b>			

Notes: A supplemental budget will be needed prior to yearend for costs associated with COVID-19 and 911 upgrades



***Building Facilities Fund***

This fund accounts for the operating costs of the city hall facility and related debt service, police facility, public works facility, Barnes Butte Complex and the community development block grant (CDBG) for the senior center. Revenue is received through rental charges to user departments, grants and activities.

Overall revenues are roughly \$122,000 or 16 percent of the annual budget. First quarter intergovernmental revenues were associated with Coronavirus Relief Fund reimbursements. The City received a grant to be reimbursed for eligible expenses associated with mitigating the risk of COVID-19. The final reimbursement for the Sr. Center project is expected in the third quarter. Other revenue for the quarter was largely associated with user rents and transfers.

Expenditures during the first quarter are roughly 30 percent of the annual budget. The City Hall Facilities Department and Public Works Facilities Department are tracking under budget at approximately 13 percent and 14 percent of the annual budget respectively. In the Police Facilities Department, the new facility continues to be adapted and remodeled (pictured below) with approximately \$1.03 million in capital expenditures during the first quarter for that project. The new police department is expected to be ready for occupancy in April 2021. The Sr. Center project is almost completed (pictured on the next page) and there were roughly \$201,000 in expenditures for that project during the first quarter. The Barnes Butte Department is currently at 19 percent of the annual budget with roughly \$13,000 in capital expenditures during the first quarter largely associated with the joints park master plan.

Fund balance decreased roughly -31 percent through the first quarter largely due to the capital projects that are taking place in Police Facilities and the Sr. Center.



*The inside of the new Police Department being gutted during the first quarter.*

**Building Facilities Fund - Continued**

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
Rent	\$ 56,725	\$ 54,425	96%	\$ 226,900	\$ 54,425	24%	\$ 172,475	\$ 438,000	\$ 265,625	61%	\$ 172,375
Transfers	44,275	45,725	103%	177,100	45,725	26%	131,375	867,100	429,925	50%	437,175
Miscellaneous	1,250	3,558	285%	5,000	3,558	71%	1,442	10,000	36,926	369%	(26,926)
Debt proceeds	-	-	-	-	-	-	-	5,958,000	5,958,000	100%	-
Intergovernmental	81,825	8,760	11%	327,300	8,760	3%	318,540	1,575,300	1,141,481	72%	433,819
Sale of Assets	-	-	-	-	-	-	-	-	150,000	-	(150,000)
Interest	7,500	9,065	121%	30,000	9,065	30%	20,935	70,000	72,772	104%	(2,772)
<b>Total revenue</b>	<b>\$ 191,575</b>	<b>\$ 121,533</b>	<b>63%</b>	<b>\$ 766,300</b>	<b>\$ 121,533</b>	<b>16%</b>	<b>\$ 644,767</b>	<b>\$ 8,918,400</b>	<b>\$ 8,054,729</b>	<b>90%</b>	<b>\$ 863,671</b>
<b>Expenditures</b>											
City Hall facilities	\$ 79,650	\$ 41,876	53%	\$ 318,600	\$ 41,876	13%	\$ 276,724	\$ 512,300	\$ 235,480	46%	\$ 276,820
Police facilities	871,650	1,060,107	122%	3,486,600	1,060,107	30%	2,426,493	9,051,100	6,580,212	73%	2,470,888
CDBG - Sr. Center	56,175	200,606	357%	224,700	200,606	89%	24,094	1,515,300	1,355,329	89%	159,971
Public Works facilities	10,725	6,100	57%	42,900	6,100	14%	36,800	85,000	48,139	57%	36,861
Barnes Butte	33,725	25,880	77%	134,900	25,880	19%	109,020	361,200	252,168	70%	109,032
Contingency	-	-	-	180,208	-	-	-	27,008	-	-	27,008
<b>Total expenditures</b>	<b>\$ 1,051,925</b>	<b>\$ 1,334,570</b>	<b>127%</b>	<b>\$ 4,387,908</b>	<b>\$ 1,334,570</b>	<b>30%</b>	<b>\$ 2,873,131</b>	<b>\$ 11,551,908</b>	<b>\$ 8,471,328</b>	<b>73%</b>	<b>\$ 3,080,580</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (860,350)</b>	<b>\$ (1,213,037)</b>	<b>-</b>	<b>\$ (3,621,608)</b>	<b>\$ (1,213,037)</b>	<b>-31%</b>	<b>\$ (2,228,363)</b>	<b>\$ (2,633,508)</b>	<b>\$ (416,599)</b>	<b>-</b>	<b>\$ (2,216,909)</b>
<b>Other requirements</b>											
Debt service reserve	237,900	-	-	237,900	-	-	-	237,900	-	-	237,900
<b>Beginning fund balance</b>	<b>3,859,508</b>	<b>3,917,100</b>	<b>101%</b>	<b>3,859,508</b>	<b>3,917,100</b>	<b>101%</b>		<b>2,871,408</b>			
<b>Ending fund balance</b>	<b>\$ 2,999,158</b>	<b>\$ 2,704,063</b>	<b>90%</b>	<b>\$ -</b>	<b>\$ 2,704,063</b>	<b>-</b>		<b>\$ -</b>			



*The Sr. Center project near completion during the first quarter.*

**Plaza Maintenance Fund**

This fund accounts for the maintenance of the plaza joining City Hall and the Crook County Annex building. The county and the city maintain the plaza in a joint effort. Starting in 2005 the county was responsible for accounting for the maintenance of the plaza per a city and county agreement. The agreement has been revised and the city, starting FY 13, now assumes the responsibility of accounting for the plaza maintenance. Revenues are generated through a transfer from the city with matching monies from the county. Expenditures are for maintaining the landscaping, sidewalks and lighting.

Revenues for the first quarter include the county’s payment to the fund. Per the agreement the ending fund balance is not to exceed \$50,000.

First quarter materials and services are for contracted landscaping and grounds keeping totaling approximately \$2,100.

Beginning fund balance will be finalized after the audit has been completed by December 31<sup>st</sup>, 2020.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
Intergovernmental	\$ 1,250	\$ 3,991	319%	\$ 5,000	\$ 3,991	80%	\$ 1,009	\$ 22,500	\$ 10,452	46%	\$ 12,048
Interest	250	80	32%	1,000	80	8%	920	2,000	1,154	58%	846
Transfers	1,250	-	-	5,000	-	-	5,000	22,500	6,461	29%	16,039
<b>Total revenue</b>	<b>\$ 2,750</b>	<b>\$ 4,071</b>	<b>148%</b>	<b>\$ 11,000</b>	<b>\$ 4,071</b>	<b>37%</b>	<b>\$ 6,929</b>	<b>\$ 47,000</b>	<b>\$ 18,067</b>	<b>38%</b>	<b>\$ 28,933</b>
<b>Expenditures</b>											
Materials and services	\$ 3,500	\$ 2,139	61%	\$ 14,000	\$ 2,139	15%	\$ 11,861	\$ 43,000	\$ 22,120	51%	\$ 20,880
Transfers	500	500	100%	2,000	500	25%	1,500	4,000	2,500	63%	1,500
Contingency				36,318				36,318			36,318
<b>Total expenditures</b>	<b>\$ 4,000</b>	<b>\$ 2,640</b>	<b>66%</b>	<b>\$ 52,318</b>	<b>\$ 2,640</b>	<b>5%</b>	<b>\$ 13,361</b>	<b>\$ 83,318</b>	<b>\$ 24,620</b>	<b>30%</b>	<b>\$ 58,698</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (1,250)</b>	<b>\$ 1,432</b>	<b>-115%</b>	<b>\$ (41,318)</b>	<b>\$ 1,432</b>	<b>5%</b>	<b>\$ (6,432)</b>	<b>\$ (36,318)</b>	<b>\$ (6,553)</b>		<b>\$ (29,765)</b>
<b>Beginning fund balance</b>	<b>41,318</b>	<b>29,092</b>	<b>70%</b>	<b>41,318</b>	<b>29,092</b>	<b>70%</b>		<b>36,318</b>			
<b>Ending fund balance</b>	<b>\$ 40,068</b>	<b>\$ 30,524</b>	<b>76%</b>	<b>\$ -</b>	<b>\$ 30,524</b>	<b>-</b>		<b>\$ -</b>			



City of Prineville Plaza.

**Public Works Support Services Fund**

This fund accounts for the activities of the Public Works management, support staff, fleet and vehicle maintenance costs. The primary source of revenue is charges to other funds for services.

First quarter revenues are at roughly 25 percent of the annual budget. Intergovernmental revenue is from ODOT for the Surface Transportation Program (STP).

Overall first quarter expenditures are at roughly 20 percent of the annual budget. Expenditures for support services are as anticipated through the first quarter with personnel services coming in at 24 percent at quarter end. Expenditures in the fleet and vehicles department were largely for general repair and maintenance and fuel needed for the fleet.

Fund balance increased approximately \$77,000 or 44 percent through the first quarter.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining Bal.
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Bal.				
Intergovernmental	\$ 28,325	\$ 113,551	401%	\$ 113,300	\$ 113,551	100%	\$ (251)	\$ 236,000	\$ 114,576	49%	\$ 121,424
Charges for services	518,125	441,625	85%	2,072,500	441,625	21%	1,630,875	4,000,500	2,440,625	61%	1,559,875
Interest	875	706	81%	3,500	706	20%	2,794	7,000	4,132	59%	2,868
Miscellaneous	4,500	2,000	44%	18,000	2,000	11%	16,000	36,000	4,371	12%	31,629
<b>Total revenue</b>	<b>\$ 551,825</b>	<b>\$ 557,881</b>	<b>101%</b>	<b>\$ 2,207,300</b>	<b>\$ 557,881</b>	<b>25%</b>	<b>\$ 1,649,419</b>	<b>\$ 4,279,500</b>	<b>\$ 2,563,703</b>	<b>60%</b>	<b>\$ 1,715,797</b>
<b>Expenditures</b>											
Public Works Support Services	\$ 451,475	\$ 435,552	96%	\$ 1,805,900	\$ 435,552	24%	1,370,348	\$ 3,527,000	\$ 2,117,677	60%	\$ 1,409,323
Public Works Fleet and Vehicles	98,625	45,699	46%	394,500	45,699	12%	348,801	636,600	356,435	56%	280,165
Contingency				224,411				290,833			290,833
<b>Total expenditures</b>	<b>\$ 550,100</b>	<b>\$ 481,251</b>	<b>87%</b>	<b>\$ 2,424,811</b>	<b>\$ 481,251</b>	<b>20%</b>	<b>\$ 1,719,149</b>	<b>\$ 4,454,433</b>	<b>\$ 2,474,112</b>	<b>56%</b>	<b>\$ 1,980,321</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 1,725</b>	<b>\$ 76,630</b>	<b>4442%</b>	<b>\$ (217,511)</b>	<b>\$ 76,630</b>	<b>44%</b>	<b>\$ (69,730)</b>	<b>\$ (174,933)</b>	<b>\$ 89,591</b>		<b>\$ (264,524)</b>
<b>Beginning fund balance</b>	<b>217,511</b>	<b>173,520</b>	<b>80%</b>	<b>217,511</b>	<b>173,520</b>	<b>80%</b>		<b>174,933</b>			
<b>Ending fund balance</b>	<b>\$ 219,236</b>	<b>\$ 250,150</b>	<b>114%</b>	<b>\$ -</b>	<b>\$ 250,150</b>	<b>-</b>		<b>\$ -</b>			

**ORDINANCE NO. 1262**

**AN ORDINANCE AMENDING CHAPTER 153 OF THE CODE OF PRINEVILLE (“CODE”) TO COMPLY WITH HB 2001 AND PROVIDE OTHER MINOR UPDATES.**

WHEREAS, City of Prineville (“City”) staff compiled amendments to the City’s land use code (Chapter 153 of the Code) for review by the City Planning Commission during a workshop on September 15, 2020; and

WHEREAS, pursuant to Section 153.252.020 of the Code, required notice was submitted to the Department of Land Conservation and Development and published 10 days prior to the initial public hearing scheduled for October 20, 2020; and

WHEREAS, on October 20, 2020, the City Planning Commission held a public hearing, consented to the amendments, and recommended the City Council approve the proposed amendments as shown on Exhibit A attached hereto and by this reference made a part hereof; and

WHEREAS, pursuant to Section 153.252.020 of the Code, required notice was published 10 days prior to the City Council hearing of a legislative change scheduled for December 8, 2020; and

WHEREAS, on December 8, 2020 the City Council held a public hearing on the amendments shown on Exhibit A; and

WHEREAS, the Ordinance was available to the public at least one week before its presentation to the City Council.

**NOW, THEREFORE, THE PEOPLE OF THE CITY OF PRINEVILLE DO ORDAIN AS FOLLOWS:**

1. That Chapter 153 of the Code of Prineville is amended as shown on Exhibit A.
2. That this ordinance become effective thirty (30) days after its passage.

Presented for the first time at a regular meeting of the City Council held on December 8, 2020, and unanimously passed hereto.

---

Stephen P. Uffelman  
Mayor

ATTEST:

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Lisa Morgan, City Recorder



**CHAPTER 153: LAND DEVELOPMENT CODE**  
**Updating Land Use Code for Housing (HB 2001) & Other Minor Edits**

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**HB 2001 Changes**

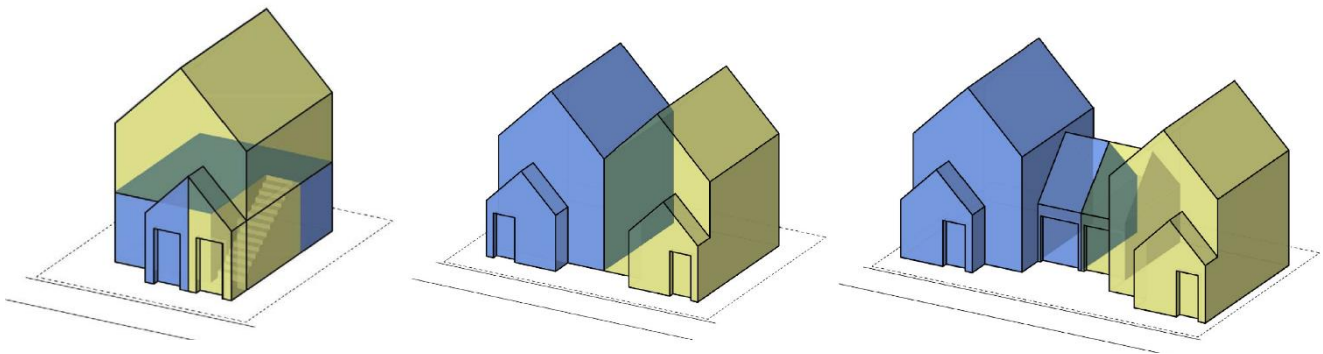
Table of contents shall be amended as follows:

- ... **Supplementary Provisions**
- ...        [153.084](#)   Attached Single Family Housing, Townhomes & Townhome Lots
- ... **Subdivisions, Partitions, Lot consolidations & Replats**
- ...        [153.159](#)   Review Non-Standard Subdivisions
- ...

Section 153.004 shall be amended as follows:

**153.004 DEFINITIONS.**

... **COMMON WALL.** Means a structural portion of a building dividing two structures that is shared by the occupants of each.



**DWELLING.** As follows:

Accessory Dwelling Unit (ADU). A secondary dwelling unit, including manufactured homes but excluding recreational vehicles (RVs) that shall only be used in conjunction with and subordinate to a single family dwelling on the same lot or parcel (see 153.080). Accessory dwellings shall meet the dimensional and other requirements of the zoning district in which it is located. See “accessory structure” for structures not meeting the dwelling unit definition.

Single Family Dwelling. Means 1 dwelling unit on a single lot or parcel designed for occupancy by 1 family or household only.

Duplex. Means 2 dwelling units on a single lot or parcel attached by a common wall and designed for occupancy by 2 families or households living independently of each other where neither can be defined as a guest house or accessory dwelling. Site built units constructed with similar materials and detailing as determined by the reviewing authority may be allowed without a common wall and still classify as a duplex.

Multifamily Dwelling. Means 3 or 4 dwelling units on a single lot or parcel attached by a common wall and designed for occupancy by 3 or 4 families or households living independently of each other (Triplex or Fourplex). Multifamily Dwellings built on adjacent lots or parcels as a single development shall be considered a multifamily complex. Site built units constructed with similar materials and detailing as determined by the reviewing authority may be allowed without a common wall and still classify as a Triplex or Fourplex.

Multifamily Complex. Means 5 or more dwelling units on a single lot or parcel.

Townhome (house). A single family dwelling with a private entrance, which is part of a structure whose dwelling units are attached by a common wall at the lot line and having a totally exposed front and rear wall to be used for access, light and ventilation. Also referred to as single family attached housing or row homes.

Townhome Multiplex. Means the same as a townhome but allows multiple dwellings on the same lot, typically stacked vertically.

**DWELLING UNIT.** A structure, or portion thereof, consisting of one or more rooms including a bathroom, living, eating, sleeping and kitchen facilities, which are arranged, designed or used as living quarters for 1 family or household.

...

**LOT.** Means a single unit of land that is created by a subdivision of land. (O.R.S. 92.010). The term "lot" within this code and all referenced codes and regulations shall always refer to the definition of a "lot of record" based on the context of the property being discussed.

...

Townhome Lot. Refers to lots created under section 153.084(C) or through a cluster development subdivision under 153.094.

**Section 153.016 shall be amended as follows:**

**153.016 MUNICIPAL SEWER AND WATER REQUIRED**

...

(C) Approval of subdivisions and land partitions shall require municipal sewer and water service to and through each lot in accordance with the City's Standards and Specifications unless specifically exempted in this chapter.

(D) Existing residences, replacement residences, single family dwelling or duplex construction on existing lots may use existing permitted wells and septic fields approved for the use. New wells and septic systems may be constructed on existing lots if services are not within the distance described by State or the City's sewer and water ordinances.

**Section 153.035 shall be amended as follows:**

**153.035 RESIDENTIAL USE TABLE**

...

<b>Residential/Accessory Uses</b>	<b>R1</b>	<b>R2</b>	<b>R3</b>	<b>R4</b>	<b>R5</b>	<b>Comments:</b>
Duplex	0	0	0	0	0	Excludes hazard areas in R1 & R3 zones
Triplex or fourplex, including condominiums, apartments or townhomes		T1		0	0	153.084
Townhome multiplex					0	153.084

...

**Section 153.036 shall be amended as follows:**

**153.036 RESIDENTIAL DIMENSIONAL STANDARDS**

	<b>R-1</b>	<b>R-2</b>	<b>R-3</b>	<b>R-4</b>	<b>R-5</b>
	<b>Limited</b>	<b>General</b>	<b>Low Density</b>	<b>Redevelopment</b>	<b>High Density</b>
<b>Minimum lot area (public water and sewer required)</b>					
Accessory Dwelling Unit (ADU)	In conjunction with Single Family Dwelling				Zone Standards
Single family dwelling/Duplex	6,500 sf	5,000 sf	10,000sf	4,000sf	Zone Standards
Duplex (Within designated hazard areas)	N/A	7,500 sf	N/A	6,500 sf	Zone Standards
Townhome Lots (2 lots) 153.084(C)	N/A	3,750 sf	N/A	3,250 sf	Zone Standards
Triplex	N/A	9,000 sf	N/A	8,000 sf	Zone Standards
Fourplex	N/A	10,500 sf	N/A	9,500 sf	Zone Standards
Additional area for each unit over 4	N/A	+1,500 sf	N/A	+1,250 sf	Zone Standards
Townhome Subdivision (3 or more lots) 153.094	N/A	As Approved	N/A	As Approved	Zone Standards
Townhome Multiplex	N/A	N/A	N/A	N/A	Zone Standards
Non-residential uses	Based on requirements of use—and preservation of residential character of neighborhood				Zone Standards
Min. Net Density for Subdivision <sup>1</sup>	3/acre	4/acre	2/acre	6/acre	12/acre
Max. Net Density for Land Division	Calculated based on “Net Density” definition				



<b>Minimum lot area (no public water or sewer available) <sup>2</sup></b>		
Single family dwelling	On existing lots or parcels only with approved water supply and sewage disposal system.	N/A
Accessory Dwelling Unit (ADU)	In conjunction with Single Family Dwelling with approved water supply and sewage disposal system.	

<sup>1</sup> The City may grant an exception to the minimum density standards based on site specific issues that make such density infeasible such as: steep slopes, floodplain, and wetlands.

<sup>2</sup> Water supplies are reviewed and sewage disposal systems are approved through the Crook County Community Development Department

	<b>R1</b>	<b>R2</b>	<b>R3</b>	<b>R4</b>	<b>R5</b>
<b>Minimum Setbacks for structures (ft.):</b>	<i>See 153.117 for exceptions to setbacks.</i>				
Front yard (local street)	10	10	10	10	0
Front yard (Collector or Arterial) <sup>3</sup>	10	10	10	10	0
Carport/Garage entrance to Public street/Alley	20	20	20	20	20
Carport/Garage entrance to Public sidewalk	25	25	25	25	25
Side yard	5	5	5	5	0/ 5
Side yard corner lot (street side)	10	10	10	10	0
Side & Rear yard multi-story multi-family or 3 or more consecutive townhomes	10	10	10	10	0/ 5
Rear yard	10	10	10	5	0/ 20 <sup>5</sup>
Rear yard corner lot	5	5	5	5	0 / 20 <sup>5</sup>
Rear yard adjacent to alley	10	5	5	5	0
Accessory (no building permit)	3	3	3	3	3
Projections into setback <sup>4</sup>	2	2	2	2	2

<sup>3</sup> Plus that which is necessary to meet street and sidewalk right-of-way standards.

<sup>4</sup> May project 2 feet into a setback provided the projection is not closer than 3 feet to a property line.

<sup>5</sup> If the rear property line is adjacent to a residential zone, the setback is 20 feet.

<b>Minimum Street Frontage (ft.):</b>	<i>See 153.191(C) for exceptions.</i>				
Standard Street	50	50	100	40	Zone Standards
Cul-de-sac	35	35	50	35	Zone Standards
Townhome Lot (2 lots) 153.084 (C)	N/A	25	N/A	25	Zone Standards
Flag Lot	N/A	20	N/A	20	20
Townhome Subdivision 3 or more lots (153.094)	N/A	As Approved	N/A	As Approved	Zone Standards

...

	R1	R2	R3	R4	R5
<b>Maximum Height (ft.):</b> <i>Measured to the highest point from the natural grade, grade is averaged on sloped properties.</i>					
All Buildings/Structures	30 ft.	35 ft.	35 ft.	35 ft.	Design approval above 35ft.
Multi-family/3 or more consecutive Townhomes (side & rear setbacks)	N/A	Additional 1ft setback for every 1ft above 25ft	N/A	Additional 1ft setback for every 1ft above 25ft	Determined by adjacent use

...

**Section 153.080 shall be amended as follows:**

**153.080 ACCESSORY DWELLING UNITS & GUEST HOUSES**

...

(5) Parking. In addition to the requirements of the primary residence an accessory dwelling is recommended to provide at least 1 additional off street parking space to city standards.

...

**Section 153.084 shall be amended as follows:**

**153.084 Attached Single Family Housing, Townhomes & Townhome lots**

(A) Attached Single Family Housing. Any 2 adjacent legal lots zoned for residential use may build single family homes attached at the lot line (*see Dwelling townhome definition*) in accordance with the Building code. All owner signatures are required.

(B) Townhomes. Other than townhomes developed under sections (A) and (C), 3 or more consecutive townhomes may be developed as part of a non-standard subdivision such as a cluster development or PUD. Townhomes shall comply with the standards in 1-4, below. The standards are intended to control development scale; avoid or minimize impacts associated with traffic, parking, and design compatibility; and ensure management and maintenance of common areas. Cluster Development standards can be found in section 153.094.

...

(C) Townhome lots. Townhome lots allow for 2 unit townhomes outside of the cluster development standards (*section 153.094*). A Townhome lot is intended to allow for the development that looks, feels and acts like a duplex but allows for separate unit ownership of not only the building but the land as well. The following criteria shall be met for the approval of a Townhome lot.

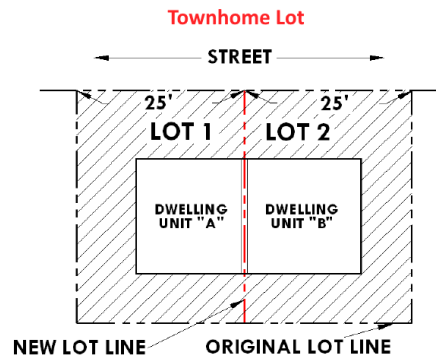
(1) Minor Partition. The process for creating a Townhome lot shall follow the process and platting procedures for a minor partition in section 153.160.

(2) Lots shall be restricted to site built homes attached by common wall. A deed restriction may be required and shall be recorded with the partition plat.

(3) Access. Driveways shall be combined unless an existing structure makes it impractical or in the case of a corner lot where units may face different streets.

(4) Townhome lot size. Each lot shall be approximately half the size of the original lot and/or meet the minimum dimensional standards listed in 153.036 for lot size and street frontage.

- (5) Structure. The structure itself shall meet all the dimensional standards of the required zone including parking.
- (6) Utilities. All utilities public and private shall be separate.



Section 153.085 shall be amended as follows:

**153.085 OFF-STREET PARKING AND LOADING: PROVISIONS AND REQUIREMENTS.**

... (E) Parking Table. Where the square feet of the structure or use are specified as the basis for the requirements, the area measured shall be the gross floor area primary to the functioning of the particular use of the structure and property. When the requirements are based on the number of employees and/or the number of occupants, customers or users, the number counted shall be the number of employees working on the premises during the largest shift at peak season, and the number of occupants, customers or users shall be counted as the maximum rated capacity. Fractional requirements shall be counted as a whole space. Off-street parking spaces meeting the minimum dimensional standards in 153.086(I), may include spaces in garages, carports, parking lots, and/or driveways if spaces are accessible and vehicles are not parked in a vehicle travel lane (including emergency or fire access lanes). Parking spaces in a public street, including an alley, shall not be eligible as fulfilling any part of the parking requirement.

<i>Use Description</i>	<i>Minimum Requirements</i>
<b>Residential</b>	
Single Family Dwelling (includes townhomes)	2 spaces per dwelling
Duplex	1 space per dwelling.
Multi Family Dwelling (3 to 4 dwellings )	2 spaces per dwelling.
Multi-family Complex (5 or more dwellings)	2 spaces per dwelling for first 4 dwellings; 1.5 spaces per dwelling from 5 to 8 dwellings; 1.25 spaces per dwelling thereafter, plus 2 spaces for owner/manager.

Accessory Dwelling	1 space recommended, not required.
--------------------	------------------------------------

**Section 153.094 shall be amended as follows:****153.094 CLUSTER DEVELOPMENT**

Cluster Development. In any zone, a cluster development may be permitted when authorized in accordance with the procedures for the type of development and in accordance with the applicable subdivision standards set forth in this chapter.

(A) A cluster development is a development technique wherein structures or lots are grouped together around access courts or cul-de-sacs, or where lot sizes surrounding structures are reduced while maintaining the density permitted by the applicable zoning designation.

(1) A cluster development may be permitted to maintain open space, preserve natural features, reduce street and utility construction and to increase the attractiveness of a development and the surrounding area.

(2) Clustering may be carried out within the context of a subdivision, partitioning, PUD, re-platting of existing lots or other reviews provided for by this Chapter.

(3) Attached Single Family dwellings or Townhomes may be permitted by the reviewing authority pursuant to section 153.084, so long as the density of the applicable zone is not exceeded, provided that the overall design is considered to be in the best public interest and in the interest of the city.

(4) The reviewing authority may permit reduction in the minimum lot size or dimensional standards, setbacks or other standards of the applicable zone so long as the density requirements of the zone are maintained, and provided the overall design is considered to be beneficial to the residents of the development and to the city as a whole. An outline development plan (ODP) per section 153.157(B) may be required to regulate the initial development, including overall dwelling density and construction feasibility.

(5) The establishment of a Home Owners Association (HOA) shall be required to maintain common open space and amenities not otherwise maintained by the public.

(B) For example, for a development in an R-2 Zone, the reviewing authority may waive the minimum lot size standard of 5,000 square feet for single family dwellings and duplexes, for an equivalent overall net density (see definition). Net density only refers to the creation of the lots not the number of dwellings allowed per lot.

(C) Factors to consider and/or require in the approval of a Cluster Development include, but are not limited to the following:

(1) Submittal of an outline development plan per section 153.157(B).

(2) Excellence in design and site utilization.

(3) Provision for a variety of housing or other use types.

(4) Maximization of cost-benefit ratios for purchasers and providers of public services and facilities.

(5) Preservation of significant natural, vegetative or other significant public benefitting features or resources.

(6) Inclusion of publicly available recreation, social, educational or other publicly beneficial uses and developments.

(7) Donation of land area for public purposes identified as a need in the area or in the community.

(8) Other factors beneficial to the general public, residents of the proposed development and the city as a whole.

**Section 153.116 shall be amended as follows:**

**153.116 EXCEPTIONS TO LOT SIZE REQUIREMENTS.**

(A) The following exceptions to minimum lot size requirements shall apply.

(1) If a lot or the aggregate of contiguous lots or parcels platted prior to the effective date of these standards has an area or dimension which does not meet the requirements of these standards, the lot or aggregate holdings may be put to use(s) permitted subject to the other requirements of the zone in which the property is located. A legal lot of record in a residential zone that is below the minimum size listed for a single family dwelling; shall be limited to 1 single family dwelling with 1 ADU or a duplex outside of a designated hazard area and meet all dimensional requirements. City Sewer and Water services shall be approved and provided.

...

**Section 153.191 shall be amended as follows:**

**153.191 LOTS AND BLOCKS.**

...

(F) Flag Lots. The intent of the following criteria is to promote infill in residential areas but not disrupt the existing nature of the neighborhood. It is also to provide dedicated public street access for these infill lots while avoiding the need for joint access easements that lead to neighbor disputes. Flag lots may be created by a boundary line adjustment, partition or subdivision with the following limitations:

...

(4) Flag lots shall have a minimum street frontage of 20ft. for one non-accessory dwelling and 30ft. for two or more non-accessory dwellings.

...

## Other Minor Updates

**Section 153.004 shall be amended as follows:**

**153.004 DEFINITIONS.**

... **Vendor Site (Court):** A Property or portion thereof being so designated and/or developed with the intent of permanently placing and facilitating the operation of one or more vendors on a regular and continual basis.  
 ...

**Section 153.035 shall be amended as follows:**

**153.035 RESIDENTIAL USE TABLE**

... **R1 R2 R3 R4 R5 Comments:**

**LAND DIVISION PROCESSES**

Land Partition Minor (no new roads)	0	0	0	0	0	153.160
Land partition Major (new road)	T1	T1	T1	T1	T1	153.160
Lot consolidation	0	0	0	0	0	153.161
Non-Standard Subdivision	T2	T2	T2	T2	T2	153.159
Standard Subdivisions	T2	T2	T2	T2	T2	153.157
Townhome Lots (2-unit attached dwellings )		0		0	0	153.084(C)

...

**Section 153.037 shall be amended as follows:**

**153.037 COMMERCIAL & INDUSTRIAL USE TABLE**

**Eating & Drinking C1 C2 C3 C4 C5 M1 M2 IP Comments:**

Bakery (retail / sit-down)	0	0		0	0				Limited wholesale allowed in conjunction with retail use.
Bar, Lounge, Tavern, Nightclub,	T1	T1			T1				Primarily serving alcohol
Brew Pub, Tap House (with Restaurant)	0	0		T1	0				May include Food Vendors

...

Food Vendor Site (Court) (Truck\Trailer)	0	0		T1	0				Reviewed similar to a restaurant, may include beer or wine vendors.
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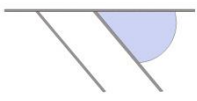
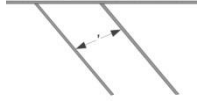


...

**Land Division Processes**

Land Partition Minor (no new roads)	0	0	0	0	0	0	0	0	153.160
Land partition Major (new road)	T1	T1	T1	T1	T1	T1	T1	T1	153.160
Lot consolidation	0	0	0	0	0	0	0	0	153.161
Non-standard subdivision	T2	T2	T2	T2	T2	T2	T2	T2	153.159
Standard Subdivisions	T2	T2	T2	T2	T2	T2	T2	T2	153.157

**Section 153.086(I) shall be amended as follows:**

(I) Except as may be approved or required otherwise by the reviewing authority the standards set forth in the following table shall be the minimum size to count as an off street parking space or drive aisle for parking lots, driveways, garages or carports approved under this section and this chapter (all figures are in feet).

<i>Parking Angle ft.</i>	<i>Stall Width ft.</i>	<i>Stall depth ft.</i>	<i>Curb Length ft.</i>	<i>Drive Aisle 1-way ft.</i>	<i>Drive Aisle 2-way ft.</i>
					
0° (parallel)	8	8	23	12.0	24
30°	9	17	18	12	24
45°	9	19	12.5	13	24
60°	9	20	10.5	18	24
90°	9	20	9	24	24
Driveway	10	20	10	12	24
Garage or Carport	10 (interior)	20 (interior)			

**Section 153.095 shall be amended as follows:**

**153.095 MANUFACTURED HOMES; MOBILE HOMES; RV'S.**

...

(B) Manufactured home placement requirements.

...

(6) Have exterior siding, trim and roofing materials that are similar in appearance and complementary to other homes in the same general area including the type, color and horizontal or vertical placement of materials as determined by the reviewing authority.

(7) Have a garage or carport constructed of like materials and color to the dwelling unit. An attached or detached garage may be required if consistent with the predominant construction of the immediate surrounding dwellings.

(8) Foundations/skirting

(a) All manufactured homes outside of a manufactured home park shall be placed on an excavated and back-filled foundation and enclosed at the perimeter in accordance with building code. Foundations shall be concrete, or block unless approved otherwise by the reviewing authority.

...

**Section 153.157 shall be amended as follows:**

**153.157 SUBDIVISIONS-APPLICATIONS.**

...

(B) Outline development plan (ODP). The submittal of an outline development plan in the subdivision application process is at the option of the applicant and/or developer unless required as part of a non-standard subdivision such as a planned unit development (PUD) or cluster development. If an outline development plan is prepared and submitted with the application for a subdivision, it shall include both maps and written statements as set forth in this division (B).

...

(3) Approval of an outline development plan for a subdivision shall constitute only a conceptual approval of the proposed development for general compliance with the city's Urban Area Comprehensive Plan, applicable zoning and this chapter.

(4) Review and action on an outline development plan shall follow the requirements for review of land use action procedures, hearings and decisions in sections 153.254, 153.255 and 153.256.

...

(I) Requirements for approval. The reviewing authority shall not approve an outline development plan (ODP) or a tentative plan for a subdivision unless the reviewing authority finds, in addition to other requirements and standards set forth by this chapter and other applicable city ordinances, standards and regulation, the following:

...

**Section 153.159 shall be amended as follows:**

**153.159 REVIEW NON-STANDARD SUBDIVISIONS.**

Non-standard Subdivisions are subdivisions or development plans for subdivisions that do not conform to clear and objective standards. These include but are not limited to; Cluster Developments in section 153.094, Outline Development Plans (ODPs) in section 153.157(B) and Planned Unit Developments (PUDs) in section 153.158. Review of Non-standard subdivisions shall follow the process listed in the zoning use tables of this Chapter and follow the procedures and policies for land use action applications, hearings and decisions set forth in sections 153.254 through 153.256.

**Section 153.160(B)(C) shall be amended as follows:**

**153.160 LAND PARTITIONING.**

...

(B) Definitions. For the purposes of this section and this chapter, the words and phrases shall have the meaning set forth herein.

**PARTITIONING.** To divide a lot, parcel or tract of land into 2 or 3 lots or parcels but does not include the following.

(a) A division of land resulting from a lien foreclosure, foreclosure of a recorded contract for the sale of real property, or the creation of a cemetery lot.

(b) An adjustment of a property line by the relocation of a common boundary or lot consolidation where an additional unit of land is not created, and where the existing unit of land reduced in size by the adjustment complies with the applicable zoning.

...

(C) Flag Lots and Townhome lots. The creation of a flag lot or townhome lot not part of a subdivision shall be considered a minor partition. For criteria regarding flag lots refer to section 153.191 (F). For criteria regarding townhome lots refer to section 153.084 (C).



**Section 153.161 shall be amended as follows:****153.161 LOT CONSOLIDATIONS**

The purpose of the section is to allow for the reconfiguration or elimination of lots without the requirements of a full subdivision or partition process. A lot consolidation is the actual removal or relocation of a lot line or lines. It is not the process of consolidating tax lots. All lot consolidations shall follow the same planning process as a boundary line adjustment and final plat map requirements of a partition, subdivision or re-plat as applicable. The following criteria shall apply:

(A) Consolidations may only result in the same number or fewer lots.

(B) Consolidations shall only be performed on contiguous lots.

(C) All lots created shall meet the minimum dimensional standards of the zone to include public street frontage. Exceptions may be made for lots that are currently non-conforming based on the original partition or subdivision, however; the intent of this criteria is for greater conformance.

(D) Each non-contiguous consolidation shall be a separate application. (E) Consolidations shall not be used to substantially alter a subdivision outside of the subdivision process as determined by the Planning Director. A subdivision plat should only be used as an efficient means to re-plat multiple consolidations within the same subdivision that could otherwise be done individually without significantly altering the subdivision.

(F) Consolidations shall not be used to avoid public improvements that would otherwise be required or have been required by a land partition or subdivision such as the re-platting of a subdivision that has not yet been constructed.

...

**Section 153.162 shall be amended as follows:****153.162 REPLATS**

(A) Per (ORS 92.010) A Re-plat is the act of platting the lots, parcels and easements in a recorded subdivision or partition plat to achieve a reconfiguration of the existing subdivision or partition plat or to increase or decrease the number of lots in the subdivision.

(B) In practice the City of Prineville will process a re-plat the same as a lot consolidation, partition or subdivision depending on the amount of lots being created or eliminated or the type of plat being re-platted. The County surveyor shall make the final determination on whether a plat is titled as a re-plat, partition or subdivision.

(C) The re-plat of a portion of a recorded plat shall not act to vacate any recorded easements, covenants or restrictions.



**City of Prineville**  
**DEPARTMENT OF PLANNING & COMMUNITY DEVELOPMENT**  
**PLANNING COMMISSION RECOMMENDATION**

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<b>File No.:</b>	AM-2020-100
<b>Applicant/Owner:</b>	City of Prineville
<b>Location:</b>	City of Prineville
<b>PC workshop:</b>	9/15/2020
<b>Notice to DLCD:</b>	9/16/2020
<b>Newspaper Notice:</b>	Planning Commission Notice – 10/6/2020
<b>Public Hearing:</b>	Planning Commission – 10/20/2020
<b>Staff:</b>	Joshua Smith, Planning Director
<b>Proposal:</b>	Legislative Text Amendment to meet requirements of House Bill (HB) 2001 and other minor “House cleaning” updates to the land use code.

**Background**

HB 2001 was adopted in 2019. The purpose of this bill was to increase the potential of middle housing construction (duplex, triplex, fourplex) within City’s throughout Oregon. Cities under 25,000 population, such as Prineville were only required to accommodate duplex development. This portion of the bill stated that population “more than 10,000 and less than 25,000 shall allow the development of a duplex on each lot or parcel zoned for residential use that allows for the development of detached single-family dwellings”. The Department of Land Conservation and Development (DLCD) was tasked with creating rules based on that intent and other specific items stated in the bill. These rules are codified in Oregon Administrative Rule (OAR) Chapter 660 Division 46. DLCD was also required to create a model code that any community could adopt outright to meet these requirements. That code has been developed and is available. Communities are required to update their own land use codes by June 30, 2021 or the model code will apply directly.

The minor updates or “House Cleaning” changes are thoughts and ideas and/or corrections that arise over time that are then bundled into an update such as this. The proposed changes do not substantially change the code but help to re-organize, clarify and generally provide a more usable document for the City and public.

**Goal 10 (Housing) Findings:** State wide Planning Goal 10 is written to provide for the housing needs of citizens of the state. It states that “Buildable lands for residential use shall be inventoried and plans shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density”.

**Finding 1:** The City adopted a new buildable land inventory (BLI) and Housing Needs Analysis (HNA) on October 22<sup>nd</sup> 2019. The HNA projected the future housing need for the City over the next 20 years as shown in the tables on the following page.

**FIGURE 4.3: PROJECTED FUTURE NEED FOR NEW HOUSING UNITS (2039), PRINEVILLE**

OWNERSHIP HOUSING										
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
			2-unit	3- or 4-plex	5+ Units MFR					
\$0k - \$90k	0	0	0	0	0	0	0	0	0.0%	0.0%
\$90k - \$130k	0	0	0	0	0	0	0	0	0.0%	0.0%
\$130k - \$190k	0	0	0	0	0	0	0	0	0.0%	0.0%
\$190k - \$240k	17	21	0	7	0	59	0	104	17.8%	17.8%
\$240k - \$320k	121	0	0	0	0	0	0	121	20.7%	38.6%
\$320k - \$360k	181	0	0	0	0	0	0	181	31.1%	69.6%
\$360k - \$450k	108	0	0	0	0	0	0	108	18.6%	88.2%
\$450k - \$540k	49	0	0	0	0	0	0	49	8.5%	96.7%
\$540k - \$710k	19	0	0	0	0	0	0	19	3.3%	100.0%
\$710k +	0	0	0	0	0	0	0	0	0.0%	100.0%
<b>Totals:</b>	<b>495</b>	<b>21</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>59</b>	<b>0</b>	<b>582</b>	<b>% of All Units:</b>	<b>57.0%</b>
<b>Percentage:</b>	<b>85.0%</b>	<b>3.6%</b>	<b>0.0%</b>	<b>1.2%</b>	<b>0.0%</b>	<b>10.2%</b>	<b>0.0%</b>	<b>100.0%</b>		

RENTAL HOUSING										
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
			2-unit	3- or 4-plex	5+ Units MFR					
\$0 - \$400	33	20	19	31	143	20	15	280	63.9%	63.9%
\$400 - \$600	0	0	0	0	0	0	0	0	0.0%	63.9%
\$600 - \$900	0	0	0	0	0	0	0	0	0.0%	63.9%
\$900 - \$1100	85	0	5	5	5	5	0	107	24.3%	88.2%
\$1100 - \$1500	0	0	0	0	0	0	0	0	0.0%	88.2%
\$1500 - \$1700	23	0	0	0	0	0	0	23	5.2%	93.4%
\$1700 - \$2100	5	0	0	0	0	0	0	5	1.1%	94.5%
\$2100 - \$2500	2	0	0	0	0	0	0	2	0.5%	95.1%
\$2500 - \$3300	22	0	0	0	0	0	0	22	4.9%	100.0%
\$3300 +	0	0	0	0	0	0	0	0	0.0%	100.0%
<b>Totals:</b>	<b>170</b>	<b>20</b>	<b>24</b>	<b>36</b>	<b>149</b>	<b>25</b>	<b>15</b>	<b>439</b>	<b>% of All Units:</b>	<b>43.0%</b>
<b>Percentage:</b>	<b>38.8%</b>	<b>4.5%</b>	<b>5.5%</b>	<b>8.2%</b>	<b>33.9%</b>	<b>5.7%</b>	<b>3.4%</b>	<b>100.0%</b>		

TOTAL HOUSING UNITS									
	Single Family Detached	Single Family Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	<b>665</b>	<b>40</b>	<b>24</b>	<b>43</b>	<b>149</b>	<b>84</b>	<b>15</b>	<b>1,021</b>	<b>100%</b>
<b>Percentage:</b>	<b>65.2%</b>	<b>4.0%</b>	<b>2.4%</b>	<b>4.2%</b>	<b>14.6%</b>	<b>8.3%</b>	<b>1.5%</b>	<b>100.0%</b>	

Sources: PSU, City of Prineville, Census, EnviroNics Analytics, JOHNSON ECONOMICS

- The results show a need for 1,020 new housing units by 2039.
- Of the new units needed, roughly 57% are projected to be ownership units, while 43% are projected to be rental units. This is due to the forecast of a slightly higher homeownership rate in the future.
- The table shows no new need for ownership housing at the low-end of the pricing spectrum, but in the middle. This is because these are the value levels where a majority of the city's housing is currently found. Therefore, what Figure 4.3 represents is that there may be support for some units at higher price points.
- The greatest need for rental units is found at the lowest and middle price points. There is support for some units in the \$900 to \$1,100 rent levels, which is above most current market rents. This shows that there is some support for new, more expensive rental supply. There is also a need for some single-family homes for rent at higher price points.

**Finding 2:** The proposed amendments in Exhibit A and those required by HB 2001 and subsequent OAR may help provide rental housing at the lower and middle income ranges. These changes would allow duplexes to be constructed on smaller lots with fewer required parking spaces. They will encourage more infill by allowing detached multifamily units and will not impose design standards allowed under the adopted OAR. These changes along with our current land use code should not create any unreasonable barrier to developing middle housing. From the time the HNA was adopted in 2019 the City has under construction or completed a large portion of the projected rental housing need with 73 affordable housing units and 145 market rate units.

**Planning Commission Conclusions and Recommendation**

The Planning Commission does not recommend adopting the State’s model code as a stand-alone document as it would conflict with our existing code and cause confusion. It is also not practical to simply insert the language of the model code into our existing code as the format is different and the model code does not address all the underlying effects to the rest of the code.

At the Planning Commissions October 20<sup>th</sup>, 2020 hearing, the Planning Commission voted 5 in favor and none opposed to recommend adoption of the code amendments shown in track changes on Exhibit ‘A’ to satisfy the requirements of HB 2001 and to make minor updates to the code in general.

**EXHIBITS**

Exhibit A - Recommended changes

Opposed

Marty Bailey: W M Bailey Date: 11-17-20  
Planning Commission Chair





## STAFF REPORT

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<b>MEETING DATE:</b>	12/8/2020	<b>PREPARED BY:</b>	Joshua Smith
<b>SECTION:</b>	Ordinance (Public Hearing)	<b>DEPARTMENT:</b>	Planning
<b>CITY GOAL:</b>	Position the City of the future		
<b>SUBJECT:</b>	Text amendments to the City's Land use Code Chapter 153.		

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**REASON FOR CONSIDERATION:** These proposed amendments are requirements of House Bill (HB) 2001 and provide other minor updates to the code in general.

### **DOCUMENT OVERVIEW:**

Planning Commission Recommendation: This document provides background information with findings and recommendation from the Planning Commission.

Exhibit A "track changes": This document is part of the Planning Commission recommendation. It shows the recommended updates in "track changes" with purpose statements at the end of each section explaining the changes.

OAR 660 Division 46 with Staff notes: This document is the actual text of the OAR that was developed to administer HB2001; with added notes explaining how each section effects the City and the proposed amendments.

Support Letter: Letter of support from the Fair Housing Council of Oregon.

Ordinance 1262 with clean Exhibit A: This document is the actual Ordinance and final Exhibit A that the Council will vote on. In this exhibit all track changes are incorporated and purpose statements are removed.

**CHAPTER 153: LAND DEVELOPMENT CODE**  
**Updating Land Use Code for Housing (HB 2001) & Other Minor Updates**

The three dots “...” represent text that is not being changed.

**HB 2001 Changes**

Table of contents shall be amended as follows:

...

**Supplementary Provisions**

...

[153.084](#) Attached Single Family Housing, Townhomes & ~~Duplex~~ [Townhome](#) Lots

...

**Subdivisions, Partitions, Lot consolidations & Replats**

...

[153.159](#) [Review Non-Standard Subdivisions](#) ~~Subdivision and PUD review~~

...

Section 153.004 shall be amended as follows:

**153.004 DEFINITIONS.**

...

**COMMON WALL.** Means a structural portion of a building dividing two structures that is shared by the occupants of each.



...

*Purpose: Add “common wall” to clarify the term that is referenced in Dwelling definitions below.*

**DWELLING.** As follows:

Accessory Dwelling Unit (ADU). A secondary ~~living dwelling~~ unit ~~containing cooking facilities~~, including manufactured homes but excluding recreational vehicles (RVs) ~~and that~~ shall only be used in conjunction ~~with and subordinate to~~ with a single family ~~home dwelling~~ on the same lot or parcel (see 153.080). Accessory dwellings shall meet the dimensional and other requirements of the zoning district in which it is located. See “accessory structure” for ~~buildings-structures~~ not ~~containing cooking facilities~~ meeting the dwelling unit definition.

Single Family Dwelling. ~~Means A detached building containing one~~ 1 dwelling unit on a single lot or parcel designed for occupancy by 1 family or ~~one~~ household only.

Duplex. ~~Means 2 A detached building containing two~~ dwelling units on a single lot or ~~parcel duplex lot attached by a common wall~~ and designed for occupancy by 2 families or households living independently of each other where neither can be defined as is a guest house or accessory dwelling. Site built units constructed with similar materials and detailing as determined by the reviewing authority may be allowed without a common wall and still classify as a duplex.

Multifamily Dwelling. ~~A detached building containing~~ Means 3 or 4 dwelling units on a single lot or parcel attached by a common wall and designed for occupancy by 3 or 4 families or households living independently of each other (Triplex or Fourplex). Multifamily Dwellings built on adjacent lots or parcels as a single development shall be considered a multifamily complex. ~~if it is functioning as a complex or if it appears a development is purposely trying to subvert the multifamily complex code.~~ Site built units constructed with similar materials and detailing as determined by the reviewing authority may be allowed without a common wall and still classify as a Triplex or Fourplex.

Multifamily Complex. ~~Means A single lot containing five~~ 5 or more dwelling units on a single lot or parcel.

Townhome (house). A single family dwelling with a private entrance, which is part of a structure whose dwelling units are attached by a common wall at the ~~horizontally in a linear arrangement with each unit on its own separate~~ lot line and having a totally exposed front and rear wall to be used for access, light and ventilation. Also referred to as single family attached housing or row homes.

Townhome Multiplex. Means the same as a townhome but allows multiple dwellings on the same lot, typically stacked vertically.

*Purpose: Adding and changing definitions to clarify terms and allow the separation of site built units for duplex, triplex and fourplex under certain circumstances. The original reason for connecting buildings is for efficient construction use of land, but also to prevent dissimilar structures that reduce the aesthetics of a neighborhood. Allowing an option to separate units would help with infill of existing duplexes and triplexes where there is room for more units but connecting them is not practical.*

**DWELLING UNIT.** A ~~building~~structure, or portion thereof, consisting of one or more rooms including a bathroom, living, eating, sleeping and kitchen facilities, which are arranged, designed or used as living quarters for ~~one~~1 family or ~~one~~ household.

**LOT.** Means a single unit of land that is created by a subdivision of land. (O.R.S. 92.010). The term “lot” within this code and all referenced codes and regulations shall always refer to [the definition of](#) a “lot of record” based on the context of the property being discussed.

~~Duplex Townhome Lot. A lot containing 1 dwelling unit of a duplex dwelling structure. Refers to lots created under section 153.084(C) or through a cluster development subdivision under 153.094.~~

*Purpose:* Minor changes to dwelling definition. Delete “Duplex lot” definition and replace with “Townhome lot” to prevent confusion with actual duplexes. The end product is essentially 2 townhomes anyway so it makes sense to call it that.

**Section 153.016 shall be amended as follows:**

**153.016 MUNICIPAL SEWER AND WATER REQUIRED**

(C) Approval of subdivisions and land partitions shall require municipal sewer and water service to [and through](#) each lot in accordance with the City’s Standards and Specifications unless specifically ~~allowed by another section~~[exempted](#) in this chapter.

(D) Existing residences, replacement residences, ~~or~~ single family [dwelling or duplex](#) construction on existing lots may use existing [permitted](#) wells and septic fields [approved for the use](#). New wells and septic systems may be constructed [on existing lots](#) if services are not within the distance described by State or the City’s sewer and water ordinances.

*Purpose:* Clarification of language and inclusion of duplexes as required by HB 2001.

**Section 153.035 shall be amended as follows:**

**153.035 RESIDENTIAL USE TABLE**

Residential/Accessory Uses	R1	R2	R3	R4	R5	Comments:
<del>Two-family dwelling or d</del> Duplex	<a href="#">0</a>	0	<a href="#">0</a>	0	0	<del>153.084</del> <a href="#">Excludes hazard areas in R1 &amp; R3 zones</a>
Triplex or four-plex, including condominiums, apartments or townh <u>o</u> m <u>e</u> s		T1		0	0	153.084
Townh <u>o</u> m <u>e</u> multiplex					0	153.084

*Purpose:* Add duplex as an outright use in all residential zones with hazard area restrictions in the R1 & R3 zones. Change townhouses to townhomes to be consistent.



**Section 153.036 shall be amended as follows:**

**153.036 RESIDENTIAL DIMENSIONAL STANDARDS**

	R-1	R-2	R-3	R-4	R-5
	Limited	General	Low Density	Redevelopment	High Density
<b>Minimum lot area (public water and sewer required)<sup>1,2</sup></b>					
Accessory Dwelling Unit (ADU)	In conjunction with Single Family Dwelling				Zone Standards
Single family dwelling/ <del>Single family dwelling</del> /Duplex	6,500 sf	5,000 sf	10,000sf	4,000sf	Zone Standards
<del>Two-family dwelling</del> Duplex (Within designated hazard areas)	N/A	7,500 sf	N/A	6,500 sf	Zone Standards
<del>Duplex</del> Townhome Lots (2 lots) 153.084(C) (not for density purposes)	N/A	3,750 sf	N/A	3,250 sf	Zone Standards
Triplex	N/A	9,000 sf	N/A	8,000 sf	Zone Standards
Fourplex	N/A	10,500 sf	N/A	9,500 sf	Zone Standards
Additional area for each unit over 4	N/A	+1,500 sf	N/A	+1,250 sf	Zone Standards
<del>Townhome use Lot Subdivision</del> (3 or more lots) 153.094 (not for density purposes)	N/A	<del>3,000-sf</del> As Approved	N/A	<del>2,500-sf</del> As Approved	Zone Standards
<del>Townhome use Multiplex Lot</del> (not for density purposes)	N/A	N/A	N/A	N/A	Zone Standards
Non-residential uses	Based on requirements of use—and preservation of residential character of neighborhood				Zone Standards
Min. Net Density for Subdivision <sup>31</sup>	3/acre	4/acre	2/acre	6/acre	12/acre
Max. Net Density for Land Division	Calculated based on “Net Density” definition				

*Purpose:* Add Duplex to Single Family lot size as required by HB 2001. Keeping original duplex dimensional standards for hazard areas only, such as within the floodplain.

Change name of “Duplex lot” to “Townhome lot” to prevent confusion with actual duplexes.

Change “Townhome lot” to “Townhome subdivision”. This was originally meant to set a minimum size for townhome lots in a subdivision, but it doesn’t work for interior lots. Townhome lots sizes and design should be approved by the Planning Commission as part of a cluster development.

Minimum lot area (no public water or sewer available) <sup>24</sup>		
Single family dwelling	On existing lots or parcels only with approved water supply and sewage disposal system.	N/A
Accessory Dwelling Unit (ADU)	In conjunction with Single Family Dwelling with approved water supply and sewage disposal system.	

~~<sup>1</sup>Must have public water and sewer in R 1, R 2, R 4 and R 5 zones but may be community system(s) in R-3 zone.~~

~~<sup>2</sup>Unless classified as a multi-family dwelling complex, minimum lot area shall be calculated as the cumulative total square footage required for each type of building on the site.~~

<sup>31</sup> The City may grant an exception to the minimum density standards based on site specific issues that make such density infeasible such as: steep slopes, floodplain, and wetlands.

<sup>42</sup> Water supplies are reviewed and sewage disposal systems are approved through the Crook County Community Development Department

*Purpose: Remove footnote that allows community water and sewer systems in the R3 zone. This would be determined by the City standards and specifications not land use.*

*Remove footnote referring to minimum lot area required for each building type. This was used as a way to encourage multifamily as it would take less property to build a duplex than two single family homes and so on. With the combining of single family and duplex lot sizes and allowing an option to separate site-built multifamily units, this footnote is no longer logical or needed.*

	R1	R2	R3	R4	R5
<b>Minimum Setbacks for structures (ft.):</b>	<i>See 153.117 for exceptions to setbacks.</i>				
Front yard (local street)	10	10	10	10	0
Front yard (Collector or Arterial) <sup>35</sup>	10	10	10	10	0
Carport/Garage entrance to Public street/Alley	20	20	20	20	20
Carport/Garage entrance to Public sidewalk	25	25	25	25	25
Side yard	5	5	5	5	0/ 5
Side yard corner lot (street side)	10	10	10	10	0
Side & Rear yard multi-story <del>attached homes</del> multi-family or 3 or more consecutive townhomes	10	10	10	10	0/ 5
Rear yard	10	10	10	5	0/ 20 <sup>57</sup>
Rear yard corner lot	5	5	5	5	0 / 20 <sup>57</sup>
Rear yard adjacent to alley	10	5	5	5	0
Accessory (no building permit)	3	3	3	3	3
Projections into setback <sup>46</sup>	2	2	2	2	2

<sup>35</sup> Plus that which is necessary to meet street and sidewalk right-of-way standards.

<sup>46</sup> May project 2 feet into a setback provided the projection is not closer than 3 feet to a property line.

<sup>75</sup> If the rear property line is adjacent to a residential zone, the setback is 20 feet.

Purpose: Add “structure” to the heading as that is what we define and change all the footnote numbers.

Change side and rear setback to only apply to multi-story, multifamily and 3 or more consecutive townhomes homes. This was really meant to avoid large structures from being too close to single family homes. As written it has been applied to duplexes and two unit townhomes. Two unit townhomes essentially function as duplexes and duplexes cannot be treated differently than single family per HB 2001.

<b>Minimum Street Frontage (ft.):</b>		<i>See 153.191(C) for exceptions.</i>			
Standard Street	50	50	100	40	Zone Standards
Cul-de-sac	35	35	50	35	Zone Standards
<del>Duplex</del> <u>Townhome</u> Lot (2 lots) <a href="#">153.084 (C)</a>	<del>25</del> N/A	25	N/A	25	Zone Standards
Flag Lot	N/A	20	N/A	20	20
<del>Townhome</del> <u>use Lots Subdivision</u> <u>3 or more lots (153.094)</u>	N/A	As Approved	N/A	As Approved	Zone Standards

Purpose: Change name of “Duplex lot” to “Townhome Lot” and remove frontage from R1 zone. This is an error as townhome lots are not allowed in the R1 zone.

Add townhome subdivision for 3 or more townhomes, frontage is approved as part of a cluster development.

	<b>R1</b>	<b>R2</b>	<b>R3</b>	<b>R4</b>	<b>R5</b>
<b>Maximum Height (ft.):</b>	<i>Measured to the highest point from the natural grade, grade is averaged on sloped properties.</i>				
All Buildings/ <u>Structures</u>	30 ft.	35 ft.	35 ft.	35 ft.	Design approval above 35ft.
Multi-family/ <u>3 or more consecutive</u> Townhomes (side & rear setbacks)	N/A	Additional 1ft setback for every 1ft above 25ft	N/A	Additional 1ft setback for every 1ft above 25ft	Determined by adjacent use

Purpose: Add the word “structure” as that is what we define.

Modify height requirement to not apply to 2 unit townhomes that are essentially the same impact as a duplex.

**Section 153.080 shall be amended as follows:**

**153.080 ACCESSORY DWELLING UNITS & GUEST HOUSES**

(5) Parking. In addition to the requirements of the primary residence an accessory dwelling ~~shall~~ is recommended to provide at least 1 additional off street parking space to city standards.

Purpose: Comply with HB 2001 that prohibits additional parking for ADUs.

**Section 153.084 shall be amended as follows:**

**153.084 Attached Single Family Housing, Townhomes & ~~Duplex~~ Townhome lots**

(A) Attached Single Family Housing. Any 2 adjacent legal lots zoned for ~~single family homes~~ residential use may build ~~2~~ single family homes attached at the lot line (see *Dwelling townhome definition*) in accordance with the Building code. All owner signatures are required.

(B) ~~Townhomes (as part of a cluster development, or PUD or R-5 zone)~~. Other than townhomes developed under sections (A) and (C), 3 or more consecutive townhomes may be developed as part of a non-standard subdivision such as a cluster development or PUD. ~~Townhomes~~ Sshall comply with the standards in 1-4, below. The standards are intended to control development scale; avoid or minimize impacts associated with traffic, parking, and design compatibility; and ensure management and maintenance of common areas. Cluster Development standards can be found in section 153.094.

(C) ~~Duplex~~ Townhome lots. ~~Duplex~~ Townhome lots ~~essentially~~ allow for 2 unit townhomes outside of the cluster development standards (section 153.094). A ~~duplex~~ Townhome lot is intended to allow for the development that looks, feels and acts like a duplex but allows for separate unit ownership of not only the building but the land as well. The following criteria shall be met for the approval of a ~~duplex~~ Townhome lot.

(1) Minor Partition. The process for creating a ~~duplex~~ Townhome lot shall follow the process and platting procedures for a minor partition ~~located~~ in section 153.160.

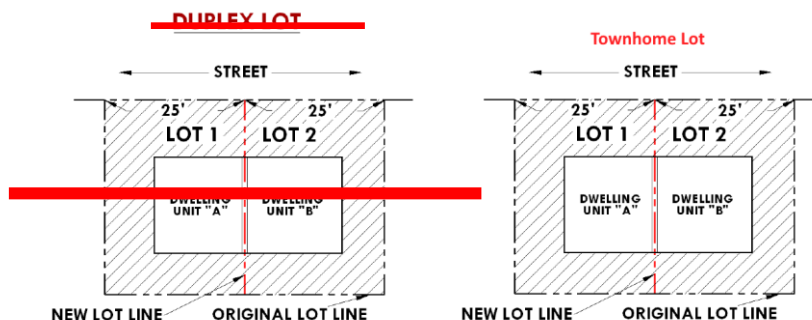
(2) Lots shall be restricted to site built attached homes attached by common wall only. A deed restriction may be required and shall be recorded with the partition plat.

(3) Access. Driveways shall be combined unless an existing structure makes it impractical or in the case of a corner lot where units may face different streets. ~~Original lot size. The original lot shall meet at least the current minimum lot size standard of the applicable zone and street frontage requirements including cul-de-sac standards.~~

(4) ~~Duplex~~ Townhome lot size. Each ~~duplex~~ lot shall be at least approximately half the size of the original lot and /or meet the minimum dimensional standards listed in 153.036 for lot size and street frontage. ~~at least half the size of the current required street frontage.~~

(5) Structure. The structure itself shall meet all the dimensional standards of the required zone including parking.

(6) Utilities. All utilities public and private shall be separate.



*Purpose:* With changes in duplex requirements in HB 2001, the language has been cleaned up and the term "Duplex Lot" has been changed to "Townhome Lot" to prevent confusion. Other Language has been cleaned up to reflect changes in duplex lot sizes.

**Section 153.085 shall be amended as follows:**

**153.085 OFF-STREET PARKING AND LOADING: PROVISIONS AND REQUIREMENTS.**

...

(E) Parking Table. Where the square feet of the structure or use are specified as the basis for the requirements, the area measured shall be the gross floor area primary to the functioning of the particular use of the structure and property. When the requirements are based on the number of employees and/or the number of occupants, customers or users, the number counted shall be the number of employees working on the premises during the largest shift at peak season, and the number of occupants, customers or users shall be counted as the maximum rated capacity. Fractional requirements shall be counted as a whole space. Off-street parking spaces meeting the minimum dimensional standards in 153.086(I), may include spaces in garages, carports, parking lots, and/or driveways if spaces are accessible and vehicles are not parked in a vehicle travel lane (including emergency or fire access lanes). ~~and p~~ Parking spaces in a public street, including an alley, shall not be eligible as fulfilling any part of the parking requirement.

<i>Use Description</i>	<i>Minimum Requirements</i>
<b>Residential</b>	
Single Family Dwelling <del>&amp; Duplex</del> (includes townhomes)	2 spaces <u>per dwelling</u> <del>per unit, including driveways and garage approaches.</del>
<u>Duplex</u>	<u>1 space per dwelling.</u>
Multi Family Dwelling (3 to 4 <u>dwellings attached units</u> ) <del>(includes townhomes)</del>	2 spaces per <u>dwelling unit, including driveways and garage approaches.</u>
Multi-family <u>Complex (5 or more dwellings)</u>	<u>2 spaces per dwelling for first 4 dwellings;</u> 1.5 spaces per <del>unit</del> <u>dwelling</u> from 5 to 8 <del>units</del> <u>dwellings</u> ; 1.25 spaces per <del>each unit</del> <u>dwelling</u> thereafter, plus 2 spaces for owner/manager.
Accessory dwelling	1 space <del>per dwelling unit.</del> <u>recommended, not required.</u>

...  
...  
...

*Purpose:* Our current code does not stated what constitutes a parking space other than dimensions. In practice the City has counted any off-street accessible space that is typical for a vehicle.

HB 2001 states that no more than 1 off-street parking space per unit can be required for duplexes. Due to that, staff suggested we combine all Multifamily into the 1.5 space category and delete the 3 to 4 dwelling category. This would have the effect of reducing a triplex from 6 spaces to 5 and a fourplex from 8 spaces to 6. In practice we will still likely see 2 spaces per dwelling as most people build at least single car garages with driveways.

At the Commission workshop it was decided to leave the parking requirements the same as they are today and only change the requirement for duplexes as required by HB 2001. The above changes clarify how spaces should be counted, but do not change the way parking is currently calculated.

HB 2001 states that no off-street parking space can be required for Accessory Dwellings.

**Section 153.094 shall be amended as follows:****153.094 CLUSTER DEVELOPMENT**

Cluster Development. In any zone, a cluster development may be permitted when authorized in accordance with the procedures for the type of development and in accordance with the applicable subdivision standards set forth in this chapter.

(A) A cluster development is a development technique wherein structures or lots are grouped together around access courts or cul-de-sacs, or where lot sizes surrounding structures are reduced while maintaining the density permitted by the applicable zoning designation. ~~Duplex lots are exempt from the cluster development criteria.~~

(1) A cluster development may be permitted to maintain open space, [preserve natural features](#), reduce street and utility construction and to increase the attractiveness of a development and the surrounding area.

(2) Clustering may be carried out within the context of a subdivision, partitioning, PUD, re-platting of existing lots or other reviews provided for by this ~~ordinance~~[Chapter](#).

(3) Attached Single Family dwellings [or Townhomes](#) may be permitted by the ~~Planning Commission~~[reviewing authority](#) (pursuant to section 153.084,) so long as the density of the applicable zone is not exceeded, provided that the overall design is considered to be in the best public interest and in the interest of the city.

(4) The ~~Planning Commission~~[reviewing authority](#) may permit reduction in the minimum lot size or dimensional standards, setbacks or other standards of the applicable zone so long as the density requirements of the zone are maintained, and provided the overall design is considered to be beneficial to the residents of the development and to the city as a whole. [An outline development plan \(ODP\) per section 153.157\(B\) may be required to regulate the initial development, including overall dwelling density and construction feasibility.](#)

(5) The establishment of a Home Owners Association (HOA) shall be required to maintain common openspace and amenities not otherwise maintained by the public.

(B) For example, for a development in an R-2 Zone, the reviewing authority may waive the minimum lot size standard of 5,000 square feet for single family dwellings [and duplexes, units](#) for an equivalent overall net density (see definition). [Net density only refers to the creation of the lots not the number of dwellings allowed per lot.](#)

(C) Factors to consider [and/or require](#) in the approval of a Cluster Development include, but are not limited to the following:-

~~(1)~~ [Submittal of an outline development plan per section 153.157\(B\).](#)

~~(2)~~ Excellence in design and site utilization.

~~(3)~~ Provision ~~for~~ a variety of housing or other use types.

~~(4)~~ Maximization of cost-benefit ratios for purchasers and providers of public services and facilities.

~~(5)~~ Preservation of significant natural, vegetative or other significant public benefitting features or resources.

~~(6)~~ Inclusion of publicly available recreation, social, educational or other publicly beneficial uses and developments.

~~(7)~~ Donation of land area for public purposes identified as a need in the area or in the community.

~~(8)~~ Other factors beneficial to the general public, residents of the proposed development and the city as a whole.



*Purpose: Replace “Planning Commission” with “reviewing authority” because the use tables should determine the review process not the body of the code.*

*Add an Outline Development Plan requirement. Cluster developments allow smaller than standard lots, which becomes a challenge to approve, when HB 2001 is requiring duplexes on any residential lot. An Outline Development Plan would help initially regulate what is approved and ultimately developed on each lot.*

**Section 153.116 shall be amended as follows:**

**153.116 EXCEPTIONS TO LOT SIZE REQUIREMENTS.**

(A) The following exceptions to minimum lot size requirements shall apply.

(1) If a lot or the aggregate of contiguous lots or parcels platted prior to the effective date of these standards has an area or dimension which does not meet the requirements of these standards, the lot or aggregate holdings may be put to use(s) permitted subject to the other requirements of the zone in which the property is located. A legal lot of record ~~Lots that are pre-existing in a residential zones that are is~~ below the minimum size listed for a single family dwelling; shall be limited to 1 single family dwelling with 1 ADU or a duplex outside of a designated hazard area and per lot meet all dimensional requirements. City Sewer and Water services shall be approved and provided.

...

*Purpose: There are many properties that may have been created legally that do not meet current dimensional standards. In this case the City currently allows at least a 1 single family dwelling. With additions to the code for ADUs and HB 2001 requirements, the maximum, per legal lot would now be 1 single family home with ADU or a duplex outside a hazard area.*

**Section 153.191 shall be amended as follows:**

**153.191 LOTS AND BLOCKS.**

...

(F) Flag Lots. The intent of the following criteria ~~a flag lot or lots~~ is to promote infill in residential areas but not disrupt the existing nature of the neighborhood. It is also to provide dedicated public street access for these infill lots while avoiding the need for joint access easements that lead to neighbor disputes. Flag lots may be created by a boundary line adjustment, partition or subdivision with the following limitations:

...

(4) Flag lots shall have a minimum street frontage of 20ft. for one non-accessory dwelling and 30ft. for two or more non-accessory dwellings. ~~for multifamily including duplexes shall require a 2-way access width of at least 30ft.~~

*Purpose: The first paragraph of section (F) is a statement of intent not regulatory code. It's not the intent of a “flag lot” to promote infill, it's the intent of the “criteria” to regulate flag lots.*

*(F)(4) regulates the width of street frontage for a flag lot. Under HB 2001 we can't treat duplexes differently than single family; therefore, in order to keep the larger two-way traffic width for flag lots proposing multiple dwellings the terminology has to change. “Access” was changed to “street frontage”, which was the original intent; and specific building types were removed and replaced with the number of non-accessory dwellings.*

## Other Minor Updates

Section 153.004 shall be amended as follows:

**153.004 DEFINITIONS.**

**Vendor Site (Court):** A Property or portion thereof being so designated and/or developed with the intent of permanently placing and facilitating the operation of one or more vendors on a regular and continual basis.

*Purpose: Our transient Merchant licenses or vendor permits are being taken advantage of; particularly by food vendors, to create what amounts to a permanent commercial use. Adding a definition to the land use code will help to separate permanent use from truly transient or temporary uses.*

Section 153.035 shall be amended as follows:

**153.035 RESIDENTIAL USE TABLE**

**R1 R2 R3 R4 R5 Comments:**

**LAND DIVISION PROCESSES**

Land Partition Minor (no new roads)	0	0	0	0	0	153.160
Land partition Major (new road)	T1	T1	T1	T1	T1	153.160
<u>Lot consolidation</u>	<u>Q</u>	<u>Q</u>	<u>Q</u>	<u>Q</u>	<u>Q</u>	<u>153.161</u>
<u>Non-Standard Subdivision</u>	<u>T2</u>	<u>T2</u>	<u>T2</u>	<u>T2</u>	<u>T2</u>	<u>153.159</u>
<u>Standard Subdivisions (4 or more lots)</u>	T2	T2	T2	T2	T2	153.157
<del>Duplex</del> <u>Townhome</u> Lots ( <u>2-unit</u> attached <u>dwellings</u> )		0	Ø	0	0	153.084(C)
<del>Townhouse</del> Lots ( <del>attached</del> ), <del>3-4</del> attached units		<del>T1</del>		Ø	Ø	<del>153.084</del>
<del>Townhouse</del> Lots ( <del>attached</del> ), <del>5-10</del> attached units		<del>T2</del>		<del>T2</del>	Ø	<del>153.084</del>
<del>Townhouse</del> Lots ( <del>attached</del> ), <del>more than 10</del> attached units		<del>T2</del>		<del>T2</del>	Ø	<del>153.084</del>

*Purpose: Include lot consolidations, non-standard and standard subdivisions in the use table. No real change just a reference to those types of land division processes.*

*Change name of duplex lots to townhome lots.*

*Remove Townhome lot division from R3 zone, this is an error as there is no dimensional standard listed for that zone in 153.036.*

*Eliminate townhouse lot subdivisions from the use table. Subdividing for 3 or more townhomes is essentially a cluster development typically reviewed by the Planning Commission. The original idea of separating out townhome subdivisions was to review them similar to multifamily, but they don't function the same with individual owners. There are lot density, openspace, maintenance and community issues to consider when creating these types of lots.*

**Section 153.037 shall be amended as follows:**

**153.037 COMMERCIAL & INDUSTRIAL USE TABLE**

<u>Eating &amp; Drinking</u>	C1	C2	C3	C4	C5	M1	M2	IP	Comments:
<a href="#">Bakery (retail / sit-down)</a>	0	0		0	0				Limited wholesale allowed in conjunction with retail use.
Bar, Lounge, Tavern, Nightclub, <del>Brew Pub / with Restaurant</del>	<del>T1</del> 2	<del>T1</del> 2			<del>T1</del> 2				<a href="#">Primarily serving alcohol</a>
<del>Bar, Lounge, Tavern, Nightclub,</del> Brew Pub, <a href="#">Tap House (with Restaurant)</a>	<del>T2</del> 0	<del>T2</del> 0		<a href="#">T1</a>	<a href="#">0</a>				<a href="#">May include Food Vendors</a>
...									
<a href="#">Food Vendor Site (Court) (Truck\Trailer)</a>	<a href="#">0</a>	<a href="#">0</a>		<a href="#">T1</a>	<a href="#">0</a>				<a href="#">Reviewed similar to a restaurant, may include beer or wine vendors.</a>
...									

*Purpose: Correct a typo. Reduce the process type for establishments serving alcohol. Establishments primarily serving alcohol would still be a conditional use, but not require a Planning Commission hearing unless there is an issue. The more common Brew Pub or Tap house would be reviewed administratively by staff. It should be noted that any application can be sent to the Planning Commission if there is an issue.*

*Food vending sites have also been added as a specific use due to increased activity. These would be reviewed similar to restaurants.*





**Land Division Processes**

Land Partition Minor (no new roads)	0	0	0	0	0	0	0	0	153.160
Land partition Major (new road)	T1	T1	T1	T1	T1	T1	T1	T1	153.160
<a href="#">Lot consolidation</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">153.161</a>
<a href="#">Non-standard subdivision</a>	<a href="#">T2</a>	<a href="#">T2</a>	<a href="#">T2</a>	<a href="#">T2</a>	<a href="#">T2</a>	<a href="#">T2</a>	<a href="#">T2</a>	<a href="#">T2</a>	<a href="#">153.159</a>
<a href="#">Standard Subdivisions (4 or more lots)</a>	T2	T2	T2	T2	T2	T2	T2	T2	153.157

*Purpose: Include lot consolidations, non-standard and standard subdivisions in the use table. No real change just a reference to those types of land division processes.*

**Section 153.086(I) shall be amended as follows:**

(I) Except as may be approved or required otherwise [by the reviewing authority](#) the standards set forth in the [following table that follows](#) shall be the minimum [size to count as an off street parking space or drive aisle](#) for parking lots, [driveways, garages or carports](#) approved under this section and this chapter (all figures are in feet ~~except as noted~~).

<i>Parking Angle ft.</i>	<i>Stall Width ft.</i>	<i>Stall depth ft.</i>	<i>Curb Length ft.</i>	<i>Drive Aisle 1-way ft.</i>	<i>Drive Aisle 2-way ft.</i>
					
0° ( <a href="#">parallel</a> )	<a href="#">8.58</a>	<a href="#">8.58</a>	<a href="#">23.023</a>	12.0	<a href="#">24</a>
20°	<a href="#">8.5</a>	<a href="#">14.5</a>	<a href="#">24.9</a>	<a href="#">11.0</a>	
30°	<a href="#">8.59</a>	<a href="#">16.917</a>	<a href="#">17.018</a>	<a href="#">11.012</a>	<a href="#">24</a>
40°	<a href="#">8.5</a>	<a href="#">18.7</a>	<a href="#">13.2</a>	<a href="#">12.0</a>	
45°	<a href="#">8.59</a>	<a href="#">19.419</a>	<a href="#">12.012.5</a>	<a href="#">13.513</a>	<a href="#">24</a>
50°	<a href="#">8.5</a>	<a href="#">20.0</a>	<a href="#">11.1</a>	<a href="#">12.5</a>	
60°	<a href="#">8.59</a>	<a href="#">20.720</a>	<a href="#">9.810.5</a>	<a href="#">18.518</a>	<a href="#">24</a>
70°	<a href="#">8.5</a>	<a href="#">20.8</a>	<a href="#">9.0</a>	<a href="#">19.5</a>	
80°	<a href="#">8.5</a>	<a href="#">20.2</a>	<a href="#">8.6</a>	<a href="#">24.0*</a>	
90°	<a href="#">8.59</a>	<a href="#">19.020</a>	<a href="#">8.59</a>	<a href="#">25.0*24</a>	<a href="#">24</a>
<a href="#">Driveway</a>	<a href="#">10</a>	<a href="#">20</a>	<a href="#">10</a>	<a href="#">12</a>	<a href="#">24</a>
<a href="#">Garage or Carport</a>	<a href="#">10 (interior)</a>	<a href="#">20 (interior)</a>			

*Purpose: The current table does not coincide with what we do on our public streets. Dimensions for driveways and garages were added because it is not clearly stated in the current code. Generally the 90 degree standard was used, however a functional driveway or interior space is generally 10x20.*

**Section 153.095 shall be amended as follows:**

**153.095 MANUFACTURED HOMES; MOBILE HOMES; RV'S.**

...  
 (B) Manufactured home placement requirements.  
 ...

(6) Have exterior siding, trim and roofing materials that are similar in appearance and complementary to other homes in the same general area including the type, color and horizontal or vertical placement of materials [as determined by the reviewing authority](#).

(7) Have a garage or carport constructed of like materials and color to the dwelling unit. [An attached or detached garage may be required if consistent with the predominant construction of the immediate surrounding dwellings.](#)

(8) Foundations/skirting

(a) All manufactured homes outside of a manufactured home park shall be placed on an [excavated and back-filled](#) foundation [and enclosed at the perimeter](#) in accordance with building code. [Foundations shall be concrete, or block unless approved otherwise by the reviewing authority.](#)

...

*Purpose: Clarifying requirements allowed by ORS. There have been recent issues with foundation requirements and neighborhood compatibility.*

*The City currently requires a garage or carport with new manufactured home placement, however the ORS allows a City to require an attached or detached garage if it is predominant in the surrounding area.*

**Section 153.157 shall be amended as follows:**

**153.157 SUBDIVISIONS-APPLICATIONS.**

(B) Outline development plan (ODP). The submittal of an outline development plan in the subdivision application process is at the option of the applicant and/or developer unless required as part of a non-standard subdivision such as a planned unit development (PUD) or cluster development. If an outline development plan is prepared and submitted with the application for a subdivision, it shall include both maps and written statements as set forth in this division (B).

(3) ~~Commission~~ Approval of an outline development plan for a subdivision shall constitute only a conceptual approval of the proposed development for general compliance with the city's Urban Area Comprehensive Plan, applicable zoning and this chapter.

(4) ~~Commission~~ Review and action on an outline development plan shall follow the requirements for review of land use action procedures, hearings and decisions in sections 153.254, 153.255 and 153.256.

(I) Requirements for approval. The ~~Commission~~ reviewing authority shall not approve an outline development plan (ODP) or a tentative plan for a subdivision unless the ~~Commission~~ reviewing authority finds, in addition to other requirements and standards set forth by this chapter and other applicable city ordinances, standards and regulation, the following:

*Purpose: Make it clear that ODPs can be required for non-standard subdivisions. Replace "Commission" with "reviewing authority" because the use tables should determine the review process not the body of the code.*

**Section 153.159 shall be amended as follows:**

**153.159 ~~SUBDIVISION AND PUD REVIEW~~ NON-STANDARD SUBDIVISIONS.**

Non-standard Subdivisions are subdivisions or development plans for subdivisions that do not conform to clear and objective standards. These include but are not limited to: Cluster Developments in section 153.094, Outline Development Plans (ODPs) in section 153.157(B) and Planned Unit Developments (PUDs) in section 153.158. Review of Non-standard subdivisions shall follow the process listed in the zoning use tables of this Chapter and follow the procedures and policies for land use action applications, hearings and decisions set forth in sections 153.254 through 153.256.

~~Review of a subdivision or planned unit development shall follow the procedures and policies for land use applications, hearings and decisions set forth in sections 153.254 through 153.256 et seq.~~

~~(A) Public hearing and notice required. Neither an outline development plan nor a tentative plan for a proposed subdivision or PUD may be approved unless the Planning Commission first advertises and holds a public hearing thereon. Notice of the hearing shall, at a minimum, be provided as required by this chapter for a conditional use type II.~~

*Purpose: This section is really unnecessary as the review process is already established for in our procedures ordinance. This section could be deleted but it is a good place to list the type of subdivisions that are considered non-standard and create a place holder if we ever wanted to expand on the criteria.*

**Section 153.160(B)(C) shall be amended as follows:**

**153.160 LAND PARTITIONING.**

... (B) Definitions. For the purposes of this section and this chapter, the words and phrases shall have the meaning set forth herein.

**PARTITIONING.** To divide a lot, parcel or tract of land into 2 or 3 lots or parcels but does not include the following.

(a) A division of land resulting from a lien foreclosure, foreclosure of a recorded contract for the sale of real property, or the creation of a cemetery lot.

(b) An adjustment of a property line by the relocation of a common boundary or lot consolidation where an additional unit of land is not created, and where the existing unit of land reduced in size by the adjustment complies with the applicable zoning.

... (C) Flag Lots and ~~Duplex Townhome~~ lots. The creation of a flag lot or ~~duplex townhome~~ lot not part of a subdivision shall be considered a minor partition. For criteria regarding flag lots refer to section 153.191 (F). For criteria regarding townhome lots refer to section 153.084 (~~C~~B).

*Purpose: Minor clarification that lot consolidations are excluded from the partition process as stated in the lot consolidation criteria.*

*Replace the term duplex with townhome due to changes in other sections and update the code reference.*

**Section 153.161 shall be amended as follows:**

**153.161 LOT CONSOLIDATIONS**

The purpose of the section is to allow for the reconfiguration or elimination of lots without the requirements of a full subdivision or partition process. A lot consolidation is the actual removal or relocation of a lot line or lines. It is not the process of consolidating tax lots. All lot consolidations shall follow the same planning process as a boundary line adjustment and final plat map requirements of a partition, ~~or~~ subdivision or re-plat as applicable. The following criteria shall apply:

- \_\_\_\_\_ (A) Consolidations may only result in the same number or fewer lots.
- \_\_\_\_\_ (B) Consolidations shall only be performed on contiguous lots.
- \_\_\_\_\_ (C) All lots created shall meet the minimum dimensional standards of the zone to include public street frontage. Exceptions may be made for lots that are currently non-conforming based on the original partition or subdivision, however; the intent of this criteria is for greater conformance.
- \_\_\_\_\_ (D) Each non-contiguous consolidation shall be a separate application.
- \_\_\_\_\_ (E) Consolidations shall not be used to substantially alter a subdivision outside of the subdivision process as determined by the Planning Director. A subdivision plat should only be used as an efficient means to re-plat multiple consolidations within the same subdivision that could otherwise be done individually without significantly altering the subdivision.
- \_\_\_\_\_ (F) Consolidations shall not be used to avoid public improvements that would otherwise be required or have been required by a land partition or subdivision such as the re-platting of a subdivision that has not yet been constructed.

- ~~(A) Lot consolidations resulting in a single lot.~~
  - ~~\_\_\_\_\_ (1) May be performed on contiguous lots resulting in a single lot.~~
  - ~~\_\_\_\_\_ (2) A lot consolidation is the actual removal of a lot line or lines not just the consolidation of tax lots.~~
  - ~~\_\_\_\_\_ (3) Lot consolidations shall not be used to avoid public improvements that would otherwise be required or have been required by a land partition or subdivision such as the re-platting of a subdivision that has not yet been constructed.~~
  - ~~\_\_\_\_\_ (4) Each non-contiguous consolidation shall be a separate application.~~
- ~~(B) Lot consolidations resulting in the same or fewer lots.~~
  - ~~\_\_\_\_\_ (1) The purpose of the section is to allow for the reconfiguration of lots without having to go through a full subdivision or partition process. The applicant shall meet the following criteria:~~
    - ~~\_\_\_\_\_ (a) All lots shall meet the minimum dimensional standards of the zone, to include public street frontage.~~
    - ~~\_\_\_\_\_ (b) In the case of a commercial development an applicant may reconfigure lots to meet the development needs and division of ownership.~~

... *Purpose: Re-organized to clarify when and how lot consolidations should be used. The original code was separated into two types but the criteria should be the same for either.*



**Section 153.162 shall be amended as follows:****153.162 REPLATS**

(A) Per (ORS 92.010) A Re-plat is the act of platting the lots, parcels and easements in a recorded subdivision or partition plat to achieve a reconfiguration of the existing subdivision or partition plat or to increase or decrease the number of lots in the subdivision.

(B) In practice the City of Prineville will process a re-plat the same as a [lot consolidation](#), partition or subdivision depending on the amount of lots being created [or eliminated](#) or the type of plat being re-platted. The County surveyor shall make the final determination on whether a plat is titled as a re-plat, partition or subdivision.

(C) The re-plat of a portion of a recorded plat shall not act to vacate any recorded [easements](#), covenants or restrictions.

*Purpose: Align re-plat criteria with the lot consolidation language.*



October 14, 2020

City of Prineville Planning Commission  
387 NE Third Street Prineville,  
OR 97754

**RE: AM-2020-100**

Legislative Text Amendment to meet requirements of House Bill (HB) 2001 and other minor "House cleaning" updates to the land use code.

Dear Commissioners:

This letter is submitted jointly by Housing Land Advocates (HLA) and the Fair Housing Council of Oregon (FHCO). Both HLA and FHCO are non-profit organizations that advocate for land use policies and practices that ensure an adequate and appropriate supply of affordable housing for all Oregonians.

Both HLA and FHCO are supportive of AM-2020-100, the Legislative Text Amendment to meet requirements of House Bill (HB) 2001 and other minor "House cleaning" updates to the land use code. Furthermore, the Goal 10 findings are well written, and a good example of a conscientious planning staff. Good luck with the continuation of this project!

Thank you for your consideration of our comments.

Sincerely,

A handwritten signature in black ink that reads "Louise Dix".

Louise Dix  
AFFH Specialist  
Fair Housing Council of Oregon

Cc: Gordon Howard, DLCD

# Land Conservation and Development Department

## Chapter 660

### Division 46

#### Middle Housing in Medium and Large Cities

**Statutory/Other Authority:** ORS 197.040

**Statutes/Other Implemented:** ORS 197.758

**History:**

#### 660-046-0000

##### **Purpose**

The purpose of this division is to prescribe standards guiding the development of Middle Housing types as provided in Oregon Laws 2019, chapter 639. OAR 660-046-0010 to OAR 660-046-0130 establish standards related to the siting and design of Middle Housing types in urban growth boundaries.

#### 660-046-0010

##### **Applicability**

(1) A local government that is a Medium City must comply with this division.

(2) Notwithstanding section (1), a local government need not comply with this division for:

- (a) Lands that are not zoned for residential use, including but not limited to lands zoned primarily for commercial, industrial, agricultural, or public uses;
- (b) Residentially zoned lands that do not allow for the development of a detached single-family home; or
- (c) Lands that are not incorporated and that are zoned under an interim zoning designation that maintains the land's potential for planned urban development.

(3) Local governments may regulate Middle Housing to comply with protective measures (including plans, policies, and regulations) adopted and acknowledged pursuant to statewide land use planning goals. Where local governments have adopted, or shall adopt, regulations implementing the following statewide planning goals, the following provisions provide direction as to how those regulations shall be implemented in relation to Middle Housing, as required by OAR 660-046-0010.

(a) Goal 5: Natural Resources, Scenic, and Historic Areas - Pursuant to OAR 660-023, local governments must adopt land use regulations to protect identified resources under Goal 5, including regulations to comply with protective measures (including plans, policies, and regulations) applicable to Middle Housing.

(A) Goal 5 Riparian Areas, Wetlands, and Wildlife Habitat – Pursuant to OAR 660-023-0050 through 660-023-0115, local governments must adopt land use regulations to protect water quality, aquatic habitat, and the habitat of threatened, endangered and sensitive species. This includes regulations applicable to Middle Housing to comply with protective measures adopted pursuant to Goal 5. Local governments may apply regulations to Duplexes that apply to detached single-family dwellings in the same zone.

(B) Goal 5: Historic Resources – Pursuant to OAR 660-023-0200(7), local governments must adopt land use regulations to protect locally significant historic resources. This includes regulations of Middle Housing to comply with protective measures as it relates to the integrity of a historic resource or district. Protective measures shall be adopted and applied as provided in OAR 660-023-0200. Local governments may not apply the following types of regulations specific to Middle Housing:

- (i) Use, density, and occupancy restrictions that prohibit the development of Middle Housing on historic properties or districts that otherwise permit the development of detached single-family dwellings.
- (ii) Standards that prohibit the development of Middle Housing on historic properties or districts that otherwise permit the development of detached single-family dwellings.

(b) Goal 7: Areas Subject to Natural Hazards – Pursuant to OAR 660-015-0000(7), local governments must adopt comprehensive plans (inventories, policies and implementing measures) to reduce risk to people and property from natural hazards. Such protective measures adopted pursuant to Goal 7 apply to Middle Housing, including but not limited to restrictions on use, density, and occupancy in the following areas:

(A) Special Flood Hazard Areas as identified on the applicable FEMA Flood Insurance Rate Map (FIRM);  
or

(B) Other hazard areas identified in an adopted comprehensive plan or development code; provided the development of Middle Housing presents a greater risk to life or property than the development of detached single-family dwellings. Greater risk includes but is not limited to actions or effects such as:

- (i) Increasing the number of people exposed to a hazard;
- (ii) Increasing risk of damage to property, built, or natural infrastructure;
- (iii) Exacerbating the risk by altering natural landscape, hydraulics, or hydrology.

(c) Goal 15: Willamette Greenway – Pursuant to OAR 660-015-0005, cities and counties must review intensifications, changes of use or developments to insure their compatibility with the Willamette River Greenway. Local governments may regulate Middle Housing to comply with Goal 15 protective measures that apply to detached single-family dwellings in the same zone.

(d) Goal 16: Estuarine Resources – Pursuant to OAR 660-015-0010(1) and OAR 660-017, local governments must apply land use regulations that protect the estuarine ecosystem, including its natural biological productivity, habitat, diversity, unique features and water quality. Local governments may prohibit Middle Housing in areas regulated to protect estuarine resources under Goal 16.

(e) Goal 17: Coastal Shorelands – Pursuant to OAR 660-015-0010(2) and OAR 660-037-0080, local governments must apply land use regulations that protect shorelands for water-dependent recreational, commercial, and industrial uses. This includes regulations applicable to Middle Housing to comply with protective measures adopted pursuant to Goal 17. Local governments may apply regulations to Duplexes that apply to detached single-family dwellings in the same zone.

(f) Goal 18: Beaches and Dunes – Pursuant to OAR 660-015-0010(3), local governments must apply land use regulations to residential developments to mitigate hazards to life, public and private property, and the natural environment in areas identified as Beaches and Dunes. This includes regulations applicable to Middle Housing to comply with protective measures adopted pursuant to Goal 18 including but not limited to restrictions on use, density, and occupancy; provided the development of Middle Housing presents a greater risk to life or property than development of detached single-family dwellings. Greater risk includes but is not limited to actions or effects such as:

- (A) Increasing the number of people exposed to a hazard;
- (B) Increasing risk of damage to property, built or natural infrastructure; and
- (C) Exacerbating the risk by altering the natural landscape, hydraulics, or hydrology.

(4) This division does not prohibit local governments from allowing:

- (a) Single-family dwellings in areas zoned to allow for single-family dwellings; or
- (b) Middle Housing in areas not required under this division.

*This rule will be applicable to all residential zones in Prineville. The City's Natural Features Overlay District (NFOD) that regulates natural resources and hazards will not change. However, the rule would allow the City to maintain existing duplex minimum lot sizes in Goal 7 hazard areas such as the floodplain or steep slopes. This will help maintain existing densities in hazard areas.*

## **660-046-0020**

### **Definitions**

As used in this division, the definitions in ORS 197.015 and 197.758 et seq apply, unless the context requires otherwise. In addition:

- (1) "A local government that has not acted" means a local government that has not adopted acknowledged land use regulations that are in compliance with ORS 197.758 and this division.
- (2) "Department" means the Department of Land Conservation and Development.
- (3) "Detached single-family dwelling" means a detached structure on a Lot or Parcel that is comprised of a single dwelling unit, either site built or a manufactured dwelling.
- (4) "Duplex" means two attached dwelling units on one Lot or Parcel. A Medium City may define a Duplex to include two detached dwelling units on one Lot or Parcel.
- (5) "Lot or Parcel" means any legally created unit of land.
- (6) "Medium City" means each city with a certified Portland State University Population Research Center estimated population more than 10,000 and less than 25,000 and not within a metropolitan service district.
- (7) "Middle Housing" means a Duplex as defined in section (4).
- (8) "Model Code" means the model code developed by the Department contained OAR 660-046-0110(5).
- (9) "Zoned for residential use" means a zoning district in which residential dwellings are the primary use and which implements a residential comprehensive plan map designation.

*Staff is proposing updates to existing dwelling definitions, which would allow an option for duplexes, tri-plexes and four-plexes to detached units.*

## **660-046-0030**

### **Implementation of Middle Housing Ordinances**

- (1) Before a local government amends an acknowledged comprehensive plan or a land use regulation to allow Middle Housing, the local government must submit the proposed amendment to the Department for review and comment pursuant to OAR chapter 660, division 18.
- (2) In adopting or amending regulations or amending a comprehensive plan to allow Middle Housing, a local government must include findings demonstrating consideration, as part of the post-acknowledgement plan amendment process, of methods to increase the affordability of Middle Housing through ordinances or policies that include but are not limited to:
  - (a) Waiving or deferring system development charges;
  - (b) Adopting or amending criteria for property tax exemptions under ORS 307.515 to ORS 307.523, ORS 307.540 to ORS 307.548 or ORS 307.651 to ORS 307.687 or property tax freezes under ORS 308.450 to ORS 308.481; and
  - (c) Assessing a construction tax under ORS 320.192 and ORS 320.195.
- (3) When a local government amends its comprehensive plan or land use regulations to allow Middle Housing, the local government is not required to consider whether the amendments significantly affect an existing or planned transportation facility.

*This section is about process only and will not necessitate any code changes.*

## **660-046-0040**

### **Compliance**

- (1) A local government may adopt land use regulations or amend its comprehensive plan to comply with ORS 197.758 et seq and the provisions of this division.
- (2) A local government may request from the Department an extension of the time allowed to complete the action in section (1) pursuant to ORS 197.758.
- (3) A Medium City that has not acted by June 30, 2021 and has not received an extension under section (2), shall directly apply the applicable Model Code contained in OAR 660-046-0130(5) in its entirety to all proposed Middle Housing development applications until such time as the Medium City has adopted provisions under section (1).
- (4) If a Medium City has adopted land use regulations or amended its comprehensive plan by the date provided under section (3) and the city's land use regulations or comprehensive plan changes are subsequently remanded by the Land Use Board of Appeals or an appellate court solely on procedural grounds, the Medium City is deemed to have acted. Accordingly, the Medium City may continue to apply its own land use regulations and comprehensive plan as they existed prior to the adoption of land use regulations or comprehensive plan amendments that were the subject of procedural remand until the first of the two options:
  - (a) The Medium City has adopted land use regulations or amended its comprehensive plan in response to the remand; or
  - (b) 120 days after the date of the remand. If the Medium City has not adopted land use regulations or amended its comprehensive plan within 120 days of the date of the remand, the Medium City is deemed not to have acted under section (3).
- (5) If a Medium City has adopted land use regulations or amended its comprehensive plan by the date provided under section (3) and the Medium City's land use regulations or comprehensive plan changes are subsequently remanded by the Land Use Board of Appeals or an appellate court on any substantive grounds, the city is deemed to have not acted under section (3).
- (6) If a Medium City acknowledged to be in compliance with this division subsequently amends its land use regulations or comprehensive plan, and those amendments are remanded by the Land Use Board of Appeals or an appellate court, the city shall continue to apply its land use regulations and comprehensive plan as they existed prior to the amendments until the amendments are acknowledged.
- (7) In the event that a Medium City directly applies the Model Code in accordance with sections (3) and (5), the Model Code completely replaces and pre-empts any provisions of that Medium City's development code that conflict with the Model Code.

*This section requires a City to update their land use code or adopt the model code by June 30<sup>th</sup>, 2021. If no action is taken the model code will automatically apply where there is conflict with City code. Staff is proposing we update our land use regulations and not adopt the State's model code in whole.*

## **660-046-0050**

### **Eligible Local Governments**

If a local government was not previously a Medium City and a certified Portland State University Population Research Center population estimate qualifies a city as a Medium City, the city must comply with this division within one year of its qualification as a Medium City.

## **660-046-0100**

### **Purpose of Middle Housing in Medium Cities**

OAR 660-046-0105 through OAR 660-046-0130 are intended to measure compliance with ORS 197.758 et seq and Goal 10 Housing for Medium Cities.

## **660-046-0105**

### **Applicability of Middle Housing in Medium Cities**

- (1) A Medium City must allow for the development of a Duplex, including those Duplexes created through conversion of an existing detached single-family dwelling, on each Lot or Parcel zoned for residential use that allows for the development of detached single-family dwellings.
- (2) OAR 660-046-0105 through OAR 660-046-0130 do not require a Medium City to allow more than two dwellings units on a Lot or Parcel, including any accessory dwelling units.

*The previous three sections define what a medium City is and what is expected of them. We are defined as a medium City and will therefore update our code to comply with these rules.*

## **660-046-0110**

### **Provisions Applicable to Duplexes in Medium Cities**

- (1) Medium Cities may regulate Duplexes to comply with protective measures, including plans, policies and regulations, as provided in OAR 660-046-0010(3).
- (2) Medium Cities may regulate siting and design of Duplexes, provided that the regulations;
  - (a) Are clear and objective standards, conditions, or procedures; and
  - (b) Do not, individually or cumulatively, discourage the development of Duplexes through unreasonable costs or delay.
- (3) Siting and design standards that create unreasonable cost and delay include any standards applied to Duplex development that are more restrictive than those applicable to detached single-family dwellings in the same zone.
- (4) Siting and design standards that do not, individually or cumulatively, discourage the development of Duplexes through unreasonable cost and delay include only the following:
  - (a) Regulations to comply with protective measures adopted pursuant to statewide land use planning goals provided in OAR 660-046-0010(3);
  - (b) Permitted uses and approval process provided in OAR 660-046-0115;
  - (c) Siting standards provided in OAR 660-046-0120;
  - (d) Design standards in Medium Cities provided in OAR 660-046-0125;
  - (e) Duplex Conversions provided in OAR 660-046-0130; and
  - (f) Any siting and design standards contained in the Model Code referenced in section (5).
- (5) For the purposes of assisting Medium Cities in adopting reasonable siting and design standards for Duplexes, the Commission adopts the following model Middle Housing code for Medium Cities. The Model Code provided in Exhibit A of this section will be applied to Medium Cities who have not acted to comply with the provisions of ORS 197.758 and this division and completely replaces and pre-empts any provisions of that Medium City's development code that conflict with the Model Code.

*This section essentially says you can regulate siting and design standards of duplexes, however they have to apply to single family homes as well and can't be difficult or unreasonable. They then site the sections below that list things that are considered reasonable and site the model code that may be adopted to comply.*

## **660-046-0115**

### **Permitted Uses and Approval Process**

Medium Cities must apply the same approval process to Duplexes as detached single-family dwellings in the same zone. Pursuant to OAR 660-008-0015 and ORS 197.307, Medium Cities may adopt and apply only clear and objective standards, conditions, and procedures regulating the development of Duplexes. Nothing in this rule prohibits a Medium City from adopting an alternative approval process for applications and permits for Middle Housing based on approval criteria that are not clear and objective as provided in OAR 660-008-0015(2) and ORS 197.307(6).

*This section allows a City to create procedures regulating Duplexes based on clear and objective standards, however these standards would also apply to Single family homes. Staff is not proposing design standards for duplexes or single family homes. Duplexes and single family would continue to be processed and approved as they do today.*



## **660-046-0120**

### **Duplex Siting Standards in Medium Cities**

The following standards apply to all Duplexes:

(1) Minimum Lot or Parcel Size: A Medium City may not require a minimum Lot or Parcel size that is greater than the minimum Lot or Parcel size required for a detached single-family dwelling in the same zone. Additionally, Medium Cities shall allow the development of a Duplex on any property zoned to allow detached single-family dwellings, which was legally created prior to the Medium City's current lot size minimum for detached single-family dwellings in the same zone.

*This section is the most significant. It requires duplexes to be built on the same minimum lot size as a single family home in the same zone. However the impact may not be as significant as some think. Due to cost, most duplexes will still likely be built on lots at or near the current minimum requirement.*

(2) Density: If a Medium City applies density maximums in a zone, it may not apply those maximums to the development of Duplexes.

*The City does have density maximums but they are based on lot size or the number of lots in a subdivision not the number of dwellings. Dwelling density is controlled by lot size requirements, so adding duplexes could lead to an increase in density per lot, which is the point of this rule. However, as stated before it is likely that most duplexes will be built on lots at or near the current minimum lot size.*

(3) Setbacks: A Medium City may not require setbacks to be greater than those applicable to detached single-family dwellings in the same zone.

(4) Height: A Medium City may not apply lower maximum height standards than those applicable to detached single-family dwellings in the same zone.

*Setbacks and height have always been the same except for 2-story duplexes which currently have a greater side setback. Staff is proposing to change this setback to affect only multi-story multifamily dwellings (3 or more) and 3 or more townhomes.*

(5) Parking:

(a) A Medium City may not require more than a total of two off-street parking spaces for a Duplex.

(b) Nothing in this section precludes a Medium City from allowing on-street parking credits to satisfy off-street parking requirements.

*This section prevents a City from requiring more than 1 parking space per dwelling for a duplex. Currently the City requires 2 off-street spaces per dwelling but allows the garage or carport to count. Therefore, most duplexes will still be built as they are now, with a minimum of a single driveway and 1 car garage. No other changes to the parking standards are proposed.*

(6) Lot Coverage and Floor Area Ratio: Medium Cities are not required to apply lot coverage or floor area ratio standards to new Duplexes. However, if the Medium City chooses to apply lot coverage or floor area ratio standards, it may not establish a cumulative lot coverage or floor area ratio for a Duplex that is less than established for detached single-family dwelling in the same zone.

(7) A Medium City or other utility service provider that grants clear and objective exceptions to public works standards to detached single-family dwelling development must allow the same exceptions to Duplexes.

*The City's lot coverage and public works standards are currently the same for single family and duplexes*

## **660-046-0125**

### **Duplex Design Standards in Medium Cities**

(1) Medium Cities are not required to apply design standards to new Duplexes. However, if the Medium City chooses to apply design standards to new Duplexes, it may only apply the same clear and objective design standards that the Medium City applies to detached single-family structures in the same zone.

(2) A Medium City may not apply design standards to Duplexes created as provided in OAR 660-046-0130.

## **660-046-0130**

### **Duplex Conversions**

Conversion of an existing detached single-family dwelling to a Duplex is allowed, pursuant to OAR 660-046-0105(2), provided that the conversion does not increase nonconformance with applicable clear and objective standards in the Medium City's development code, unless increasing nonconformance is otherwise allowed by the Medium City.

*The City code currently allows duplex conversions within dimensional standards. No design standards are proposed.*



**ORDINANCE NO. 1263**

**AN ORDINANCE ADOPTING CHANGES TO PRINEVILLE CODE SECTION 150.01**

**Whereas**, the City of Prineville (“City”) adopted Section 150.01 of the Prineville City Code (“Code”) through Ordinance No. 726 passed June 25, 1974; and

**Whereas**, certain changes to Section 150.01 are required to update the Code to make it consistent with the State of Oregon and Crook County building regulations.

**NOW, THEREFORE, THE PEOPLE OF THE CITY OF PRINEVILLE DO ORDAIN AS FOLLOWS:**

1. Section 150.01 is hereby revoked in its entirety and replaced with the following:

**150.01 ADOPTION OF STATE AND COUNTY SPECIALTY CODES**

The most recently adopted versions of the following codes, which have been obtained by City of Prineville, as each are from time to time amended and revised, shall be the applicable codes for the City of Prineville, and shall be the codes on file: the State of Oregon Structural Specialty Code, the Oregon Mechanical Specialty Code, the Oregon Plumbing Code, the Oregon Electrical Specialty Code, the Oregon Solar Installation Specialty Code, the Oregon Energy Efficiency Specialty Code, the Oregon Fire Code, the Oregon Residential Specialty Code, the Oregon Manufactured Dwelling Installation Specialty Code, and Chapter 15 of the Crook County Code.

Presented for the first time at a regular meeting of the City Council held on December 8, 2020, and the City Council finally enacted foregoing ordinance this \_\_\_\_ day of January, 2021.

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Jason Beebe, Mayor

ATTEST:

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Lisa Morgan, City Recorder

**RESOLUTION NO. 1464  
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION AMENDING AN AGREEMENT WITH CROOK COUNTY PARKS &  
RECREATION DISTRICT AND CROOK COUNTY**

**Whereas**, the City of Prineville (“City”), Crook County Parks & Recreation District (“District”), and Crook County (“County”) entered into an Agreement (“Agreement”) effective September 6, 2017.

**Whereas**, the original term of the Agreement expired on September 6, 2020.

**Whereas**, The City had not completed the drilling and testing operations on the test wells and did not give notice to County and District prior to September 6, 2020 of the test wells that City intended to use as permanent municipal wells.

**Whereas**, an Amendment to the Agreement has been prepared to memorialize the agreement between the City, District, and County, and a copy of that document is attached to this Resolution; and

**Whereas**, City staff recommends that the attached Amendment to the Agreement be approved by City Council.

**Now, Therefore**, the City of Prineville resolves as follows:

1. The attached First Amendment to Agreement is approved.
2. The Mayor and City Manager are authorized and instructed to execute on behalf of the City the First Amendment to Agreement

Approved by the City Council this \_\_\_\_ day of December, 2020.

\_\_\_\_\_  
Stephen P. Uffelman, Mayor

ATTEST:

\_\_\_\_\_  
Lisa Morgan, City Recorder

## FIRST AMENDMENT TO AGREEMENT

THIS FIRST AMENDMENT TO AGREEMENT (“Amendment”) is made as the date last written below, by and between **Crook County Parks and Recreation District**, an Oregon public recreational district, located at 296 South Main Street, Prineville, Oregon (“District”), **Crook County**, a political subdivision of the State of Oregon, located at 203 NE Court Street, Prineville, Oregon 97754, (“County”), and **City of Prineville**, an Oregon municipal corporation, located at 387 NE Third Street, Prineville, Oregon 97754 (“City”). The City, County, and District shall collectively be referred to as the “Parties” and individually as a “Party.”

### RECITALS

- A. The Parties entered into an Agreement on or about September 6, 2017 (“Agreement”), a copy of which is attached as Exhibit A and incorporated herein.
- B. The original term of the contract expired on September 6, 2020.
- C. The City had not completed the drilling and testing operations on the test wells and did not give notice to County and District prior to September 6, 2020 of the test wells that City intended to use as permanent municipal wells.
- D. The City is still drilling and testing operations on test wells and requires an extension of the Agreements, *nunc pro tunc*.
- E. District owns Property described as Tax Lot 201 of Tax Map 15-16-08. Per the mutual consent of District and City, City drilled test wells on Tax Lot 201 to determine if the test wells had the potential to serve as municipal wells. Both City and District consented that Tax Lot 201 was part of the Agreement.
- F. The City has drilled and tested certain Wells that it wishes to be considered permanent municipal wells. A diagram of all the wells is attached as Exhibit B and incorporated herein.

### AGREEMENT

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, the Parties agree as follows:

1. **Original Agreement.** Except as otherwise amended herein, the terms of the original Agreement shall remain in full force and effect.
2. City shall have until December 31, 2021, to complete the drilling and testing operations on the test wells and to determine if City will develop the test wells on any of them into permanent municipal wells.

3. City shall give notice to County and District on or before December 31, 2021, which test wells, if any, the City intends to use as permanent municipal wells.

4. The Parties agreed that the District-owned parcel designated as Lot 201 of Map 15-16-08 is included within the Property as that term is defined in the Agreement, except that County will have no rights or obligations thereunto, and City and District release, hold harmless, and indemnify County from any and all claims demands, debts, contracts, expenses, causes of action, lawsuits, damages and liabilities, of every kind and nature, whether known or unknown, in law or equity, that may arise related thereby.

5. **Execution in 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 instrument.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties being fully apprised agree to be bound by the terms of this Amendment.

\_\_\_\_\_  
City of Prineville  
By: Steve Forrester, City Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
City of Prineville  
By: Stephen P. Uffelman, Mayor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Crook County Court  
By: Seth Crawford, County Judge

\_\_\_\_\_  
Date

\_\_\_\_\_  
Crook County Court  
By: Jerry Brummer, County Commissioner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Crook County Court  
By: Brian Barney, County Commissioner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Crook County Parks and Recreation District  
By: Jeremy Logan, Board Chair

\_\_\_\_\_  
Date

\_\_\_\_\_  
Crook County Parks and Recreation District  
By: Darlene Henderson, Vice Chair

\_\_\_\_\_  
Date

\_\_\_\_\_  
Crook County Parks and Recreation District  
By: Carol Benkosky, Board Secretary

\_\_\_\_\_  
Date

## AGREEMENT

THIS AGREEMENT ("Agreement") is made this 6<sup>th</sup> day of <sup>September</sup> ~~August~~, 2017, by and between **Crook County Parks & Recreation District**, of 296 South Main Street, Prineville, Oregon (hereafter "District"), Crook County, a political subdivision of the State of Oregon (hereinafter "County"), and the **City of Prineville**, an Oregon municipal corporation, of 387 NE Third Street, Prineville, Oregon (hereafter "City"). The City, County, and District shall collectively be referred to as the "Parties" and individually as a "Party."

### RECITALS:

- A. County owns real property in Crook County, Oregon, described as Tax Lot 203 of Tax Map 1516-08 (the "Property").
- B. On September 4, 2013, County and District entered into a Lease Agreement whereby District leased the Property from County for a term of forty (40) years (until August 31, 2053) for the purpose of constructing and maintaining recreational facilities, including but not limited to a baseball and/or soccer field, and other associated facilities, upon the Property.
- C. City desires to drill one or more test wells on portions of the Property to determine if the test wells have the potential to serve as municipal wells and wishes to gain access to the Property in order to facilitate the same.
- D. County and District are willing to allow access to City to drill test wells on the Property and, if the City desires, to grant the City a permanent easement so the City can develop municipal wells.
- E. The Parties desire to memorialize their agreement.

IN CONSIDERATION of the following covenants and other good and valuable consideration receipt of which is hereby acknowledged, the Parties agree as follows:

- 1. The above recitals are hereby incorporated by reference.
- 2. County and District grant to City, including its employees, agents, invitees, and contractors, access to the Property for the purpose of drilling test wells, pump testing the wells for water quantity, and testing the water produced from the wells for quality. District shall approve all proposed well locations prior to drilling.



3. City shall have three (3) years after the date of this Agreement to complete the drilling and testing operations on the test wells and to determine if City will develop the test wells or any of them into permanent municipal wells.

4. Any test well that City determines will not be used as a municipal well, at District's option will be transferred to the County and District or will be abandoned in accordance with Oregon state rules and regulations and disturbances to the Property caused by the City and/or its employees, agents, invitees, and contractors shall be returned to essentially its original condition at City's expense.

5. If City desires to use the test wells or any of them as permanent municipal wells, the following shall apply:

a. City shall give notice to County and District within three (3) years after the date of this Agreement which test wells if any, the City intends to use as permanent municipal wells.

b. The City shall have a survey prepared for the site of each test well the City intends to use as a permanent municipal well, the location of water lines transporting water from the wells to City's water system, electric lines used to operate the well pumps, and pump houses. Pump houses shall be in areas reasonably acceptable to District.

c. County and District shall execute an easement prepared by City at City's expense granting the City a permanent easement for well or wells, water lines, pump house, electric lines and other accessories.

d. As partial consideration for the access and use of the Property, the City shall indemnify, hold harmless and forever discharge County and District, their elected officials, officers, board of directors, employees, agents, successors, and assigns of and from any and all claims, demands, debts, contracts, expenses, causes of action, lawsuits, damages and liabilities, of every kind and nature, whether known or unknown, in law or equity the County and District ever had or may have, arising from or in any way related to the City, its employees, agents, invitees, and contractors activity of drilling test wells, accessing and/or entering upon the Property for the purpose of drilling and/or operating the test wells.

e. As partial consideration for the access to, use of, and potential easement on the Property, City agrees to extend to the Property the City sewer line within five years (5) from the date of this Agreement. City will be responsible for the placement of such City sewer line to the Property and City will waive sewer SDC and sewer connections fees for the Property. District shall be responsible for the costs of on-site sewer collection lines on the



Property up to the connection to City's sewer line. City will be responsible for installation of the sewer lines on the Property.

f. City is responsible for any damage to County's or District's infrastructure caused by City, or City's employees, invitees and contractors related to the activities of City pursuant to this Agreement.

g. All areas of the Property excavated pursuant to the terms of this Agreement shall be returned to essentially their original condition at City's expense.

6. This Agreement constitutes the complete and final agreement between the Parties with respect to the matters covered by this Agreement, and replaces any prior oral or written agreements.

7. This Agreement shall be binding on and inure to the benefit of the parties and their respective heirs, personal representatives, successors, and assigns.

8. All notices and other communications under this Agreement must be in writing and shall be deemed to have been given if delivered personally, sent by facsimile (with confirmation), mailed by certified mail, or delivered by an overnight delivery service (with confirmation) to the parties at the addresses described in the first paragraph of this Agreement (or at such other address as a party may designate by like notice to the other party).

Any notice or other communication shall be deemed to be given (a) on the date of personal delivery, (b) at the expiration of the second day after the date of deposit in the United States mail, or (c) on the date of confirmed delivery by overnight delivery service.

9. Any provision or condition of this Agreement may be waived at any time, in writing, by the party entitled to the benefit of such provision or condition. Waiver of any breach of any provision shall not be a waiver of any succeeding breach of the provision or a waiver of the provision itself or any other provision.

10. If any provision of this Agreement shall be invalid or unenforceable in any respect for any reason, the validity and enforceability of any such provision in any other respect and of the remaining provisions of this Agreement shall not be in any way impaired.

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

**Crook County Parks & Recreation District City of Prineville**

By: Jeremy D. Logan  
Jeremy Logan, Board Chairperson  
Date: August 11, 2017

[Signature]  
Steve Forrester, City Manager  
Date: \_\_\_\_\_

Betty J. Roppe  
Betty J. Roppe, Mayor  
Date: 8-14-17

By: Darlene W Henderson  
Darlene Henderson, Board Vice-Chairperson  
Date: August 11, 2017 <sup>Member</sup>

**Crook County Court**  
Seth Crawford  
Seth Crawford, County Judge  
Date: 9-6-17

By: [Signature]  
Casey Kasier, Board Member  
Date: August 11, 2017

Jerry M. Brummer  
Jerry Brummer, County Commissioner  
Date: 9-6-17

Brian Barney  
Brian Barney, County Commissioner  
Date: 9-6-17

State Well Name	States Owner Name	Water Use		Start Card	Well Tag	Northing	Easting	Elevation	
		Report ID	Log ID						
1 S3		STW-3	67986 CROO 54591	1037844	127080	956,204.4902	4,830,851.1437	2,868.78	
2 S2		STW-2	67984 CROO 54589	1037841	127081	956,202.2247	4,830,721.1079	2,868.67	
3 D1		DTW-1	67980 CROO 54593	1037843	127082	956,134.8888	4,830,731.5865	2,869.94	
4 S1		STW-1	67981 CROO 54587	1037842	127083	956,094.6785	4,830,733.1382	2,867.94	
5 D4		DTW-4 OBS	CROO 54790	1042931	135219	956,051.5452	4,830,768.9000	2,868.99	
6 D4		DTW-4	67985 CROO 54785	1042929	133400	956,038.9844	4,830,760.9984	2,869.79	
7 D5		DTW-5	67987 CROO 54792	1044259	135224	955,983.5231	4,830,838.9705	2,869.33	
8 D2		DTW-2	67982 CROO 54592	1037840	129186	955973.6259	4831116.46	2871.8505	
9 D6		DTW-6	67989 CROO 54834	1044270	135398	955,913.3063	4,830,919.0434	2,869.81	
10 D7		DTW-7	67991 CROO 54832	1044268	135277	955,848.5100	4,830,990.7958	2,870.32	
11 D8		DTW-8	67993 CROO 54833	1044269	135282	955,745.8352	4,831,060.4315	2,871.09	
12 S8		STW-8	67996 CROO 54828	1045249	135281	955,690.9394	4831075.126	2,866.31	
13 D9		DTW-9	67995 CROO 54830	1045013	135278	955,648.7127	4,831,100.1203	2,869.98	
14 S9		STW-9	67998 CROO 54827	1045248	135280	955,605.9940	4,831,120.7963	2,866.58	
15 D10		DTW-10	67997 CROO 54831	1045010	135283	955,548.6314	4,831,117.6338	2,872.66	
16 D11		DTW-11	67999 CROO 54829	1045009	135284	955,434.9848	4,831,124.1137	2,871.93	
17 D12		DTW-12	68001 CROO 54810	1044260	135225	955,326.4825	4,831,139.3891	2,872.21	
18 D13		DTW-13	68003 CROO 54789	1041948	135218	955,244.3058	4,831,191.2476	2,870.39	
19 D14		DTW-14	CROO 54869	1044271	133398	955,146.7172	4,831,212.7843	2,871.09	
20 D14		DTW-14 Obs Well	CROO 54791	1042930	133397	955,148.6457	4,831,216.5029	2,869.52	
21 S14		STW-14	CROO 54734	1041945	133354	955,102.3138	4,831,236.8328	2,868.48	
22 S12		DT-15	68004 CROO 54750	1041947	133355	955,041.2263	4,831,260.9790	2,872.02	
23 Park Well South			CROO 51272	54995	38135	955,051.0315	4,831,281.1748	2,869.82	
24 D3		DTW-3	67986 CROO 54588	1037839	129187	956,066.9239	4,831,644.7346	2,870.92	
25 D17		DTW-17			136756	136756	956,086.6822	4,831,952.0965	2,871.92
26 D18		DTW-18			186472	82810	956,458.0920	4,831,412.0845	2,870.52
27 D16		DTW-16	Not Drilled Yet						

- Production Well
- Monitoring Well
- Future Well
- Parks Ownership

**RESOLUTION NO. 1465  
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION CONFIRMING THE CITY OF PRINEVILLE AS AN EQUAL  
OPPORTUNITY EMPLOYER**

**Whereas**, the City of Prineville (“City”) is an Equal Opportunity Employer that values diversity in its workplace; and

**Whereas**, City wishes to recommit itself as an Equal Opportunity Employer through this Resolution.

**Now, Therefore**, the City of Prineville resolves the following:

1. The City of Prineville is an Equal Opportunity Employer through the Laws of the United States.
  
2. City shall require contractors that it hires with funds provided through the Community Development Block Grant Program (CDBG) to comply with the Equal Employment Opportunity Laws of the United States.

Approved by the City Council this \_\_\_\_ day of December, 2020.

\_\_\_\_\_  
Stephen P. Uffelman, Mayor

ATTEST:

\_\_\_\_\_  
Lisa Morgan, City Recorder

**RESOLUTION NO. 1466  
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION PROVIDING THE CITY OF PRINEVILLE AUTHORIZATION TO  
EFFICIENTLY MINIMIZE OR MITIGATE THE EFFECTS OF THE COVID-19 PANDEMIC**

**Whereas**, COVID-19 was declared a pandemic by the World Health Organization on March 11, 2020; and

**Whereas**, COVID-19 are a group of viruses that can cause respiratory disease, with the potential to cause serious illness or loss of life for individuals with underlying health conditions; and

**Whereas**, COVID-19 requires a significant amount of resources at the local level to keep the public and community informed and as safe as possible; and

**Whereas**, on March 8, 2020, Oregon Governor Kate Brown declared a state of emergency due to the COVID-19 outbreak in Oregon (Executive Order 20-03), finding that COVID-19 has created a threat to public health and safety, and constitutes a statewide emergency under ORS 401.025(1); and

**Whereas**, on March 13, 2020, the President of the United States, Donald J. Trump, declared the COVID-19 outbreak a national emergency; and

**Whereas**, on March 13, 2020, the Crook County Court declared a state of emergency relating to COVID-19 in Crook County, Oregon; and

**Whereas**, on March 13, 2020, the City Council of Prineville declared a state of emergency as a result of the COVID-19 pandemic per Resolution 1429; and

**Whereas**, on April 7, 2020, the City Council of Prineville continued the State of Emergency as a result of the COVID-19 pandemic per Resolution 1433, which expired on April 30, 2020 at 11:59 p.m.;

**Whereas**, on April 28, 2020, the City Council of Prineville continued the State of Emergency as a result of the COVID-19 pandemic per Resolution 1434, which expired on May 31, 2020 at 11:59 p.m.; and

**Whereas**, on May 26, 2020, the City Council of Prineville continued the State of Emergency as a result of the COVID-19 pandemic per Resolution 1440, which expired on June 30, 2020 at 11:59 p.m.

**Whereas**, on June 23, 2020, the City Council of Prineville continued the State of Emergency as a result of the COVID-19 pandemic per Resolution 1449, which expired on July 31, 2020 at 11:59 p.m.

**Whereas**, on July 28, 2020, the City Council of Prineville continued the State of Emergency as a result of the COVID-19 pandemic per Resolution 1454, which expired on August 31, 2020 at 11:59 p.m.

**Whereas**, on August 25, 2020, the City Council of Prineville continued the State of Emergency as a result of the COVID-19 pandemic per Resolution 1455, which expires on September 30, 2020 at 11:59 p.m.

**Whereas**, On September 22, 2020, the City Council of Prineville continued the State of Emergency as a result of the COVID-19 pandemic per Resolution 1458, which expires on October 31, 2020 at 11:59 p.m.

**Whereas,** On October 27, 2020, the City Council of Prineville continued the State of Emergency as a result of the COVID-19 pandemic per Resolution 1462, which expires on November 30, 2020 at 11:59 p.m.

**Whereas,** On November 10, 2020, the City Council of Prineville continued the State of Emergency as a result of the COVID-19 pandemic per Resolution 1463, which expires on December 31, 2020 at 11:59 p.m.

**Whereas,** the unknown duration of the COVID-19 pandemic will have significant financial impact to the community; and

**Whereas,** pursuant to ORS 401.309(1), the governing body of a city may declare, by ordinance or resolution, that a state of emergency exists within the city; and

**Whereas,** pursuant to Prineville City Code 31.05, the City of Prineville City Council may declare a state of emergency and may redirect city funds for emergency use or order such other measures as are found to be immediately necessary for the protection of life and/or property.

**NOW, THEREFORE,** the City of Prineville resolves and declares the following:

1. A State of Emergency continues to exist in the City of Prineville (City) encompassing all of the areas within city limits.
2. That the City and its officials shall continue to be authorized to take such actions and issue such orders as are determined to be necessary to protect the public and property and to efficiently conduct activities that minimize or mitigate the effect of the emergency as described in Prineville City Code 31.05.
3. The City shall continue to take all necessary steps authorized by law to coordinate response and recovery from this emergency, including, but not limited to, requesting assistance and potential reimbursements from the State of Oregon and the appropriate federal agencies.
4. That emergency procurements of goods and services are authorized pursuant to ORS 279B.080, ORS 279C.335(6), Prineville City Code 31.05, and all other applicable rules.
5. This Resolution and Declaration is effective January 1, 2021 at 12:00 a.m. and shall remain in effect until January 30, 2021 at 11:59 p.m. unless sooner superseded.

Approved by the City Council this \_\_\_\_ day of December, 2020.

\_\_\_\_\_  
Stephen P. Uffelman, Mayor

ATTEST:

\_\_\_\_\_  
Lisa Morgan, City Recorder

**RESOLUTION NO. 1467  
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION AUTHORIZING AN INDEFEASIBLE RIGHT OF USE**

**Whereas**, the City of Prineville (“City”) has negotiated an Indefeasible Right of Use with PrineTIME Internet Solutions, LLC (“PrineTIME”).

**Whereas**, PrineTIME owns and is in the process of building additional fiber optic cable within the City.

**Whereas**, an Indefeasible Right of Use has been prepared between the City and PrineTIME and a copy of that document is attached to this Resolution; and

**Whereas**, City staff recommends that the attached Indefeasible Right of Use Agreement be approved by City Council.

**Now, Therefore**, the City of Prineville resolves as follows:

1. The attached Indefeasible Right of Use Agreement is approved.
2. The Mayor is authorized and instructed to execute on behalf of the City the Indefeasible Right of Use Agreement.

Approved by the City Council this \_\_\_\_ day of December, 2020.

\_\_\_\_\_  
Stephen P. Uffelman, Mayor

ATTEST:

\_\_\_\_\_  
Lisa Morgan, City Recorder





# STAFF REPORT

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**MEETING DATE:** 12/8/2020

**PREPARED BY:** James Wilson

**SECTION:** Resolution 1467

**DEPARTMENT:** Information  
Technology

**CITY GOAL:** Fiscal Responsibility, Provide Quality Municipal Service & Programs

**SUBJECT:** Dark Fiber IRU

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**REASON FOR CONSIDERATION:** To provide network connectivity and additional redundancy to the City's internal wide area network.

**BACKGROUND:** The City of Prineville has a need to expand its wide area fiber network to include connectivity to the new police/dispatch facility, as well as the new water treatment plant. The City also desires to extend fiber optic facilities to the fire district's main station as the fire district is one of the City's 9-1-1 center's served agencies. The main station and annex building are also sites that have been identified as disaster recovery locations for 911 operations.

The city explored several options in extending fiber to these facilities including a private build, a public/private partnership, purchasing lit services, and an indefeasible right of use. City staff believes that the IRU model is the most reasonable approach to being both economical and beneficial to the City to establish these services.

Prinetime, a local internet service provider, currently holds a non-exclusive franchise agreement with the City to provide fiber optic services within the city limits. Prinetime is currently building fiber facilities which pass through the desired areas that the City wishes to extend service. This IRU grants the City the ability to utilize several strands within this fiber optic cable for the City's use.

This IRU also enables the city to connect several additional locations owned or operated by Crook County, and Crook County Parks and Recreation district. These facilities will allow for future technological collaboration with these entities in the future and were along the route needed for the City's primary facilities. Budget for this project includes expenditures to Prinetime for the fiber optic facility, as well as additional IT components to connect the fiber. Costs associated with this project are included in project budgets, and may be CARES act reimbursable, which may require a future budget adjustment.

**FISCAL IMPACT:** \$137,000 capital expenditure, \$7,200/year annual maintenance.

**RECOMMENDATION:** Staff recommends approval of resolution 1467 executing an IRU for dark fiber access.

## INDEFEASIBLE RIGHT OF USE AGREEMENT

This Indefeasible Right of Use Agreement (“**Agreement**”), dated effective \_\_\_\_\_, 20\_\_ (the “**Effective Date**”), is entered into between the City of Prineville hereinafter called “**City**”, and PrineTIME Internet Solutions, L.L.C., an Oregon limited liability company, hereinafter called “**PrineTIME**.” Each City and PrineTIME shall individually be referred to as “**Party**” and collectively “**Parties**.”

### RECITALS:

- A.** PrineTIME owns and is in the process of building additional fiber optic cable in Prineville, Oregon, and within Crook County.
- B.** PrineTIME desires to enter into an agreement with City for the Indefeasible Right of Use (“**IRU**”) of one single-mode dark fiber strand in this fiber optic cable owned by PrineTIME (the “**Fiber**”) and City desires to enter into this Agreement for the use of the Fiber.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

### AGREEMENT

#### **1. GRANT OF INDEFEASIBLE RIGHT OF USE**

- 1.1. Subject to the terms and conditions of this Agreement, PrineTIME hereby grants to City and City hereby acquires from PrineTIME for the purposes described herein an exclusive, indefeasible right of use in and access to the Fiber at the locations specified in Exhibit A.
- 1.2. Use of the Fiber is solely for the City and its departments. City may sublease or allow others to use the Fiber provided that City complies with each of the following: (i) City will remain responsible for such sublessee’s use of the Fiber and Access Points, (ii) all sublessee’s must comply with the terms and conditions of this Agreement, and (iii) City may not sublease or allow any person to use the Fiber and/or any Access Points that will compete in any way with PrineTIME.

#### **2. TERM**

The term of this Agreement shall be twenty (20) years from the Effective Date (the “**Term**”).

#### **3. FACILITIES TO BE PROVIDED BY PRINETIME**

- 3.1. Subject to the terms and conditions of this Agreement, PrineTIME will use commercially reasonable efforts to complete the construction of the Fiber on or before \_\_\_\_\_, 20\_\_. Except as specifically provided in this Agreement, all costs of construction of the Fiber and obtaining any necessary governmental approvals for the installation and construction of the Fiber will be paid by PrineTIME. PrineTIME shall complete the construction of the Fiber in a good and workmanlike manner, using good engineering practices, in accordance with all applicable federal, state, and local, laws, ordinances, rules, and regulations (“**Laws**”).

- 3.2. PrineTIME shall provide the Fiber to City at the locations identified on Exhibit A. PrineTIME has no obligation to extend the Fiber to locations that are not identified on Exhibit A.

#### **4. CONSIDERATION**

- 4.1. Concurrent with executing this Agreement, City shall pay to PrineTIME as follows: (a) \$85,000 within five (5) business days of executing this Agreement; and (b) \$7,200.00 per year (increased automatically by 3% per year on each anniversary) for maintenance payable on the execution of this Agreement and on each anniversary of this Agreement during the Term; and (c) 20% of all the Repair Costs as defined below.
- 4.2. All payments are due on the dates specified. Any payment outstanding for ten (10) days or more will bear interest at the rate of twelve percent (12%) per annum from the due date or the maximum lawful rate (if lower) from the due date until paid in full.

#### **5. OWNERSHIP AND USE OF FIBER**

- 5.1. PrineTIME shall retain the ownership and title to the Fiber. This Agreement does not convey any title to the Fiber or Access Points to City.
- 5.2. City covenants that it will use and access the Fiber and Access Points only in accordance with all applicable Laws and the terms and conditions of this Agreement.
- 5.3. City shall have access to the Fiber only at access points designated by PrineTIME as may be modified or adjusted from time to time (“**Access Points**”). It is City’s obligation at City’s cost to bring its fiber to the Access Points.

#### **6. INTEGRITY OF THE FIBER**

- 6.1. PrineTIME is responsible for maintaining the physical integrity of the Fiber and shall make commercially reasonable efforts to ensure the integrity of the Fiber during the Term. PrineTIME agrees to pay 100% of the costs incurred while locating the underground fiber facilities covered under this Agreement. City shall not alter, modify, construct, reconstruct, or do any work associated with (or hire any persons to do any work) with the Fiber and/or Access Points.
- 6.2. Should the Fiber and/or Access Points be damaged or made unusable in any way during the Term, PrineTIME agrees to use commercially reasonable efforts to make all necessary repairs. PrineTIME may seek reimbursement from the party responsible for the damage. During the Term, City will reimburse PrineTIME 20% of the costs of all repairs made to the Fiber and/or Access Points, as applicable (the “**Repair Costs**”). All costs will be charged based on the then applicable rates.
- 6.3. Within one day of notification to PrineTIME by City that the Fiber requires troubleshooting or repair, PrineTIME shall have tested the Fiber and reported back to City when the Fiber can be repaired. PrineTIME shall make commercially reasonable efforts to repair the Fiber as soon as reasonably possible.

#### **7. RELOCATION OF FIBER**

If, after the Effective Date, PrineTIME is required (i) by any relocation authority or governmental authority or utility provider, or (ii) by the occurrence of any Force Majeure Event, to relocate the Fiber or

any portion thereof, or any Access Point, PrineTIME shall have the right to either proceed with such relocation, including, but not limited to, the right, in good faith, to reasonably determine the extent and timing of, and methods to be used for, such relocation, or to pay such amounts to the applicable party as are necessary to avoid the need for such relocation. City shall be informed if a relocation needs to occur as promptly as reasonably possible. In connection with such relocation, any such relocation shall be constructed substantially in accordance with the original Fiber in existence at the time of the relocation.

## **8. FEES, LICENSES AND TAXES**

City will not withhold any taxes from any payments made to PrineTIME. Each party shall be responsible for any personal property taxes on property it owns or leases from the other party or from a third party, franchise and privilege taxes on its business, income taxes based on its net income and sales, use, excise, value added, services, duty, consumption or other taxes assessed on the sale, installation, use or provision of its services. The parties agree to reasonably cooperate with each other to enable each to more accurately determine its own tax liability and to minimize such liability to the extent legally permissible.

## **9. TERMINATION**

- 9.1. This Agreement may be terminated by mutual written consent of both parties. Such termination by mutual consent shall be in written form stating the effective date of termination and shall not result in any penalty to either party.
- 9.2. This Agreement may be terminated by either party in the event that the other party fails to comply with applicable Laws. In the event that either party wishes to terminate under this provision, written notice to cure must be given to the other party allowing ninety (90) days to cure the alleged breach. In the event that the notified party has failed to comply with the applicable Law by the end of the ninety (90) day notification period, this Agreement shall be immediately terminated.
- 9.3. PrineTIME may deny City access to the Fiber and cease to provide any fiber type specified in this Agreement or to complete any repairs or maintenance without notice if City (a) violates any provision of PrineTIME's applicable acceptable use policies now existing or hereinafter provided from PrineTIME to City; (b) engages in any conduct or activity that PrineTIME, in its sole discretion, reasonably believes causes a risk that PrineTIME may be subjected to civil or criminal litigation, charges, or damages; (c) City allows use of the Fiber or any portion thereof in violation of this Agreement; and/or (d) City violates any representation, warranty, or covenant, term, or condition in this Agreement and fails to cure the default within thirty (30) days of PrineTIME's written notice of default.
- 9.4. This Agreement may be terminated by either party by providing written notice to the other party if the franchise agreement (Ordinance 1192) between PrineTIME and the City of Prineville is terminated, provided, however, City will not be permitted to terminate this Agreement if PrineTIME enters into a new agreement with the City of Prineville allowing PrineTIME to continue providing the services described in this Agreement on such terms and conditions approved by PrineTIME.
- 9.5. This Agreement may be terminated by PrineTIME at any time by providing written notice to City if PrineTIME is unable to maintain access to the utility poles through the applicable utility provider on such terms and conditions approved by PrineTIME.

9.6. Termination of this Agreement will not constitute a waiver or termination of any rights, claims, and/or causes of action that may have arisen prior to termination.

## **10. INDEMNIFICATION**

Subject to the conditions and limitations of the Oregon Constitution and the Oregon Tort Claims Act, ORS 30.260 through 30.300, PrineTIME shall indemnify, defend, and hold harmless City and City's officers, agents, and employees against all claims, demands, actions, and suits (including all reasonable attorney fees, expert fees, and costs and expenses) brought against any of them arising from PrineTIME's work under this Agreement.

Subject to the conditions and limitations of the Oregon Constitution and the Oregon Tort Claims Act, ORS 30.260 through 30.300, City shall indemnify, defend, and hold harmless PrineTIME and PrineTIME's current and future members, managers, directors, officers, agents, and employees for from and against all claims, demands, actions, and suits (including all reasonable attorney fees, expert fees, and costs and expenses) brought against any of them arising from City's work or any City's contractor's work and City's use of the Fiber or Access Points under this Agreement.

Each party shall provide the other party with prompt written notice of each written third-party claim covered by this Section 10 and shall cooperate with the other party in evaluating each such claim. If requested by the indemnitee, the indemnitor shall reasonably defend, assume the defense, or pay reasonable defense fees and costs of indemnitee as to such claim. Neither party shall settle or compromise any such claim, or consent to a judgment, without the other party's consent and an unconditional release of the indemnitee as to all indemnified claims of said third party.

## **11. INSURANCE**

PrineTIME will maintain insurance with bodily injury limits of \$500,000 for each person and \$500,000 for each occurrence and property damage limits of \$500,000. Certificates evidencing such insurance will be provided by PrineTIME to City on City's written request.

## **12. DISCLAIMER OF WARRANTIES**

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, PRINETIME IS PROVIDING THE FIBER AS IS AND WITH ALL FAULTS, AND HEREBY DISCLAIMS ALL IMPLIED WARRANTIES, WITH RESPECT TO ANY OF THE FIBER, ACCESS POINTS, AND FACILITIES PROVIDED OR TO BE PROVIDED UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR LACK OF NEGLIGENCE OR LACK OF WORKMANLIKE EFFORT.

PrineTIME expressly disclaims that City's use of the Fiber will be uninterrupted or error free.

## **13. LIMITATION OF LIABILITY**

To the maximum extent permitted by applicable law, in no event will PrineTIME be liable under any contract, negligence, strict liability, or other theory for any special, indirect, incidental, or consequential damages (including, without limitation, to damages for loss of profits or confidential or other information, for business interruption, for personal injury, for loss of privacy, for failure to meet any duty including of good faith or of reasonable care, for negligence and for any other pecuniary or other loss whatsoever) arising out of or in any way related to any breach by PrineTIME of this Agreement, to the provision or use

of or inability to use the Fiber and/or Access Points otherwise with respect to any subject matter of this Agreement, even if PrineTIME has been advised of the possibility of such damages. PrineTIME will have no liability to City for punitive or other exemplary damages.

PrineTIME’s total liability to City under this Agreement and the transactions contemplated hereby, including without limitation, any liability of PrineTIME for any damages of any nature whatsoever, including, without limitation, direct or actual damages incurred by City in actual and reasonable reliance on the Fiber, which damages shall not in the aggregate, exceed 100% of the amount having actually been paid by City to PrineTIME during the prior 12-month period.

**14. COMPLIANCE WITH LAWS**

In connection with each party’s respective activities under this Agreement, City and PrineTIME shall comply with all Laws.

**15. GOVERNING LAW AND VENUE**

This Agreement is governed by the laws of the State of Oregon, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing the Agreement. If any dispute arises regarding this Agreement, the parties agree that the sole and exclusive venue for resolution of such dispute will be in Crook County, Oregon or the United States District Court for the District of Oregon, Eugene Division. All parties submit to the jurisdiction of courts in Crook County, Oregon for any such disputes or the United States District Court for the District of Oregon, Eugene Division.

**16. NOTICE**

All notices or other communications required or permitted by this Agreement must be in writing, must be delivered to the parties at the addresses set forth below, or any other address that a party may designate by notice to the other parties, and are considered delivered upon actual receipt if delivered personally or by fax or an overnight delivery service, or at the end of the third (3rd) business day after the date deposited in the United States mail, postage pre-paid, certified, return receipt requested.

If to City:	City of Prineville Attn: James Wilson 387 NE Third Street Prineville, OR 97754
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If to PrineTIME:	PrineTIME Internet Solutions, L.L.C. Attn: Jason S. Wilkins, Manager 976 NE Yew St. Prineville, OR 97754
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**17. SEVERABILITY**

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

## **18. ASSIGNMENT**

City is not permitted to assign this Agreement without the prior written consent of PrineTIME, which consent may be withheld by PrineTIME in its sole discretion. PrineTIME may assign this Agreement to any successor or assigns of PrineTIME by providing written notice to City. All references to PrineTIME in this Agreement will include PrineTIME's successors and assigns.

## **19. RELATIONSHIP**

This Agreement does not create an agency relationship between PrineTIME and City and it does not establish a joint venture or partnership between PrineTIME and City. PrineTIME does not have the authority to bind City or represent to any person that PrineTIME is an agent of City. PrineTIME has the authority to hire other persons to assist PrineTIME in performing the services described in this Agreement (and has the authority to fire such persons).

## **20. FORCE MAJEURE EVENT**

Neither party will be liable for any failure to perform, or delay in performing, any of its obligations under this Agreement caused by forces or circumstances beyond its reasonable control, and without fault or negligence on the part of that party (a "**Force Majeure Event**"). Such forces or circumstances include, but are not limited to, cable cuts, Acts of God, acts of civil or military authority, fires, floods, epidemics, quarantines, civil commotion, and governmental action. However, in the event such a Force Majeure Event, the party that finds itself unable to perform will, within five (5) days of such event, notify the other party in writing and will take all reasonable steps to remove such impediments to its performance. The terms of this Section 20 will not apply with respect to payment of due from City to PrineTIME, which will not be excused for any reason.

## **21. AUTHORITY**

PrineTIME is duly organized or registered to do business under Oregon law. PrineTIME has full power and authority to sign and deliver this Agreement and to perform all PrineTIME's obligations under this Agreement. City has full power and authority to sign and deliver this Agreement and to perform all City's obligations under this Agreement.

## **22. ENTIRE AGREEMENT; AMENDMENT; WAIVER**

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

## **23. NO WAIVER FROM COURSE OF DEALING**

No course of dealing between the parties or any delay on the part of a party to exercise any right it may have under this Agreement shall operate as a waiver of any of the rights under this Agreement, or provided by law or equity. No waiver of any prior breach or default of this Agreement shall operate as the waiver of any subsequent breach or default. No express waiver shall affect any term or condition of



this Agreement other than the one specified in the waiver, and any such waiver shall apply only for the time and manner specifically stated.

## **24. CONSTRUCTION AND INTERPRETATION**

No ambiguities shall be resolved against either party by reason of such party's participation in the drafting of this Agreement or the exhibits or attachments. For purposes of this Agreement, the term "person" means any natural person, corporation, limited liability company, partnership, joint venture, firm, association, trust, unincorporated organization, government or governmental agency or political subdivision, or any other entity. All pronouns contained herein and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the parties may require. The singular includes the plural and the plural includes the singular. The word "or" is not exclusive. The words "include," "includes," and "including" are not limiting. The titles, captions, or headings of the sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

## **25. NO THIRD-PARTY BENEFICIARY**

There are no third-party beneficiaries of this Agreement.

## **26. FURTHER ASSURANCES.**

The parties will sign such other documents and take such other actions as are reasonably necessary to further effect and evidence this Agreement.

## **27. SUCCESSION**

Subject to the above-stated limitations concerning the transfer and assignment of this Agreement under Section 18, this Agreement will be binding upon and inure to the benefit of the parties and their respective successors and assigns.

## **28. ATTORNEY FEES**

If any arbitration or litigation is instituted to interpret, enforce, or rescind this Agreement, including, without limitation, any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party's reasonable attorney fees, expert fees, and other fees, costs, and expenses of every kind, including, without limitation, the costs and disbursements specified in ORCP 68 A(2), incurred in connection with the arbitration, the litigation, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court.

## **29. SIGNATURES**

The parties may execute this Agreement in separate counterparts, each of which when executed and delivered will be an original, but all of which together will constitute one and the same instrument. Facsimile or electronic transmission of any signed original document will be the same as delivery of an original. At the request of either party, the parties will confirm facsimile or email transmitted signatures by signing and delivering an original document.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed and effective for all purposes as of the Effective Date.

**City:**

**PrineTIME Internet Solutions, L.L.C.:**

By \_\_\_\_\_

By \_\_\_\_\_

Name: \_\_\_\_\_

Name: Jason Wilkins

Title: \_\_\_\_\_

Title: Member

Date \_\_\_\_\_

Date \_\_\_\_\_

Exhibit A

The Fiber will be located at the following locations:

- Service location A: City of Prineville Dispatch – 1103 NE Elm Street, Prineville, OR
- Service location B: City Hall / CC Annex – 387 NE 3<sup>rd</sup> Street, Prineville, OR
- Service location C: Crook City Fairgrounds - 1280 Main Street, Prineville, OR
- Service location D: Crook City Fire & Rescue - 500 NE Belknap St, Prineville, OR
- Service location E: Crook City Fire & Rescue Annex - 500 NE Belknap St, Prineville, OR
- Service location F: Crook City RV Park – 1040 S Main Street, Prineville, OR
- Service location G: Crook City Parks & Rec – 296 S Main Street, Prineville, OR
- Service location H: Crook City Parks & Rec Maintenance – 475 NE Elm Street, Prineville, OR
- Service location I: City of Prineville Water Treatment Facility – 1412 S Main St Street, Prineville, OR