



Location: City Hall – Council Chambers  
Date: October 22, 2019  
Time: 6:30 PM

## City Council Meeting Agenda

Mayor Steve Uffelman, Council Members Jason Beebe, Janet Hutchison, Patricia Jungmann, Gail Merritt, Jeff Papke, Teresa Rodriguez and City Manager Steve Forrester

### Call to Order

### Flag Salute

### Additions to Agenda

### Consent Agenda

- [1.](#) Regular Meeting Brief 10-8-2019
- [2.](#) Dad's Place Liquor License Application

### Visitors, Appearances and Requests

3. Swearing in Officer Jonathon Adkins

### Council Business

### Staff Reports and Requests

4. Manager's Report - Steve Forrester
5. Committee Reports

### Ordinances

- [6.](#) Ordinance No 1254 - Comprehensive Plan Chapter 7 Amendment - Housing (**SECOND PRESENTATION**) - Josh Smith

### Resolutions

- [7.](#) Resolution No 1415 - Authorizing Intergovernmental Agreement for Joint Cooperative Procurement - Jered Reid
- [8.](#) Resolution No. 1416 - Authorizing Agreement with Bureau of Reclamation - Eric Klann

### 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  
October 8<sup>th</sup>, 2019

**Council Members Present:**

Patricia Jungmann  
Gail Merritt  
Teresa Rodriguez

Janet Hutchison  
Jeff Papke

**Council Members Absent**

Steve Uffelman  
Jason Beebe

**Additions to the Agenda**

None.

**Consent Agenda**

1. Regular Meeting Brief 9-24-19
2. PD Property Conversion
3. Liquor License Renewals

Correct the minutes to reflect that Marv Sumner read the Crooked River Roundup framed statement to Council, not Mr. Bernard.

**Councilor Rodriguez made a motion to approve the Consent Agenda. Motion seconded. No discussion on motion, motion carried.**

**Visitors, Appearances and Requests:**

**Public Appearances**

Stella Oja, a Prineville resident said she is excited to hear about the ODOT improvements that are going to be made.

No one else came forward.

**Council Business**

None.

**Staff Reports and Requests:**

**4. Manager’s Report**

Steve Forrester, City Manager reported: the auditors are on site and it is going well; we received a DEQ air quality grant that will pass through NeighborImpact; the paving projects are about wrapped up and thanked Scott Smith, Street Superintendent for all the extra effort put into the projects; the Elm Street bridge is still on schedule; the apartment complex is under construction; another 10 unit complex on Deer Street will be starting shortly; and the city received the Silver Safety Award.

**5. Committee Reports**

Councilor Hutchison thanked staff for all of the hard work that went into the Barnes Butte Recreation planning charrette.

Councilor Merritt added that the barbeque was a nice touch as well as the second meeting on Saturday.

Councilor Merritt attended the League of Oregon Cities (LOC) conference in Bend and said that we are doing great here in Prineville.

**Ordinances:**

**6. Ordinance No. 1254 – Comprehensive Plan Amendment – Chapter 7 Housing (FIRST PRESENTATION) – Josh Smith**

Josh Smith, Planning Director explained that the public hearing was held at the last meeting and this is the first presentation with the changes made as discussed before. Those changes were to remove the table from the Comprehensive Plan and a couple grammatical changes.

There were no questions.

**Councilor Rodriguez made a motion to approve Ordinance No. 1254 for its first presentation. Motion seconded. No discussion on motion. All in favor, motion carried.**

**Resolutions:**

None.

**Visitors Appearances and Requests:**

No one came forward.



**Adjourn**

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

Meeting adjourned at 6:40 P.M.

**Motions and Outcomes:**

Motion:	Outcome	Beebe	Hutchison	Jungmann	Merritt	Papke	Rodriguez	Uffelman
Consent Agenda	PASSED	-	Y	Y	Y	-	Y	-
Ordinance No. 1254 – Comprehensive Plan Amendment – Chapter 7 Housing ( <b>FIRST PRESENTATION</b> )	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)





# LIQUOR LICENSE APPLICATION

5. Trade Name of the Business (Name Customers Will See) <i>DADS PLACE</i>			
6. Does the business address currently have an OLCC liquor license? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO			
7. Does the business address currently have an OLCC marijuana license? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO			
8. Mailing Address/PO Box, Number, Street, Rural Route (where the OLCC will send your mail) <i>229 N. Main St <del>Prineville</del></i>			
City <i>Prineville</i>	State <i>OR</i>	Zip Code <i>97754</i>	
9. Phone Number of the Business Location <i>541-447-7059</i>		10. Email Contact for this Application <i>[REDACTED]@gmail.com</i>	
11. Contact Person for this Application <i>Shelly A. Marsh</i>		Phone Number <i>541-[REDACTED]</i>	
Contact Person's Mailing Address (if different)	City	State	Zip Code

Please note that liquor license applications are public records. A copy of the application will be posted on the OLCC website for a period of several weeks.

I understand that marijuana (such as use, consumption, ingestion, inhalation, samples, give-away, sale, etc.) is **prohibited** on the licensed premises.

I attest that all answers on all forms, documents, and information provided to the OLCC are true and complete.

**Applicant Signature(s)**

- Each individual person listed as an applicant must sign the application.
- If an applicant is an entity, such as a corporation or LLC, at least one person who is authorized to sign for the entity must sign the application.
- A person with the authority to sign on behalf of the applicant (such as the applicant's attorney or a person with power of attorney) may sign the application. If a person other than an applicant signs the application, please provide proof of signature authority.

*Shelly A. Marsh*  
\_\_\_\_\_  
(Applicant#1)

\_\_\_\_\_  
(Applicant #2)

\_\_\_\_\_  
(Applicant#3)

\_\_\_\_\_  
(Applicant #4)





# INDIVIDUAL HISTORY FORM

1. Name: (LAST) <u>Marsh</u>		(FIRST) <u>Shelly</u>	(MIDDLE) <u>Renee</u>
2. Other Names Used (Maiden, Etc.): <u>Shelly R. Koethke</u>			
3. Do you have a Social Security Number (SSN) issued by the U.S. Social Security Administration? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, please provide your SSN: <u>[REDACTED]</u>			
<p><b>SOCIAL SECURITY NUMBER DISCLOSURE:</b> As part of your application for an initial or renewal license, Federal and State laws require you to provide your Social Security Number (SSN) to the Oregon Liquor Control Commission (OLCC) for child support enforcement purposes (42 USC § 666(a)(13) &amp; ORS 25.785). If you are an applicant or licensee and fail to provide your SSN, the OLCC may refuse to process your application. Your SSN will be used only for child support enforcement purposes unless you indicate below.</p> <p>Based on our authority under ORS 471.311 and OAR 845-005-0312(6), we are requesting your voluntary consent to use your SSN for the following administrative purposes only: to match your license application to your Alcohol Server Education records (where applicable), and to ensure your identity for criminal records checks. OLCC will not deny you any rights, benefits or privileges otherwise provided by law if you do not consent to use of your SSN for these administrative purposes (5 USC § 552(a).</p> <p>Do you voluntarily consent to the OLCC's use of your SSN as just described? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>			
4. Date of Birth (MM/DD/YYYY): <u>02/18</u>		5. Contact Phone: <u>[REDACTED]</u>	
6. Driver License or State ID #:			7. State: <u>OR</u>
8. Residence Address: <u>[REDACTED] Prineville OR 97754</u>			
9. Mailing Address (if different):			
10. E-Mail (optional):			
11. Do you have a spouse or domestic partner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, list his/her full name:			
12. If yes to #11, will this person be involved in the management of, or have control over the business? <input type="checkbox"/> No <input type="checkbox"/> Yes			
13. In the past 10 years, have you been <b>convicted</b> ("convicted" includes paying a fine) in Oregon or another U.S. state of driving a car with a suspended driver license or driving a car with no insurance? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Please include explanation below) <input type="checkbox"/> Unsure (Please include explanation below)			
14. In the past 10 years, have you been <b>convicted</b> ("convicted" includes paying a fine) in Oregon or another U.S. state of a <b>FELONY</b> ? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Please include explanation below) <input type="checkbox"/> Unsure (Please include explanation below)			
15. Have you ever been in a drug or alcohol <b>diversion program</b> in Oregon or another U.S. state? A diversion program is where you are required, usually by the court or another government agency, to complete certain requirements in place of being convicted of a drug or alcohol-related offense. <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Please include explanation below) <input type="checkbox"/> Unsure (Please include explanation below)			

16. Do you, or any legal entity that you are a part of, **currently hold** or **have previously held** a liquor license or a recreational marijuana license in Oregon or another U.S. state? (Note: alcohol service permits and marijuana worker permits are not liquor licenses).

No  Yes (Please include explanation below)  Unsure (Please include explanation below)

17. Have you, or any legal entity that you are a part of, **ever** had an application for a license, permit, or certificate **denied or cancelled** by the OLCC or any other governmental agency in the U.S.?

No  Yes (Please include explanation below)  Unsure (Please include explanation below)

18. Are you applying for a Full On-Premises, Limited On-Premises, Off-Premises, or Brewery-Public House license?

No Please skip questions 19 & 20. Go directly to question 21.  
 Yes Please answer questions 19, 20, and 21.

19. Do you or will you have any ownership interest in a business that manufactures, wholesales, or distributes alcohol in Oregon or another U.S. state?

No  Yes (Please include explanation below)  Unsure (Please include explanation below)

20. Does or will an alcohol manufacturer, wholesaler, or distributor in Oregon or another U.S. state have any ownership interest in your business?

No  Yes (Please include explanation below)  Unsure (Please include explanation below)

21. Do you currently have, or will you have, any ownership interest in any business in Oregon with a Full On-Premises, Limited On-Premises, Off-Premises, or Brewery-Public House license?

No  Yes (Please include explanation below)  Unsure (Please include explanation below)

You must sign your own form. Another person, like your attorney or a person with power of attorney, may not sign your form. I affirm that my answers are true and complete. I understand the OLCC will use the above information to check my records, including but not limited to, criminal history. I understand that if my answers are not true and complete, the OLCC may deny my license application.

Name: (LAST)

Marsh

(FIRST)

Shelly

(MIDDLE)

Renee

Signature:

Shelly R. Marsh

Date:

9-16-2019



# OREGON LIQUOR CONTROL COMMISSION BUSINESS INFORMATION

Please Print or Type

Applicant Name: DADS PLACE LLC Phone: 541 [REDACTED]

Trade Name (dba): DADS PLACE LLC

Business Location Address: 229 N. Main St

City: Prineville ZIP Code: 97754

## DAYS AND HOURS OF OPERATION

### Business Hours:

Sunday \_\_\_\_\_ to \_\_\_\_\_  
 Monday \_\_\_\_\_ to \_\_\_\_\_  
 Tuesday 11 AM to 8 pm  
 Wednesday 11 AM to 8 pm  
 Thursday 11 AM to 8 pm  
 Friday 11 AM to 8 pm  
 Saturday 11 AM to 8 pm

### Outdoor Area Hours:

Sunday \_\_\_\_\_ to \_\_\_\_\_  
 Monday \_\_\_\_\_ to \_\_\_\_\_  
 Tuesday \_\_\_\_\_ to \_\_\_\_\_  
 Wednesday \_\_\_\_\_ to \_\_\_\_\_  
 Thursday \_\_\_\_\_ to \_\_\_\_\_  
 Friday \_\_\_\_\_ to \_\_\_\_\_  
 Saturday \_\_\_\_\_ to \_\_\_\_\_

The outdoor area is used for:

- Food service Hours: \_\_\_\_\_ to \_\_\_\_\_  
 Alcohol service Hours: \_\_\_\_\_ to \_\_\_\_\_  
 Enclosed, how \_\_\_\_\_

The exterior area is adequately viewed and/or supervised by Service Permittees.

\_\_\_\_\_  
(Investigator's Initials)

Seasonal Variations:  Yes  No If yes, explain: \_\_\_\_\_

## ENTERTAINMENT

Check all that apply:

- Live Music  Karaoke  
 Recorded Music  Coin-operated Games  
 DJ Music  Video Lottery Machines  
 Dancing  Social Gaming  
 Nude Entertainers  Pool Tables  
 Other: \_\_\_\_\_

## DAYS & HOURS OF LIVE OR DJ MUSIC

Sunday \_\_\_\_\_ to \_\_\_\_\_  
 Monday \_\_\_\_\_ to \_\_\_\_\_  
 Tuesday \_\_\_\_\_ to \_\_\_\_\_  
 Wednesday \_\_\_\_\_ to \_\_\_\_\_  
 Thursday \_\_\_\_\_ to \_\_\_\_\_  
 Friday \_\_\_\_\_ to \_\_\_\_\_  
 Saturday \_\_\_\_\_ to \_\_\_\_\_

## SEATING COUNT

Restaurant: 49 Outdoor: \_\_\_\_\_  
 Lounge: \_\_\_\_\_ Other (explain): \_\_\_\_\_  
 Banquet: \_\_\_\_\_ Total Seating: \_\_\_\_\_

### OLCC USE ONLY

Investigator Verified Seating: \_\_\_(Y)\_\_\_(N)  
 Investigator Initials: \_\_\_\_\_  
 Date: \_\_\_\_\_

I understand if my answers are not true and complete, the OLCC may deny my license application.

Applicant Signature: Shelley P. [Signature] Date: 10-7-2019

**ORDINANCE NO. 1254**  
**AN ORDINANCE AMENDMENT IN THE CITY'S COMPREHENSIVE PLAN TO**  
**UPDATE CHAPTER 7 (HOUSING)**

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

**Whereas**, the City conducted a recent housing analysis and buildable lands inventory; and

**Whereas**, based on the aforementioned study, City staff initiated amendment procedures to the City's Comprehensive Plan (Chapter 154) for review by the City Planning Commission at one workshop on August 6, 2019; and

**Whereas**, pursuant to Section 153.233 of the Code, required notice was submitted to the Department of Land Conservation and Development and published once a week for two consecutive weeks prior to the hearing scheduled for August 20, 2019; and

**Whereas**, on August 20, 2019, the City Planning Commission held a public hearing and consented to the amendment and recommended the City Council approve the proposed amendment to Chapter 7 of the Comprehensive Plan 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 September 24, 2019; and

**Whereas**, the Prineville City Council conducted a public hearing on September 24, 2019, which consisted of the opportunity of written and oral testimony, review of staff reports, and consideration of the recommendations of the City of Prineville Planning Commission.

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

1. That the City's Comprehensive Plan Chapter 7 is hereby amended as shown on Exhibit A.
2. The City Recorder shall place a certified copy of this Ordinance in the City's permanent records.
3. The Ordinance shall be effective 30 days following its passage by the City Council.

Presented for the first time at a regular meeting of the City Council held on October 8, 2019, and the City Council finally enacted the foregoing ordinance this \_\_\_\_ day of October 22, 2019

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Stephen P. Uffelman  
Mayor

ATTEST:

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Lisa Morgan, City Recorder



7



*Housing (2019)*

Prineville's Comprehensive Plan	
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<a href="#">Comparison of Projected Compare Need and Buildable Land Supply</a>	
<a href="#">Strategies to Accommodate Future Housing Needs</a>	
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<a href="#">Policies</a>	
	<b>Adopted October 2019</b>

## Chapter 7 Housing

### **Purpose and Intent**

The purpose of this chapter is to ensure the provision of appropriate types and amounts of land within urban growth boundary supporting a range of housing types necessary to meet current and future needs. These lands should support suitable housing for all income levels. Likewise, the Plan must also ensure that the appropriate type, location and phasing of public facilities and services are sufficient to support housing development in areas presently developed or undergoing development, or redevelopment.

This Chapter includes three supporting documents: (1) A Buildable Lands Inventory produced by Angelo Planning Group dated May 2, 2019; (2) A Housing Need Analysis produced by Johnson Economics dated June, 2019; and (3) A Housing Strategies Report produced by Angelo Planning Group dated June 10, 2019. These documents are the sources of information found in this Chapter and provide additional information for reference.

### **Introduction**

Having affordable, quality housing in safe neighborhoods with access to community services is essential for all Oregonians. Like other cities in Oregon, the City of Prineville is responsible for helping to ensure that its residents have access to a variety of housing types that meet the housing needs of households and residents of all incomes, ages and specific needs. The City does this primarily by regulating residential land uses within the City, and working with and supporting non-profit and market rate developers, and other housing agencies in developing needed housing.

In addition, the City has undertaken and will continue to implement and update a variety of activities to meet current and future housing needs:

- Conduct and periodically update an analysis of current and future housing conditions and needs. The City most recently conducted this analysis in 2019. The results are summarized in this element of the Comprehensive Plan and described in more detail in a supporting Housing and Residential Land Need Assessment Report.
- Conduct and periodically update an inventory of buildable residential land (BLI) to ensure that the City has an adequate supply of land zoned for residential use to meet projected future needs. The City most recently conducted this analysis in 2019. The results are summarized in this element of the Comprehensive Plan and described in more detail in a supporting Buildable Lands Inventory Report.
- Adopt and amend, as needed, a set of housing-related Comprehensive Plan policies to address future housing needs.
- Regularly update and apply regulations in the City's Zoning and Land Division Ordinances to meet a variety of housing needs identified in the Comprehensive Plan and supporting documents.
- Implement additional strategies to address housing needs in partnership with state and county agencies and other housing organizations. Potential strategies are described in more detail in section 4 of the Housing Strategies Report prepared as part of the Housing Needs Analysis in 2019.

## Demographic Conditions and Trends

Unless otherwise noted, the flowing discussion refers to the Prineville Urban Growth Boundary (UGB) area, not the city limits.

- Prineville is a City of an estimated 10,000 people within its City limits, (11,910 people within the UGB), located in Crook County in Central Oregon. An estimated 19% of the population in the UGB lives outside the city limits.
- Prineville has experienced steady growth, growing over 36% in population since 2000. In contrast, Crook County and the state experienced population growth of 15% and 21% respectively. (US Census and PSU Population Research Center)
- The Prineville UGB was home to an estimated 5,218 households in 2018, an increase of roughly 1,850 households since 2000. The percentage of families fell between 2000 and 2018 from 67% to 53% of all households. The city has a smaller share of family households than Crook County (65%) and the state (63%).
- Prineville's estimated average household size is 2.26 persons, having also fallen since 2000. This is lower than the Crook County average of 2.31 and the statewide average of 2.47.

**FIGURE 1.1: PRINEVILLE DEMOGRAPHIC PROFILE (UGB)**

<b>POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS</b>					
	<b>2000</b>	<b>2010</b>	<b>Growth</b>	<b>2018</b>	<b>Growth</b>
	<b>(Census)</b>	<b>(Census)</b>	<b>00-10</b>	<b>(PSU)</b>	<b>10-18</b>
Population <sup>1</sup>	8,755	11,010	25.8%	11,910	8.2%
Households <sup>2</sup>	3,362	4,415	31.3%	5,218	18.2%
Families <sup>3</sup>	2,275	2,879	27%	2,755	-4%
Housing Units <sup>4</sup>	3,596	4,975	38%	5,307	7%
Group Quarters Population <sup>5</sup>	181	236	30%	118	-50%
<i>Household Size (non-group)</i>	2.55	2.44	-4%	2.26	-7%
<i>Avg. Family Size</i>	3.09	2.98	-4%	2.96	-1%
<b>PER CAPITA AND MEDIAN HOUSEHOLD INCOME</b>					
	<b>2000</b>	<b>2010</b>	<b>Growth</b>	<b>2018</b>	<b>Growth</b>
	<b>(Census)</b>	<b>(Census)</b>	<b>00-10</b>	<b>(Proj.)</b>	<b>10-18</b>
Per Capita (\$)	\$14,163	\$17,692	25%	\$18,503	5%
Median HH (\$)	\$30,435	\$30,628	1%	\$33,195	8%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

Census Tables: DP-1 (2000, 2010); DP-3 (2000); S1901; S19301

<sup>1</sup> From PSU Population Research Center, Population Forecast Program, final forecast for Crook Co. (2017)

<sup>2</sup> 2018 Households = (2018 population - Group Quarters Population)/2018 HH Size

<sup>3</sup> Ratio of 2018 Families to total HH is based on 2016 ACS 5-year Estimates

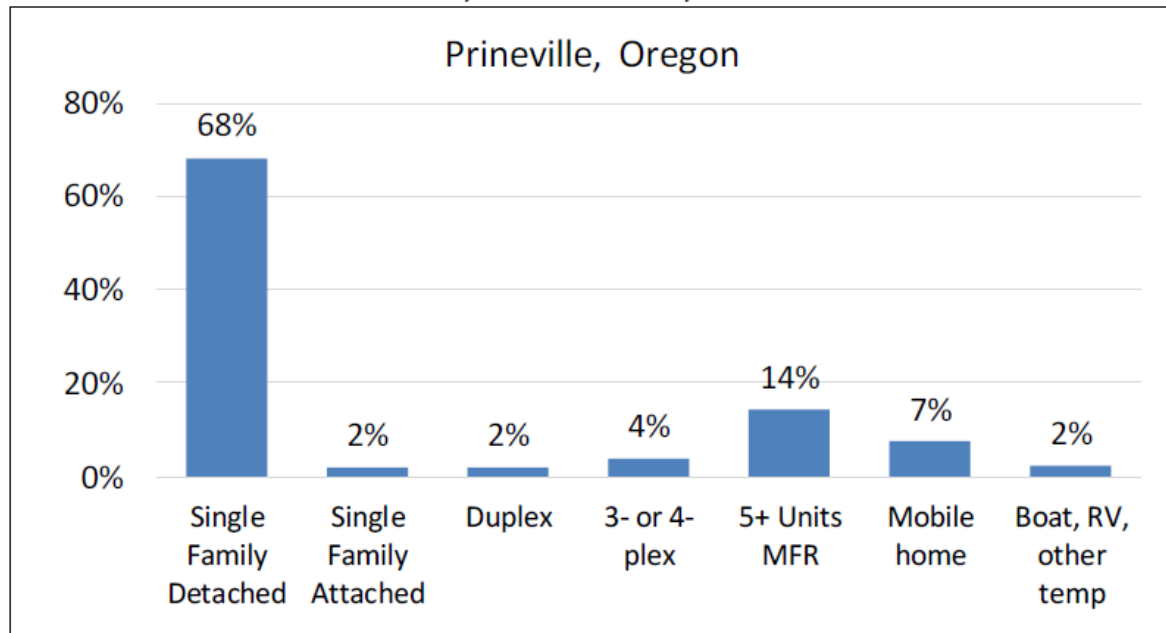
<sup>4</sup> 2018 housing units are the '10 Census total plus new units permitted from '10 through '18 (source: Census, Cities)

<sup>5</sup> Ratio of 2018 Group Quarters Population to Total Population is kept constant from 2010.

## Housing Conditions and Trends

- **Housing Tenure.** Prineville has a greater share of owner households (55%) than renter households (45%) according to the Census. The ownership rate in Prineville has fallen significantly from 63% since 2000. During this period the statewide rate fell from 64% to 61%. Nationally, the homeownership rate has nearly reached the historical average of 65%, after the rate climbed from the late 1990's to 2004 (69%). The estimated ownership rate is higher in Crook County (67%) and statewide (61%).
- **Housing Stock.** The Prineville UGB had an estimated 5,300 housing units in 2018, with a very low estimated vacancy rate (includes ownership and rental units). Figure 2.1 shows the estimated number of units by type in 2017. Detached single-family homes represent an estimated 68% of housing units (includes manufactured homes on a single-family lot). Units in larger apartment complexes of 5 or more units represent 14% of units, and other types of attached homes represent an additional 8% of units. (Attached single family generally includes townhomes, some condo flats, and plexes which are separately metered.) Mobile homes (in parks) represent 7% of the inventory.

FIGURE 2.1: ESTIMATED SHARE OF UNITS, BY PROPERTY TYPE, 2017



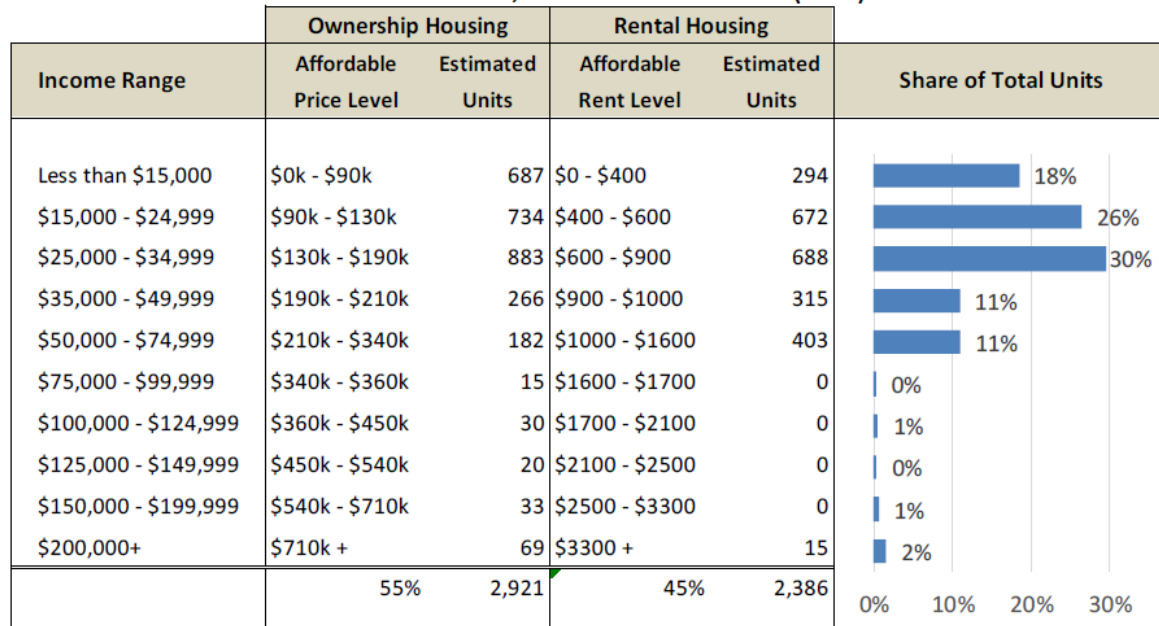
SOURCE: City of Prineville, Census ACS 2017

# Housing

## Current and Projected Housing Needs

- 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.

**FIGURE 3.4: PROFILE OF CURRENT HOUSING SUPPLY, ESTIMATED AFFORDABILITY (2018)**



Sources: US Census, PSU Population Research Center, JOHNSON ECONOMICS  
 Census Tables: B25004, B25032, B25063, B25075 (2017 ACS 5-yr Estimates)

# Housing

**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	Cumulative %
			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>	495	21	0	7	0	59	0	582	<b>% of All Units:</b>	<b>57.0%</b>
<b>Percentage:</b>	85.0%	3.6%	0.0%	1.2%	0.0%	10.2%	0.0%	100.0%		

RENTAL HOUSING										
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cumulative %
			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>	170	20	24	36	149	25	15	439	<b>% of All Units:</b>	<b>43.0%</b>
<b>Percentage:</b>	38.8%	4.5%	5.5%	8.2%	33.9%	5.7%	3.4%	100.0%		

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>	665	40	24	43	149	84	15	1,021	<b>100%</b>	
<b>Percentage:</b>	65.2%	4.0%	2.4%	4.2%	14.6%	8.3%	1.5%	100.0%		

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

- Figure 4.4 presents estimates of need at key low-income affordability levels in 2018 and in 2039. There is existing and on-going need at these levels, based on income levels specified by Oregon Housing and Community Services for Crook County. An estimated 55% of households qualify as at least “low income” or lower on the income scale, while 17% of household qualify as “extremely low income”. Typically, only rent-subsidized properties can accommodate these households at “affordable” housing cost levels.



# Housing

**FIGURE 4.4: PROJECTED NEED FOR HOUSING AFFORDABLE AT LOW INCOME LEVELS, PRINEVILLE**

Affordability Level	Income Level		Current Need (2018)		Future Need (2039)		NEW Need (20-Year)	
			# of HH	% of All	# of HH	% of All	# of HH	% of All
Extremely Low Inc.	30% AMI	\$16,410	862	17%	993	17%	131	13%
Very Low Income	50% AMI	\$27,350	1,811	35%	2,086	35%	275	27%
Low Income	80% AMI	\$43,760	2,876	55%	3,313	55%	437	43%

Sources: OHCS, Environics Analytics, JOHNSON ECONOMICS

\* Income levels are based on OHCS guidelines for a family of four.

## Comparison of Projected Need and Buildable Land Supply

- There is a total forecasted need for 1,021 units over the next 20 years. This is well below the estimated capacity of over 10,000 units. As Figure 5.3 below demonstrates, there is sufficient capacity to accommodate all projected new unit types. After this need is accommodated, there is an estimated remaining capacity of over 1,900 additional units, mostly in the medium-density residential zone.
- The following table shows the same comparison, converting the forecasted residential need and capacity by acres, rather than units. There is a projected need for 216 acres of new residential development, but a buildable capacity of 1,569 acres.
- There is currently sufficient buildable capacity within Prineville to accommodate projected need. Some of this capacity is in the form of parcels with the potential for infill or redevelopment for future multi-family units. The character of this supply can help guide housing policy and strategy recommendations to be included in subsequent reports and ultimately integrated in the City's updated Comprehensive Plan.

**FIGURE 5.1: ESTIMATED BUILDABLE LANDS CAPACITY BY ACREAGE AND NO. OF UNITS (2019)**

ZONE	Buildable Acreage				Projected Unit/ Net Acre	Housing Unit Capacity			
	Partially Vacant	Vacant	Total	Share		Partially Vacant	Vacant	Total	Share
R1 - Limited Residential	12	20	32	2%	4	42	93	135	1%
R2 - General Residential	171	728	899	57%	8	1,320	5,767	7,087	69%
R3 - County Residential	310	284	594	38%	4	1,097	1,523	2,620	26%
R4 - Resid. Redevelopment	3	4	7	0.4%	10	24	35	59	0.6%
CMU - Mixed Use	24	8	32	2%	10	239	77	316	3%
<b>TOTALS:</b>	<b>520</b>	<b>1,044</b>	<b>1,564</b>		<b>7</b>	<b>2,722</b>	<b>7,495</b>	<b>10,217</b>	
<i>Low Density Residential</i>	<i>322</i>	<i>304</i>	<i>626</i>	<i>40%</i>		<i>1,139</i>	<i>1,616</i>	<i>2,755</i>	<i>27%</i>
<i>Medium Density Residential</i>	<i>171</i>	<i>728</i>	<i>899</i>	<i>57%</i>		<i>1,320</i>	<i>5,767</i>	<i>7,087</i>	<i>69%</i>
<i>High Density Residential</i>	<i>27</i>	<i>12</i>	<i>39</i>	<i>2%</i>		<i>263</i>	<i>112</i>	<i>375</i>	<i>4%</i>

Source: Angelo Planning Group



## Housing

FIGURE 5.3: COMPARISON OF FORECASTED FUTURE LAND NEED (2039) WITH AVAILABLE CAPACITY

<u>LAND INVENTORY VS. LAND NEED</u>	Unit Type			<u>TOTAL</u>
	Single Family Detached	Medium-Density Attached*	Multi-Family	
Buildable Land Inventory (Acres):	626	899	39	1,564
Estimated Land Need (Acres):	187	14	15	216
<b><i>Land Surplus (Inventory - Need:)</i></b>	<b><i>439</i></b>	<b><i>885</i></b>	<b><i>24</i></b>	<b><i>1,348</i></b>

Sources: Angelo Planning Group, Johnson Economics

For more detail on these findings please refer to the “Housing and Residential Land Needs Assessment Report” and the Buildable Lands Inventory (BLI) maps prepared for the city.

### Potential Strategies to Accommodate Future Housing Needs

The Housing Needs Analysis and Buildable Lands Inventory conducted for the City in 2019 indicated that the City had an adequate supply of buildable residential land within its urban growth boundary (UGB) to meet projected housing needs during the next 20 years. If population growth occurs at a faster rate than projected at that time, the City could find that additional land is needed in the future.

Although the City is not anticipated to need to expand its UGB during the planning period, it can continue to consider and implement a variety of strategies in the future to further provide opportunities for a wide range of housing choices, efficient land use, and development of housing affordable to people with low and moderate incomes. For the purposes of this Plan, “affordable housing” is defined as housing that is affordable to a household that spends 30% or less of its income on housing, including rent or mortgage payments. Households with low incomes are those who make 80% or less of median household income. Those with moderate incomes make 81-95% of median household income.

The City is already implementing a variety of land use and other strategies that help provide for a wide range of housing options in Prineville. Potential strategies not currently being undertaken by the City, or existing strategies with the potential to be strengthened or enhanced, are described in more detail in the Housing Strategies Report prepared by the City as part of its Housing Needs Analysis project in 2019.

### **Housing Goal: Provide opportunities for a wide range of housing types that meet the needs of residents with a full range of incomes and circumstances.**

#### **Policies**

1. The City shall apply zoning designations and standards that create opportunities for wide variety of housing types, including but not limited to single-family detached homes, manufactured homes, duplexes, triplexes, four-plexes, townhomes, apartments, accessory dwelling units, cottage cluster housing, recreational vehicle parks, and mixed commercial and residential use.
2. The City shall encourage development of higher density and multifamily housing in close proximity to services and major transportation corridors or other areas designated for this use and limit low-density housing in these locations.
3. The City shall seek partnerships with non-profit housing developers and other agencies to create the opportunity to provide moderate-and low-income housing development and rehabilitation activities within the City.
4. The City shall continue to implement its Natural Feature Overlay District (NFOD) to help reduce the amount of development in hazardous areas such as floodplains and steep slopes as well as natural areas such as wetlands and rimrock.
5. The City shall employ strategies that support federal and state Fair Housing laws and other federal and state fair housing requirements to affirmatively further fair housing.
6. The City shall allow and support the development of Accessory Dwelling Units in all residential zones where single-family detached homes are allowed, as required by State law.
7. The City shall allow for a mix of residential uses with other compatible uses in appropriate locations.
8. The City shall support the maintenance and development of manufactured homes as an affordable housing choice in appropriate locations.
9. The City shall continue to support and publicize programs implemented by partner organizations which promote energy efficiency and use of other sustainable building materials and practices in the construction and rehabilitation of housing.
10. The City shall consider supporting programs implemented by partnering agencies which address the needs of the unhoused, as well as people with specialized housing needs, including medical hardships.
11. The City shall encourage maintenance and rehabilitation of the existing housing stock, including the extension of services and support local or regional programs that provide funding for these efforts.

## *Housing*

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12. The City shall encourage efficient use of residential land within the Urban Growth Boundary.
13. The City shall regularly monitor its supply of buildable land and shall provide a sufficient amount of residential land to accommodate residential growth.
14. The City shall continue to provide opportunities for the flexible design and siting of housing through the use of its Planned Unit Development provisions and other alternative land use permitting procedures and processes.
15. The City shall support and encourage multi-modal transportation designs and provide access internally and adjacent to new and existing developments.

**RESOLUTION NO. 1415  
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION AUTHORIZING THE CITY OF PRINEVILLE TO ENTER INTO AN  
INTERGOVERNMENTAL AGREEMENT FOR JOINT COOPERATIVE  
PROCUREMENT**

**Whereas**, the City of Prineville (“City”) is a recipient of Section 5310 funds from the Federal Transit Administration (“Funds”) for purposes of providing public transportation services within City’s jurisdiction (“Services”); and

**Whereas**, as a condition to receiving the Funds, the City must competitively procure the Services; and

**Whereas**, the City of Madras, City of Sisters, City of Redmond, and Deschutes County are similarly situated; and

**Whereas**, ORS 279A.205(1) authorizes a public body to participate in, sponsor, conduct, and/or administer joint cooperative procurement for the procurement of goods, services, or public improvements; and

**Whereas**, in the interests of efficiency and cost savings, it is in the interest of the City to form a “cooperative procurement group” as defined under ORS 279A.200(10)(c) to procure the Services; and

**Whereas**, the City of Madras has volunteered to be the “administering contracting agency” as defined in ORS 279A.200(1)(a) and, in this capacity, solicit and establish the “original contract” as defined in ORS 279A.200(1)(f); and

**Whereas**, an Intergovernmental Agreement (“Agreement”) has been prepared and is attached to this Resolution and incorporated herein; and

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

**Now, Therefore**, the City of Prineville resolves that the Intergovernmental Agreement attached to this Resolution between the City and City of Madras, City of Redmond, City of Sisters, and Deschutes County is hereby approved and that the Mayor is authorized and instructed to sign such Agreement on behalf of the City.

Approved by the City Council this \_\_\_\_ day of October, 2019.

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

ATTEST:

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

## INTERGOVERNMENTAL AGREEMENT – JOINT COOPERATIVE PROCUREMENT

This Intergovernmental Agreement – Joint Cooperative Procurement (this “Agreement”) is dated October 15, 2019, but made effective for all purposes as of September 11, 2019 (the “Effective Date”), between City of Madras (“Madras”), an Oregon municipal corporation, City of Prineville (“Prineville”), an Oregon municipal corporation, City of Redmond (“Redmond”), an Oregon municipal corporation, City of Sisters (“Sisters”), an Oregon municipal corporation, and Deschutes County (“Deschutes”), a political subdivision of the State of Oregon. For purposes of this Agreement, Madras, Prineville, Redmond, Sisters, and Deschutes will be individually referred to herein as a “Party” and collectively “Parties.”

### RECITALS:

A. ORS 279A.205(1) authorizes a public body to participate in, sponsor, conduct, and/or administer a joint cooperative procurement for the procurement of goods, services, or public improvements.

B. Each Party is the recipient of certain Section 5310 funds from the Federal Transit Administration (the “Funds”) for purposes of providing public transportation services within the Parties’ respective jurisdictions (collectively, the “Services”). As a condition to receiving the Funds, the Parties must competitively solicit (procure) the Services.

C. In the interests of efficiency and cooperation, the Parties desire to enter into this Agreement to form a “cooperative procurement group” (as defined under ORS 279A.200(1)(c)) to procure the Services. The Parties desire that Madras act as the “administering contracting agency” (as defined under ORS 279A.200(1)(a)) and, in this capacity, solicit and establish the “original contract” (as defined under ORS 279A.200(1)(f)) for the Services.

D. This Agreement is made pursuant to ORS 279A.205 and ORS 190.010, which statute provides that units of local government may enter into agreements for the performance of any functions and activities that any party to the agreement, or its officers or agents, has the authority to perform.

### AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

1. Authorization; Cooperative Procurement Group. Subject to the terms and conditions contained in this Agreement, each Party approves and authorizes (a) the joint cooperative procurement of the Services pursuant to ORS 279A.205(1) and ORS 279A.210, and (b) establishment of a “cooperative procurement group” (as defined under ORS 279A.200(1)(c)) (the “Group”).

2. Contracting Agency. The Parties designate Madras as the Group’s administering contracting agency. Subject to the terms and conditions contained in this Agreement, Madras, as the administering contracting agency, is authorized to take such actions Madras deems necessary or

appropriate to carry out the intent of this Agreement and to solicit and establish the original contract for the Services.

3. Party Obligations.

3.1 Madras Obligations. Madras will conduct an open and impartial competitive process to procure the Services, including, without limitation, issuing a solicitation substantially in the form attached hereto as Exhibit A (the "RFP"). Madras will administer the RFP and procurement process and award the original contract to the Madras-selected contractor. The RFP and original contract will identify the Group and/or each participating purchasing agency and will specify the estimated contract requirements, including, without limitation, the services to be performed for and on behalf of each Party.

3.2 Participating Party Obligations. Each Party acknowledges and agrees that the solicitation and award process contemplated in the RFP are substantially equivalent to those identified under ORS 279B.055, ORS 279B.060, or ORS 279B.085. Each Party agrees that no material change will be made in the terms, conditions, and/or prices of the contract between the Party and the selected contractor from the terms, conditions, and/or prices contained in the original contract. Notwithstanding anything contained in this Agreement to the contrary, each Party is responsible for the execution and administration of the contract (if any) between the Party and selected contractor.

4. Payment of Fees. Each Party will be responsible for one-fifth (1/5) of all costs and expenses incurred by Madras in connection with the preparation and administration of this Agreement and the RFP, including, without limitation, attorney fees, administrative costs, mailing costs, and all other fees related to the joint cooperative procurement. Madras will provide each Party with a monthly invoice for that Party's portion of the costs and expenses. Each Party will make payment to Madras within thirty (30) days after receipt of the monthly invoice.

5. Relationship. Except as expressly provided under this Agreement, (a) this Agreement does not create an agency relationship between the Parties and does not establish a joint venture or partnership between the Parties, and (b) no Party has the authority to bind the other Parties or represent to any person that a Party is an agent of any other Party. No Party will provide any benefits to any other Party; each Party will be solely responsible for obtaining the Party's own benefits, including, without limitation, insurance, medical reimbursement, and retirement plans.

6. Effective Date; Duration. Subject to the terms and conditions contained in this Agreement, this Agreement is deemed binding and effective for all purposes as of the Effective Date and will remain in full force and effect until all obligations herein have been fully performed by the Parties. This Agreement may be terminated at any time by the mutual written agreement of all Parties or by any Party (with respect to such Party only) for any reason or no reason by providing all other Parties thirty (30) days' prior written notice. Termination of this Agreement will not relieve a Party of the Party's obligations accruing prior to termination.

7. Miscellaneous.

7.1 Compliance. The Parties will comply with all applicable federal, state, and local laws, regulations, restrictions, rules, orders, codes, and ordinances related to or concerning this Agreement, the joint cooperative procurement, and/or the Services, including, without limitation, the

provisions of ORS 279A, 279B, and 279C (if applicable). Without otherwise limiting the generality of the foregoing, the Parties expressly agree to comply with the following: (a) Title VI of Civil Rights Act of 1964; (b) Title V and Section 504 of the Rehabilitation Act of 1973; (c) the Americans with Disabilities Act of 1990 and ORS 659A.142; (d) all regulations and administrative rules established pursuant to the foregoing laws; and (e) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules, and regulations.

7.2 Severability; Entire Agreement. Each provision contained in this Agreement will be treated as a separate and independent provision. The unenforceability of any one provision will in no way impair the enforceability of any other provision contained herein. Any reading of a provision causing unenforceability will yield to a construction permitting enforcement to the maximum extent permitted by applicable law. This Agreement contains the entire agreement and understanding between the Parties with respect to the subject matter of this Agreement and contains all the terms and conditions of the Parties' agreement and supersedes any other oral or written negotiations, discussions, representations, and/or agreements. This Agreement may be amended only by a written agreement signed by each Party. The Parties will execute all documents or instruments and will perform all lawful acts necessary or appropriate to secure their rights hereunder and to carry out the intent of this Agreement. All exhibits and other documents referenced in this Agreement are part of this Agreement.

7.3 Assignment; Binding Effect; Counterparts; Authority. No Party may assign any of the Party's rights and/or obligations under this Agreement to any person without the prior written consent of all other Parties. Subject to the immediately preceding sentence, this Agreement will be binding on the Parties and their respective heirs, executors, administrators, successors, and permitted assigns and will inure to their benefit. This Agreement may be signed in counterparts. The individuals signing this Agreement each represent that he or she is duly authorized to bind the Party for which he or she signs.

7.4 Applicable Law; Attorney Fees. This Agreement will be construed, applied, and enforced in accordance with the laws of the State of Oregon. Any action or proceeding arising out of this Agreement will be litigated in courts located in Jefferson County, Oregon. Each Party consents and submits to the jurisdiction of any local, state, or federal court located in Jefferson County, Oregon. With respect to any dispute relating to this Agreement, or if a suit, action, arbitration, or other proceeding of any nature whatsoever is instituted to interpret or enforce the provisions of this Agreement, including, without limitation, any proceeding under the U.S. Bankruptcy Code and involving issues peculiar to federal bankruptcy law or any action, suit, arbitration, or proceeding seeking a declaration of rights or rescission, the prevailing Party(ies) will be entitled to recover from the losing Party(ies) its reasonable attorney fees, paralegal fees, expert fees, and all other fees, costs, and expenses incurred in connection therewith, as determined by the judge or arbitrator at trial, arbitration, or other proceeding, or on any appeal or review, in addition to all other amounts provided by law.

7.5 Legal Representation. The law firm of Bryant, Lovlien & Jarvis, P.C. has been employed by Madras to prepare this Agreement and such attorneys represent only Madras in this matter. Each Party has thoroughly reviewed this Agreement with its own legal counsel. The rule of construction that a written instrument is construed against the Party preparing or drafting such agreement will specifically not be applicable in the interpretation of this Agreement and any documents executed and delivered pursuant to, or in connection with, this Agreement.

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

Madras:  
City of Madras,  
an Oregon municipal corporation

Deschutes:  
Deschutes County,  
a political subdivision of the State of Oregon

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

\_\_\_\_\_  
By: Tom Anderson  
Its: County Administrator

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Redmond:  
City of Redmond,  
an Oregon municipal corporation

Sisters:  
City of Sisters,  
an Oregon municipal corporation

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Prineville:  
City of Prineville,  
an Oregon municipal corporation

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

Date: \_\_\_\_\_



Exhibit A  
Request for Proposals

[attached]

**RESOLUTION NO. 1416  
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION AUTHORIZING THE CITY OF PRINEVILLE TO ENTER INTO A  
WATER SERVICE CONTRACT WITH THE UNITED STATES OF AMERICA**

**Whereas**, the United States of America Secretary of the Interior, pursuant to the 1956 Federal Reclamation Act (“1956 Act”), was authorized to construct, operate, and maintain Bowman Dam and the Prineville Reservoir of the Crooked River Project, hereinafter referred to as the “Project,” for irrigation purposes; and

**Whereas**, the Crooked River Collaborative Water Security and Jobs Act of 2014 (“2014 Act”) amended the 1956 Act to direct the release of 5,100 acre-feet of water annually to serve as mitigation water for the City’s groundwater pumping; and

**Whereas**, water that is released annually to serve as mitigation for City groundwater pumping will be released in a manner consistent with the 2014 Act and the United States of America, acting through the Bureau of Reclamation (“BOR”) has secured State of Oregon Secondary Water Right Certificate No. 94149 to cover the release of 5,100 acre-feet for “flow augmentation for wildlife and fish life; and to establish mitigation credits under the Deschutes ground water mitigation program for the City of Prineville (“City”). The Certificate awarded 5,100 mitigation credits to mitigation-credit project M-222 and assigned the credits to the City; and

**Whereas**, the City has an annual need for mitigation for groundwater pumping. The City currently has groundwater right Permit No. G-18154, which requires mitigation and contemplates the use of a portion of the 5,100 acre-feet available for mitigation from this contract for such. The City anticipates additional rights needing additional mitigation from water covered by this contract;

**Whereas**, the 2014 Act directs the City to make payments for the water released in accordance with applicable BOR policies, directives, and standards; and it is intended for the City to pay only for the volume of water that is actually applied to satisfy mitigation obligations each year, from the 5,100 acre-feet released each year; and

**Whereas**, it is anticipated in the future the City will need additional water beyond the 5,100 acre-feet covered by this contract, and the 2014 Act authorizes the Secretary of the Interior to contract exclusively with the City for additional quantities of water at the request of the City, which will be covered by a figure contracting action; and

**Whereas**, an Agreement (“Agreement”) has been prepared and is attached to this Resolution and incorporated herein; and

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

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

Approved by the City Council this \_\_\_\_ day of October, 2019.

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Stephen P. Uffelman, Mayor

ATTEST:

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Lisa Morgan, City Recorder

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION

Crooked River Project, Oregon

WATER SERVICE CONTRACT BETWEEN THE UNITED STATES  
OF AMERICA AND  
THE CITY OF PRINEVILLE, OREGON

THIS CONTRACT, is made this \_\_\_\_ day of \_\_\_\_\_, 2019, pursuant generally to the Act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto, specifically the Act of February 25, 1920 (41 Stat. 451), Act of August 6, 1956 (Public Law 84-992, 70 Stat. 1058) hereinafter referred to as “the 1956 Act,” and the Crooked River Collaborative Water Security and Jobs Act of 2014 (Public Law 113-244, 128 Stat. 2864) hereinafter referred to as “the 2014 Act,” all collectively known as the Federal Reclamation Laws, between the **UNITED STATES OF AMERICA**, hereinafter referred to as the “United States,” acting through the Bureau of Reclamation, hereinafter referred to as “Reclamation,” represented by the Regional Director, Pacific Northwest Region, hereinafter referred to as the “Contracting Officer,” and the **CITY OF PRINEVILLE, OREGON**, hereinafter referred to as the “City”

**EXPLANATORY RECITALS**

1. WHEREAS, the Secretary of the Interior, pursuant to the 1956 Act, was authorized to construct, operate, and maintain Bowman Dam and the Prineville Reservoir of the Crooked River Project, hereinafter referred to as the “Project,” for irrigation and other beneficial purposes;
2. WHEREAS, the 2014 Act amended the 1956 Act to direct the release of 5,100 acre-feet of water annually to serve as mitigation water for the City’s groundwater pumping;
3. WHEREAS, the United States and Ochoco Irrigation District (“District”) entered into Contract No. 14-06-100-2551, dated September 14, 1962, which provided for the transfer of

the operations of Bowman Dam and Prineville Reservoir to the District for the United States. The contract provides that in the event of default by the District in operations, the United States may take over the operations;

4. WHEREAS, water that is released annually to serve as mitigation for City groundwater pumping will be released in a manner consistent with the 2014 Act and Reclamation has secured State of Oregon Secondary Water Right Certificate No. 94149 to cover the release of the 5,100 acre-ft for “flow augmentation for wildlife and fish life; and to establish mitigation credits under the Deschutes ground water mitigation program for the City of Prineville.” The Certificate awarded 5,100 mitigation credits to mitigation-credit project M-222 and assigned the credits to the City;

5. WHEREAS, the City has an annual need for mitigation for groundwater pumping. The City currently has groundwater right Permit No. G-18154, which requires mitigation and contemplates the use of a portion of the 5,100 acre-ft available for mitigation from this contract for such. The City anticipates additional water rights needing additional mitigation from water covered by this contract;

6. WHEREAS, the 2014 Act directs the City to make payments for the water released in accordance with applicable Reclamation polices, directives, and standards; and it is intended for the City to pay only for the volume of water that is actually applied to satisfy mitigation obligations each year, from the 5,100 acre-ft released each year; and

7. WHEREAS, it is anticipated in the future the City will need additional water beyond the 5,100 acre-ft covered by this contract, and the 2014 Act authorizes the Secretary of the Interior to contract exclusively with the City for additional quantities of water at the request of the City, which will be covered by a future contracting action;

NOW, THEREFORE, in consideration of the mutual and dependent covenants herein contained, it is hereby mutually agreed as follows:

**DEFINITIONS**

8. The following terms hereinafter used in this contract shall have the following respective meanings:

(a) “Contracting Officer” shall mean the Bureau of Reclamation Pacific Northwest Regional Director or a duly authorized representative acting pursuant to this contract or applicable Federal Reclamation law, regulation, or policy.

(b) “Mitigation” shall mean the use of Project water to serve as mitigation for the City’s groundwater pumping pursuant to the 2014 Act.

**WATER MADE AVAILABLE FOR MITIGATION**

9. (a) Subject to the conditions, exceptions, and reservations set forth herein and the availability of water quantities sufficient to fulfill the requirements of this contract, the United States hereby authorizes the City to apply any or all of the 5,100 acre-ft released from Prineville Reservoir each year pursuant to the 2014 Act to satisfy its current and future mitigation obligation. In the event of a shortage, the water described in Section 6(a)(1-4) of the 1956 Act as amended by the 2014 Act, will be shared on a pro rata basis.

(b) The City shall not use or permit the use of water furnished to it for any purpose other than as mitigation water and the City will not lease or sell potentially available mitigation water from the annual release of 5,100 acre-ft that is in excess of the amount required to satisfy its mitigation water requirements. Water released will be in compliance with the 2014 Act.

**PAYMENTS**

10. (a) Cost Per Acre-foot of Water

The annual water service charge is \$16.69 per acre-foot for the water used by the City from the 5,100 acre-ft released, to satisfy its mitigation obligation. The water service charge is composed of an annual construction cost component of \$16.38 and a Safety of Dams cost component of \$0.31. From time to time, but not less often than once every 5 years, the water service charge will be reviewed by the Contracting Officer and revised if necessary, taking into account any changes in Project costs, allocation of costs, interest rates, or other related factors, determined in accordance with applicable Reclamation Law and policy. Any revision by the Contracting Officer will apply only to future payments and shall be announced by written notice to the City prior to the next bill.

(b) Billing and Payment Method and Dates

The City will make payment in advance of using water under paragraph 10(a). After the execution of this contract, Reclamation will bill the City for the estimated water to be used to satisfy the City's mitigation obligation for the first year, ending September 30, 2020, which is 372 acre-ft. At \$16.69 per acre-foot for 372 acre-ft, the bill will be \$6,208.68. For the following years, the billing cycle will run from October 1 through September 30. Prior to the start of each billing cycle, Reclamation will bill the City on or before September 1 of each year. The City shall pay the amount billed on or before October 1 of that year. The bill will be based on an estimate of the City's mitigation obligation for the following year starting Oct 1. Reclamation will base the estimation on documentation it deems reliable, including incremental development plans, water right certificates, and other information, received from the City or the State of Oregon. Reclamation may change the date of the billing cycle upon request of the City.

(c) Monetary Credit for Mitigation Obligation Not Used

Subject to compliance with this paragraph, the City will receive monetary credit for each acre-foot of water for which it paid under paragraph 10(b) but did not use for mitigation from the 5,100 acre-foot released. This credit will be calculated based on the water used for mitigation during the billing cycle prior to the current billing cycle (in other words, two cycles earlier than the cycle for which the bill is being prepared). (For example, Reclamation will provide a monetary credit in September 2022 for each acre-foot of water not used for mitigation in the bill paid by the City in October 2020.) The City will supply to Reclamation information of the water used for mitigation within six (6) months following each billing cycle. Reclamation will use this evidence along with any other information to calculate the monetary credit (or shortfall). In the event the payment process does not ensure payment is made in advance or for any other reason, Reclamation may change the billing process by notice in writing to ensure payment is made in advance.

(d) Operation and Maintenance Payments

In addition to the above charges, the District will pay operation and maintenance payments. As the United States has transferred to the District the care, operation, and maintenance of Bowman Dam and Prineville Reservoir, the City shall pay to the District the share of costs of operation and maintenance of such, including whatever costs may be incurred in the delivery of water therefrom, which is apportionable to the contracted storage space therein and which is allocable to the 5,100 acre-ft allocated for the City's mitigation. The City will not receive a monetary credit based on actual use, such as described in paragraph 10(c), for operation and maintenance charges. In the event the care, operation, and maintenance of the facilities revert to the United States, the City shall make such operation and maintenance payment to the United States instead of the District.

**TERM AND TERMINATION OF CONTRACT**



11. (a) This contract shall become effective as of the date first above written and will continue in effect for forty (40) years: Provided, that upon expiration of the forty (40)-year term, renewals may be made by the Secretary of the Interior for successive periods not to exceed forty (40) years and under terms and conditions mutually agreeable to the parties hereto; Provided further, that the terms and conditions of each renewal shall be negotiated in light of circumstances prevailing at the time of renewal and agreed upon not later than 1 year prior to the expiration of the then-existing contract.

(b) This contract shall be terminated at the option of the United States at any time upon failure of the City to abide by any notice, order, rule, or regulation of the United States or the State of Oregon, related to release of Project water for the City, now or hereafter established. The United States may also terminate this contract and service hereunder may cease, in whole or in part, if the contract water source becomes unavailable as required by, or due to the application of, federal law, including, but not limited to, the 2014 Act and the Endangered Species Act.

(c) The City shall have the right to terminate this contract for any reason by providing thirty (30) days written notice to the Contracting Officer.

(d) Termination of this contract for any cause shall not relieve the District of any financial obligations incurred by way of this contract prior to termination.

#### **CONSTRAINTS ON THE AVAILABILITY OF WATER**

12. (a) In its operation of the Project, the Contracting Officer will use all reasonable means to guard against a condition of shortage in the quantity of water to be made available to the City pursuant to this contract. In the event the Contracting Officer determines that a condition of shortage appears probable, the Contracting Officer will notify the City of said determination as soon as practicable.

(b) If there is a condition of shortage because of inaccurate runoff forecasting or other similar operational errors affecting the Project; drought and other physical or natural causes beyond the control of the Contracting Officer or District; or actions taken by the Contracting Officer or District to meet current and future legal obligations, then no liability shall accrue against the United States or District or any of its officers, agents, or employees for any damage, direct or indirect, arising therefrom.

(c) The United States or District or any of its officers, agents, or employees are not liable for shortage in the quantity of water made available to the City pursuant to this contract due to damage or failure of any dam components, appurtenances, or related facilities.

#### **SPECIAL CONDITIONS**

13. The terms and conditions of this contract are subject to periodic review and modification if deemed necessary by the United States to avoid impacts to candidate, listed, or proposed threatened and endangered species, or other valuable natural resources.

#### **DISCLAIMER**

14. The United States will not be held responsible for any acts or omissions of the City's agents or of persons to whom water is furnished. Further, it is the responsibility of the City to comply with all applicable laws and regulations of the United States and the State of Oregon regarding any activities involved or associated with the use of water furnished hereunder, and to obtain all required permits or licenses from the appropriate Federal, State, or local authorities.

#### **TITLE TO PROJECT WORKS**

15. Title to Project lands and facilities will remain in the name of the United States until such time as the Congress of the United States authorizes title to be transferred and until title is actually transferred through required procedures.

#### **NOTICES**

16. Any notice, demand, or request authorized or required by this contract shall be deemed to have been given on behalf of the City, when mailed postage prepaid, to the Regional Director, PN Region, Bureau of Reclamation, 1150 N. Curtis Road Suite 100, Boise, Idaho 83706-1234, and on behalf of the United States, when mailed, postage prepaid, or delivered to The City of Prineville, Attention: City Manager, 387 NE 3<sup>rd</sup> St., Prineville, Oregon 97754. The designation of the persons to be notified or the addresses of such persons may be changed at any time by similar notice.

### **GENERAL PROVISIONS**

17. The General Provisions applicable to this contract are listed below. The full text of these articles is attached as Exhibit A and is hereby made a part of this contract.

- a. CHARGES FOR DELINQUENT PAYMENTS
- b. GENERAL OBLIGATION—BENEFITS CONDITIONED UPON PAYMENT
- c. CONFIRMATION OF CONTRACT
- d. CONTINGENT UPON APPROPRIATION OR ALLOTMENT OF FUNDS
- e. OFFICIALS NOT TO BENEFIT
- f. ASSIGNMENT LIMITED—SUCCESSORS AND ASSIGNS OBLIGATED
- g. BOOKS, RECORDS, AND REPORTS
- h. PERIODIC CONTRACT COMPLIANCE REVIEWS
- i. RULES, REGULATIONS AND DETERMINATIONS
- j. PROTECTION OF WATER AND AIR QUALITY
- k. EQUAL EMPLOYMENT OPPORTUNITY
- l. COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS
- m. MEDIUM FOR TRANSMITTING PAYMENTS
- n. CONTRACT DRAFTING CONSIDERATIONS

**IN WITNESS WHEREOF**, the parties hereto have signed their names as of the day and year first above written.

**CITY OF PRINEVILLE**

By \_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

(SEAL)  
ATTEST:

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

**UNITED STATES OF AMERICA**

By \_\_\_\_\_  
Regional Director  
Pacific Northwest Region  
Bureau of Reclamation  
1150 N. Curtis Road, Suite 100  
Boise, ID 83706-1234

STATE OF OREGON)

County of \_\_\_\_\_ : ss  
)

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, personally appeared before me, a Notary Public, known to me to be, respectively, the \_\_\_\_\_ and \_\_\_\_\_ of the CITY OF PRINEVILLE, and the persons who executed the within instrument and acknowledged to me that the CITY OF PRINEVILLE executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal as of the day and year first above written.

(SEAL)

\_\_\_\_\_  
Notary Public in and for the  
State of Oregon  
Residing at: \_\_\_\_\_  
My commission expires: \_\_\_\_\_

\* \* \* \* \*



**GENERAL PROVISIONS**

The Contractor, as referred to in the following Standard Contract Articles, shall be the City of Prineville, Oregon.

**a. CHARGES FOR DELINQUENT PAYMENTS**

(1) The Contractor shall be subject to interest, administrative, and penalty charges on delinquent payments. If a payment is not received by the due date, the Contractor shall pay an interest charge on the delinquent payment for each day the payment is delinquent beyond the due date. If a payment becomes 60 days delinquent, the Contractor shall pay, in addition to the interest charge, an administrative charge to cover additional costs of billing and processing the delinquent payment. If a payment is delinquent 90 days or more, the Contractor shall pay, in addition to the interest and administrative charges, a penalty charge for each day the payment is delinquent beyond the due date, based on the remaining balance of the payment due at the rate of 6 percent per year. The Contractor shall also pay any fees incurred for debt collection services associated with a delinquent payment.

(2) The interest rate charged shall be the greater of either the rate prescribed quarterly in the Federal Register by the Department of the Treasury for application to overdue payments, or the interest rate of 0.5 percent per month. The interest rate charged will be determined as of the due date and remain fixed for the duration of the delinquent period.

(3) When a partial payment on a delinquent account is received, the amount received shall be applied first to the penalty charges, second to the administrative charges, third to the accrued interest, and finally to the overdue payment.

**b. GENERAL OBLIGATION—BENEFITS CONDITIONED UPON PAYMENT**

(1) The obligation of the Contractor to pay the United States as provided in this contract is a general obligation of the Contractor notwithstanding the manner in which the obligation may be distributed among the Contractor's water users and notwithstanding the default of individual water users in their obligation to the Contractor.

(2) The payment of charges becoming due pursuant to this contract is a condition precedent to receiving benefits under this contract. The United States shall not make water available to the Contractor through the Crooked River Project facilities during any period in which the Contractor is in arrears in the advance payment due the United States.

**c. CONFIRMATION OF CONTRACT**

Promptly after the execution of this contract, the Contractor will provide evidence to the Contracting Officer's satisfaction. In addition to other forms of evidence to meet the requirements of this Article, the Contractor may provide, or the Contracting Officer may require a certified copy of a final decree of a court of competent jurisdiction in the State of Oregon, confirming the proceedings on the part of the Contractor for the authorization of the execution of this contract.

**d. CONTINGENT UPON APPROPRIATION OR ALLOTMENT OF FUNDS**

The expenditure or advance of any money or the performance of any obligation of the United States under this contract shall be contingent upon appropriation or allotment of funds. Absence of

appropriation or allotment of funds shall not relieve the Contractor from any obligations under this contract. No liability shall accrue to the United States in case funds are not appropriated or allotted.

e. OFFICIALS NOT TO BENEFIT

No Member of or Delegate to the Congress, Resident Commissioner, or official of the Contractor shall benefit from this contract other than as a water user or landowner in the same manner as other water users or landowner.

f. ASSIGNMENT LIMITED—SUCCESSORS AND ASSIGNS OBLIGATED

The provisions of this contract shall apply to and bind the successors and assigns of the parties hereto, but no assignment or transfer of this contract or any right or interest therein by either party shall be valid until approved in writing by the other party.

g. BOOKS, RECORDS, AND REPORTS

The Contractor shall establish and maintain accounts and other books and records pertaining to administration of the terms and conditions of this contract, including the Contractor's satisfaction of mitigation requirements by this contract and other matters that the Contracting Officer may require. Reports shall be furnished to the Contracting Officer in such form and on such date or dates as the Contracting Officer may require. Subject to applicable Federal laws and regulations, each party to this contract shall have the right during office hours to examine and make copies of the other party's books and records relating to matters covered by this contract.

h. PERIODIC CONTRACT COMPLIANCE REVIEWS

The Contractor acknowledges Reclamation's authority to conduct periodic contract compliance reviews in accordance with Reclamation Manual Policy, *Water-Related Contracts and Charges – General Principles and Requirements* (PEC P05), and Reclamation Manual Directives and Standards, *Contract Compliance Reviews* (PEC 05-08), as may be revised, amended, modified or superseded.

i. RULES, REGULATIONS AND DETERMINATIONS

(1) The parties agree that the delivery of water or the use of Federal facilities pursuant to this contract is subject to Federal Reclamation Law, as amended and supplemented, and the rules and regulations promulgated by the Secretary of the Interior under Federal Reclamation Law.

(2) The Contracting Officer shall have the right to make determinations necessary to administer this contract that are consistent with its expressed and implied provisions, the laws of the United States and the State of Oregon, and the rules and regulations promulgated by the Secretary of the Interior. Such determinations shall be made in consultation with the Contractor.

j. PROTECTION OF WATER AND AIR QUALITY

The United States does not warrant the quality of the water delivered to the Contractor and is under no obligation to furnish or construct water treatment facilities to maintain or improve the quality of water delivered to the Contractor.

k. EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this contract, the Contractor agrees as follows:

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:



employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this nondiscrimination clause.

(2) The Contractor, in all solicitations or advancements for employees placed by or on behalf of the Contractor, will state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.

(4) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency Contracting Officer, advising the labor union or workers' representative of the Contractor's commitments under section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The Contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Contracting Officer and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept. 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The Contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance: *Provided, however*, that in the event the Contractor becomes involved in, or is threatened with, litigation with a

subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

#### 1. COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS

(1) The Contractor shall comply with Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352; 42 U.S.C. § 2000d), the Rehabilitation Act of 1973 (Pub. L. 93-112, Title V, as amended; 29 U.S.C. § 791, et seq.), the Age Discrimination Act of 1975 (Pub. L. 94-135, Title III; 42 U.S.C. § 6101, et seq.), [Title II of the Americans with Disabilities Act of 1990 (Pub. L. 101-336; 42 U.S.C. § 12131, et seq.),] [Title III of the Americans with Disabilities Act of 1990 (Pub. L. 101-336; 42 U.S.C. § 12181, et seq.),] and any other applicable civil rights laws, and with the applicable implementing regulations and any guidelines imposed by the U.S. Department of the Interior and/or Bureau of Reclamation.

(2) These statutes require that no person in the United States shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving financial assistance from the Bureau of Reclamation on the grounds of race, color, national origin, disability, or age. By executing this contract, the Contractor agrees to immediately take any measures necessary to implement this obligation, including permitting officials of the United States to inspect premises, programs, and documents.

(3) The Contractor makes this agreement in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property discounts, or other Federal financial assistance extended after the date hereof to the Contractor by the Bureau of Reclamation, including installment payments after such date on account of arrangements for Federal financial assistance which were approved before such date. The Contractor recognizes and agrees that such Federal assistance will be extended in reliance on the representations and agreements made in this article and that the United States reserves the right to seek judicial enforcement thereof.

(4) Complaints of discrimination against the Contractor shall be investigated by the Contracting Officer's Office of Civil Rights.

#### m. MEDIUM FOR TRANSMITTING PAYMENTS

(1) All payments from the Contractor to the United States under this contract shall be by the medium requested by the United States on or before the date payment is due. The required method of payment may include checks, wire transfers, or other types of payment specified by the United States.

(2) Upon execution of the contract, the Contractor shall furnish the Contracting Officer with the Contractor's taxpayer's identification number (TIN). The purpose for requiring the Contractor's TIN is for collecting and reporting any delinquent amounts arising out of the Contractor's relationship with the United States.

#### n. CONTRACT DRAFTING CONSIDERATIONS

This contract has been, negotiated and reviewed by the parties hereto, each of whom is sophisticated in the matters to which this contract pertains. Articles 1 through 17 of this contract have been drafted, negotiated, and reviewed by the parties, and no one party shall be considered to have drafted the stated articles.