



Location: City Hall – Council Chambers  
Date: June 14, 2022  
Time: 6:00 PM

## City Council Meeting Agenda

Mayor Jason Beebe, Council Members Steve Uffelman, Janet Hutchison, Patricia Jungmann, Gail Merritt, Jeff Papke, Raymond Law and City Manager Steve Forrester  
**ATTEND TELEPHONICALLY BY CALLING 346-248-7799 Meeting ID: 947 5839 2608 Passcode: 123456**

### Call to Order

### Flag Salute

### Additions to Agenda

### Consent Agenda

1. Regular Meeting Brief 5-24-2022
2. Neat Repeat Second Hand License Renewal

### Visitors, Appearances and Requests

### Council Presentations

### Council Business

3. Intent to award TRM Energy Solutions to complete the launch and permitting phases for the Prineville Renewable Energy Project (**PUBLIC HEARING**) - Caroline Ervin
4. Intent to Award 2022 Street Rehabilitation Project - Justin Severance

### Staff Reports and Requests

5. City Manager Report - Steve Forrester
6. Third Quarter Financial Report - Lori Hooper

### Committee Reports

### Ordinances

7. Ordinance No. 1275 - Vacating a Portion of Alley (**FIRST PRESENTATION**) - Josh Smith

### Resolutions

8. Resolution No. 1526 - Authorizing an Amendment to the Cooperative Improvement Agreement with ODOT for the Improvements to the Third Street Corridor - Casey Kaiser

### Visitors, Appearances and Requests

### Adjourn

*Agenda items maybe added or removed as necessary after publication deadline*





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

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

**City Council Meeting Brief**  
**May 24, 2022**

**Council Members Present:**

Patricia Jungmann  
Steve Uffelman  
Gail Merritt  
Janet Hutchison

Jason Beebe  
Jeff Papke  
Ray Law

**Council Members Absent**

None.

**Additions to the Agenda**

None.

**Consent Agenda**

1. Regular Meeting Brief 4-26-2022
2. Planning Commission Appointments

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

**Visitors, Appearances and Requests**

None.

**Council Presentations**

None.

**Council Business**

3. **Reading of Poppy Days Proclamation** – Mayor Beebe

Mayor Beebe read the proclamation into the record and presented it to a representative for Veterans of Foreign Wars Post 1412 and Auxiliary.

**4. Vacation of a Portion of Alley (CCJC) (PUBLIC HEARING) – Josh Smith**

Josh Smith, Planning Director presented the background information, explaining that this was discussed previously with Council along with the other city contribution requests for the justice center project. This is for the public hearing requirement and an ordinance will be brought back at the next meeting.

**Mayor Beebe opened the public hearing portion of the meeting.**

No one came forward and no written comments were received.

**Mayor Beebe closed the public hearing portion of the meeting.**

**Staff Reports and Requests:**

**5. City Manager’s Report– Steve Forrester**

Mr. Forrester went through his City Manager report that covered highlights from each department and added that there was a great turn out for the Police Memorial banquet, the Maverick horses are now installed in the roundabout and HE recognized Casey Kaiser - Senior Planner, Justin Severance – Street Supervisor, Robbie Katzenberger – Streets, Jordan Ridenour – Public Works, and Brant Giovanini – Public Works for their hard work on this project.

Mr. Forrester explained that we have had interesting spring weather which helped somewhat and made it possible to extend the irrigation season a little more than what was originally anticipated.

The Chamber awards went well and was a great event.

There were no questions or comments.

**Committee Reports**

Jeff Papke announced that he was selected for a diverse group that was randomly selected to do an assessment of 4-H facilities throughout the state.

Janet Hutchison provided an Ochoco Forest Collaborative group update explaining that they are in transition from having Central Oregon Intergovernmental Council (COIC) facilitating their meetings. The Foundation has taken over for now until something can be resolved. Several members withdrew and made it a media event. There will be a field trip coming up and prescribed burns has been put on hold nationwide.

There were no other committee reports.

**Ordinances:**

None.

**Resolutions**

**6. Resolution No. 1517 – Establishing a Policy Governing Charitable Donations Made by City Council – Councilor Papke**

Councilor Papke, Chair of the Council Governance Committee provided an overview of the purpose of this policy after the committee reviewed and updated.

There were no questions.

**Councilor Papke made a motion to approve Resolution No. 1517. Motion seconded. No discussion on motion. All in favor, motion carried.**

**7. Resolution No. 1522 – Authorizing City of Prineville to Apply for Oregon Spire 2 Grants – James Wilson**

James Wilson, Public Safety IT Manager presented the staff report.

There were no questions.

**Councilor Jungmann made a motion to approve Resolution No. 1522. Motion seconded. No discussion on motion. All in favor, motion carried.**

**8. Resolution No. 1523 – Authorizing the Agreement for the 2022 Recreational Trails Grant Benefiting the Barnes Butte – Casey Kaiser**

Casey Kaiser, Senior Planner and Justin Severance, Street Supervisor went through a power point presentation and staff report that highlighted the background information.

There were no questions.

**Councilor Hutchison made a motion to approve Resolution No. 1523. Motion seconded. No discussion on motion. All in favor, motion carried.**

**9. Resolution No. 1524 - Authorizing the City to Enter Into an Intergovernmental Agreement (IGA) with Oregon Department of Forestry – Jered Reid**

Jered Reid, City Attorney provided the background information including that this has been approved by Council before and this is just the annual renewal. Mr. Reid added that he is hoping to move away from this being an IGA and have it as a lease.

There were no questions.

**Councilor Merritt made a motion to approve Resolution No. 1524. Motion seconded. No discussion on motion. All in favor, motion carried.**

**10. Resolution No. 1525 – Approving a Personal Services Agreement with the Beck Group and Highland Economics – Eric Klann**

Eric Klann, City Engineer presented the staff report stating that they want to move forward with a third party analysis of the project. Mr. Klann explained we would like to award the entire project at this time, however if funding for Phase III does not come through, we will not move forward with Phase III.

There were discussions regarding direct awards of personal services agreements pursuant to Resolution No. 1066 and the required findings.

There were no further discussions.

**Councilor Papke made a motion to approve Resolution No. 1525. Motion seconded. No discussion on motion. All in favor, motion carried.**

**Visitors, Appearances and Requests:**

Mr. Smith brought up Joe Becker and introduced him to Council as a new Planning Commissioner.

Mr. Becker said he appreciates having this opportunity.

No one else came forward.

**Adjourn**

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

Meeting adjourned at 6:45 P.M.

**Motions and Outcomes:**

Motion:	Outcome	Beebe	Hutchison	Jungmann	Law	Merritt	Papke	Uffelman
Consent Agenda	PASSED	Y	Y	Y	Y	Y	Y	Y
Resolution No. 1517 – Establishing Policy Governing Charitable Donations Made by City Council	PASSED	Y	Y	Y	Y	Y	Y	Y
Resolution No. 1522 – Authorizing City of Prineville to Apply for Oregon Spire 2 Grants	PASSED	Y	Y	Y	Y	Y	Y	Y
Resolution No. 1523 – Authorizing the Agreement for the 2022 Recreational Trails Grant Benefiting the Barnes Butte	PASSED	Y	Y	Y	Y	Y	Y	Y
Resolution No. 1524 - Authorizing the City to Enter Into an Intergovernmental Agreement (IGA) with Oregon Department of Forestry	PASSED	Y	Y	Y	Y	Y	Y	Y
Resolution No. 1525 – Approving a Personal Services Agreement with the Beck Group and Highland Economics	PASSED	Y	Y	Y	Y	Y	Y	Y
Adjourn Meeting	PASSED	Y	Y	Y	Y	Y	Y	Y

Public Records Disclosure

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

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



## STAFF REPORT

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**MEETING DATE:** 6/14/2022

**PREPARED BY:** Caroline Ervin

**SECTION:** Council Business

**DEPARTMENT:** Public Works

**CITY GOAL(S):** Position the City for the future

**SUBJECT:** Intent to award TRM Energy Solutions to complete the launch and permitting phases for the Prineville Renewable Energy Project

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**REASON FOR CONSIDERATION:** The Prineville Renewable Energy Project (PREP) has been pursued by the City of Prineville for the needs it would address and multitude of benefits it would bring to our community and region, such as forest and grassland health improvements and associated wildfire risk reduction, revitalization of the local forest products industry, and to address electrical transmission constraints.

The feasibility phase of the project development path is complete and revealed that the PREP is economically viable at 24.9 MWe and confirmed an acceptable feedstock supply coverage ratio. If the City desires to move the project forward, the next steps are to complete the launch and permitting phases of project development. To that end, the City will require a personal services agreement for the launch and permitting phases.

Pursuant to Resolution 1266, the City of Prineville City Council may award a personal services contract upon the following criteria applicable to the services rendered:

- a. Total cost to the city for delivery of services
- b. Expertise in the required area of specialty
- c. References regarding prior work
- d. Capacity and capability to perform the work, including any specialized services within the time limitation for the work
- e. Educational and professional records, including past performance on contracts with governmental agencies and private parties with respect to cost control, quality of work, ability in schedules, and contract administration
- f. Availability to perform the assignment and familiarity with the area in which the specific work is located
- g. Timeline of delivery of service
- h. Experience in working with the City
- i. Knowledge of the City's needs and desires related to the Contract



The public hearing, which was noticed in the Central Oregonian on June 7, 2022, is to consider the attached draft findings for the award of a personal services contract for the launch and permitting phases of the Prineville Renewable Energy Project (“PREP”) to TRM Energy Solutions, LLC (“TRM”). TRM will present to the Council and then a public hearing should be opened to allow any interested person to appear and present comment.

Staff has prepared the attached draft findings for Council’s consideration. If Council approves the draft findings, or amends them as it sees appropriate, to award the personal services contract, then a resolution will be presented to Council on June 28, 2022, to formally award the contract.

**FISCAL IMPACT:** Not to exceed \$300,000

**SUGGESTED MOTION:** Motion to approve the presented draft findings for TRM Energy Solutions, LLC, for a personal services contract for the launch and permitting phases for the Prineville Renewable Energy Project.

**RELATED DOCUMENT(S):** The draft findings and proposal from TRM Energy Solutions are included for review.

Draft Findings for Personal Services Contract for Launch and Permitting Phases of Prineville  
Renewable Energy Project  
TRM Energy Solutions, LLC

City Staff recommends that the Council make the following findings as their basis for approval, if they approve, a personal services contract for the Launch and Permitting Phases of the Prineville Renewable Energy Project (“PREP”) with TRM Energy Solutions, LLC, hereinafter “TRM.”

1. Total costs to the City for delivery of services:
  - The total costs are estimated to be \$300,000.00. It is anticipated that grant funding will be available in late summer 2022 through the Oregon State Fire Marshal to reimburse the City for expenditures. Afterward, TRM will pursue the remaining funding required. Part of the costs will include funding work for TRM to pursue funding opportunities that will provide the necessary resources to complete the remainder of the phases outlined without expected additional investment from the City.
2. Expertise of TRM in the required area of specialty:
  - TRM has a highly qualified team with experience that includes four projects of similar scope and scale to the PREP. One involved full project entitlement and successfully negotiating a power purchase agreement with PGE in 2019. TRM is accustomed to the unique permitting challenges in Central Oregon and has recent, applicable project experience in neighboring La Pine, Oregon. Past experience includes mitigation of water impact of projects in extremely sensitive water basins; fuel logistics, procurement, and transactional experience across the forest products industry over the last 14 years in and around Central Oregon and the I-5 corridor; and development of bankable fuel supply agreements to support a PPA with Portland General Electric. TRM’s team also has expertise in taking very complex projects from concept through design, funding, construction, and to implementation, which also includes management of teams and budgets of up to \$50,000,000.00 per year. TRM’s team has secured over \$28,600,000 in grants since 2008 for a variety of municipal projects.
3. References regarding prior work done by the TRM:
  - TRM has references from Wellons Group, TSS Consultants, and Ken Kauffman Law.
4. Capacity and capability to perform the work, including any specialized services within the time limitations for the work:
  - During the launch phase, TRM will secure the PREP’s financial foundation by working with the data centers, the City, PacificCorp and other stakeholders to align interests and deliver a framework that will be used to negotiate a power purchase

agreement. TRM will also apply for, secure, and manage funding to forward the project towards completion. As stated above, the TRM team has the capacity and capability to work with these stakeholders based on years of experience within the forestry industry and working with municipalities. During the permitting phase, TRM will oversee all permitting required to construct the project.

5. Educational and professional records, including past records of performance on contracts with governmental agencies and private parties with respect to cost control, quality of work, ability in schedules, and contract administration, where applicable:

- See Factors 2 and 8.

6. Availability to perform the assignment and familiarly with the area in which the specific work is located:

- TRM is available to perform the work. TRM has extensive experience and contacts within the forestry and renewable energy fields as set forth in Factor 2.

7. Timelines of delivery of service:

- TRM is able to deliver the services requested within the timeline required by the City.

8. Experience in working with the City:

- TRM successfully provided the City with a PREP feasibility study. City staff found TRM's work highly satisfactory, timely provided, and reasonably priced.

9. Knowledge of the City's needs and desires related to the Contact:

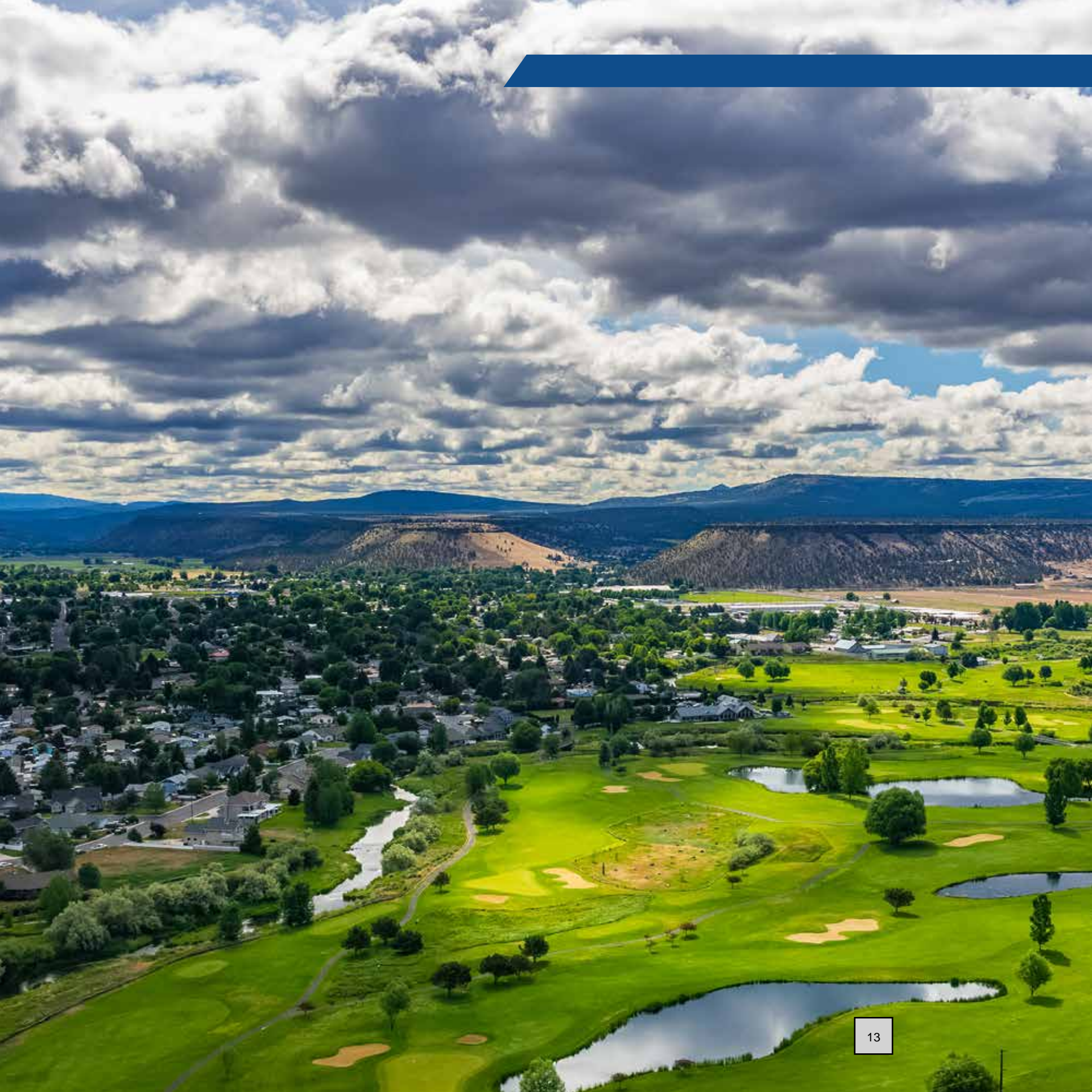
- TRM and City have discussed the project in detail and TRM is fully aware of the City's needs and desires related to the project. As TRM conducted the feasibility study, it already has the institutional knowledge regarding the City's needs and desires regarding PREP.

# PRINEVILLE RENEWABLE ENERGY PROJECT



Development  
Services





# POWERING THE FUTURE OF PRINEVILLE

As a national leader in environmental protection and conservation, the City of Prineville is committed to investing in the long-term sustainability of the community. With the Prineville Renewable Energy Project (PREP), the City has the opportunity to leverage a clean, renewable energy source that can deliver both economic and environmental benefits.

While the PREP is designed to meet the needs of Prineville for decades to come, the time to act is now. The region needs the benefits this project can provide more than ever before, while delays can mean the project is at risk of losing its momentum.

*TRM Energy Solutions is committed to ensuring the PREP stays on track. Thanks to our community and industry experience, we are uniquely positioned to help the City take the next steps to make the PREP reality.*

This proposal shares our vision for the PREP development, including a clear budget, timeline, and paths for funding. We believe the City has a prime window of opportunity to bring the PREP to life and look forward to providing the services and support required to fund, manage and operate the project.



# WHY PREP MATTERS

Biomass is a carbon-neutral energy source generated from renewable organic material that is otherwise a fire hazard. Not only does biomass utilization provide a cost-efficient, dependable source of electricity, but it provides a wide range of environmental and community benefits, including:

## Reduced wildfire risk



Removing biomass reduces fuel for wildfires, reducing their prevalence and severity. In turn, this helps protect property, improve air quality, reduce wildfire suppression costs, and minimize economic disruption.

## More jobs



Like many communities in the Pacific Northwest, Prineville has felt the impact of lost forestry jobs. Biomass creates new jobs, both directly through the plant and indirectly through construction, vendor supply, and other roles throughout the community.

## A better environment



Biomass is a renewable energy source that can help the City meet its commitments for reducing carbon, landfill waste, and air pollution.

*While Prineville has many sources of biomass, juniper is prolific, invasive and presents an opportunity to fuel energy production through PREP. In addition to the benefits above, an extensive, long-term study in the Prineville area confirmed that the removal of juniper and subsequent re-establishment of historical native shrub/grass plant community would make more water available for plant growth, groundwater recharge and sustained spring flow.*



The Prineville Renewable Energy Project is a 24.9 MWe biomass power plant designed to help meet the growing energy needs of our community in a clean, sustainable way. Our community is positioned to maximize the potential of a biomass plant thanks to:

**FUEL STABILITY:** The success of a large-scale biomass facility depends largely on a reliable and sustainable fuel supply, which the PREP has in abundance. PREP's contract will provide stable pricing for a 20-year term, ensuring an ample supply of urban wood waste, forest-derived fuel, and agricultural waste to fuel the plant while providing the flexibility to add additional fuel streams in the future as they become economically feasible.

**WILDFIRE MITIGATION COMMITMENTS:** The PREP takes biomass that might fuel the region's next major wildfire, and instead uses it to power the region's businesses and homes. The PREP provides a proactive solution for improving the health of our forests, allowing the region to reduce its risk. This aligns with recent wildfire-focused legislation and funding programs that present a key opportunity to obtain project support.

For example, in 2022 the Oregon legislature enacted HB 762, which allowed the Oregon State Fire Marshal's Office (OSFMO) to allocate \$25 million for a Community Risk Reduction Fund aimed at reducing community risk through wildfire prevention and response, creation of defensible space, and community preparedness. The City has presented its plan for the PREP to OSFMO, which expressed a high level of interest in the project's ability to provide an outlet for waste materials generated by efforts to create and retain defensible space. In addition, the PREP aligns with Oregon's Forest Action Plan and recommendations made by the Governor's Council on Wildfire Response.

**PRICE PER MWH AND POTENTIAL OFF-TAKERS:** Prineville is home to two global companies with major data center campuses that are not only large load power users, but have a deep commitment to mitigating their impact on the environment. These major users have a proven track record of paying

above-market rates for renewable energy projects that help them accomplish their environmental priorities, which aligns with the goals and capabilities of the PREP.

In addition, the City of Bend is another potential off-taker that has expressed interest in the PREP as a key energy source. The City has already held high-level meetings with the City of Bend, and is slated to meet with their Environment and Climate Committee this summer. The City has also met with The Environmental Center about the PREP, with The Environmental Center poised to lobby the City of Bend to include the PREP in its Community Supported Renewables program.

The PREP is strategically located to develop a power purchase agreement (PPA) with one or all of these entities, providing a firm financial foundation.

**PHILANTHROPIC INTEREST:** In addition to other established funding sources, a well-known philanthropist has provided funding for a portion of the PREP's environmental and economic analysis and has expressed an interest in funding the entire project cost of \$145 million at a low rate of return.

**UNRIVALED SUPPORT:** Few projects have garnered more support across stakeholders than the PREP. The following are just a few of the entities on record that have written letters of support:

*Oregon Governor Kate Brown*

*Oregon Department of Forestry, State Forester*

*Ochoco National Forest and Crooked River National Grasslands Supervisor*

*Crook County Natural Resources Committee*

*Ochoco Forest Restoration Collaborative*

*The Environmental Center*

*City of Bend*

*Oregon State Fire Marshal*



# THE TIME IS NOW

There has already been a significant investment in time and resources to get the PREP where it is today.

The feasibility phase of the project is complete, which included the L10 (initial feasibility), L20 (site development analysis, fuel study, and preliminary permit assessment) and the L30 (preliminary design, front-end engineering and design study, and financial model). An environmental and economic analysis is currently underway, which will provide a holistic presentation of the social, economic, and environmental benefits and potential costs of the PREP, as well as an estimate of the social and economic impacts of the project.

However, the project runs the risk of stalling out due to delayed timing and project fatigue. The PREP has been discussed by City leaders, the community, and investors for years. While this has helped secure community support and funding, the PREP will lose its sense of urgency and momentum the longer it remains a project people only talk about instead of taking action on.

*By providing a clear plan, budget, schedule, and set of deliverables, TRM can help the City reinvigorate the PREP and take it from a proven concept to an operational facility.*

The PREP is ready for the final stages of the development path:

- LAUNCH PHASE
- PERMITTING PHASE
- CONSTRUCTION PHASE
- OPERATIONS



## TRM AND THE CITY OF PRINEVILLE: MAKING THE PREP REALITY

TRM Energy Solutions (TRM) will work with the City to bring the PREP from concept to commissioning. We will do so by taking the lead in the management of the Launch and Permitting Phases working towards a goal of leading the Management of the Construction and Operations Phases.



### Launch

In this phase, we will secure the PREP's financial foundation by working with the data centers, the City, PacificCorp and other stakeholders to align interests and deliver a framework that will be used to negotiate a power purchase agreement. TRM will also apply for, secure, and manage funding to forward the project towards completion.



### Permitting

Concurrently with the Launch Phase, we will oversee all permitting required to construct the project.



### Construction

In this phase, we hope to act as the City's eyes and ears throughout the construction process to meet the City's goals of opening the PREP on time and on budget.



### Operations

Once the PREP is operational, a concession agreement will be entered for the operation and maintenance of the PREP project for the City of Prineville.

In the following proposal, we have designed our services in a way that allows the City to deploy its resources in the most efficient way possible. Each task will be completed in a logical order; for some tasks, this means completing work in parallel, while others will not start until a necessary milestone has been completed. This approach to scheduling will allow us to make the most progress while risking the least amount of capital. In addition, it allows TRM to provide funding outside of the City to support the PREP, reducing the City's costs and risk.

#### BY WORKING WITH TRM, THE CITY OF PRINEVILLE CAN EXPECT:

- A framework for a bankable 20-year power purchase agreement with an off-taker
- An executable fuel supply agreement between the City and TRM
- Full project entitlements completed for the PREP
- Project operational by the third quarter of 2025

Thanks to our existing PREP expertise, green field project experience, and partner relationships, we can help the city bring the PREP to life more efficiently. Our process can help you achieve a \$2 million savings in construction interest by shortening the construction schedule, a 3-4% reduction in capital costs through proper final design selection, and a reduced cash outlay for development through the procurement of grants and other alternative funding sources.

# PROJECT TIMELINE

The Launch Phase will take approximately nine months after proposal approval. As described in the following fees section, we plan to fund the Launch Phase through grant funding from the Oregon State Fire Marshal. This funding should be available late summer 2022. It is TRM's goal that it will be refunded. We anticipate that the City's reimbursable expenditures will total up to \$300,000. Afterward, TRM will pursue the remaining funding required to pay for the project.

The specific negotiations with potential customers during the Launch Phase may impact the schedule of the permit and construction phases. The Permit phase will begin March 2023 and is expected to take approximately 12 to 14 months to complete. This phase will be funded by the planned Congressionally Directed Funding and match with State Directed Funding. The construction phase will take approximately 20 to 28 months depending on the

level of engineering completed prior to breaking ground. Financing will be anchored by an executed power purchase agreement.

## CITY REQUIREMENTS

As the saying goes, it takes a village. In the case of the PREP, it will take the City. City of Prineville leaders should expect to make up to seven trips in support of customer development over the next eight months. Each trip should include at least two council members in order to press the City's interests with potential customers and apply pressure as needed. The goal of these meetings is to educate, persuade, and communicate to our largest stakeholders how the PREP will help them accomplish their own priorities. In addition, the City will have an important role to play to support the fundraising activities outlined in the next section, and may be asked to contribute to the process as needed.

*Biomass creates new jobs, both directly through the plant and indirectly through construction, vendor supply, and other roles throughout the community.*



## Projected Customer Development Travel

01	Federal: Washington, D.C.	up to three trips	date tbd
02	Facebook: Menlo Park, CA	up to two trips	date tbd
03	Apple: Cupertino, CA	up to two trips	date tbd







# PROJECT FUNDING

TRM has a track record of securing and managing significant grant funding. This effort is already underway for the PREP, and we will continue to develop relationships and submit applications to secure funding. The following funding opportunities are currently in the process of being secured:

## CITY/COUNTY INTERIM FUNDING

ESTIMATED FUNDING  
Not to exceed \$300,000

EXPECTED DATE  
July 1, 2022

PURPOSE OF FUNDING  
Avoid delays related to grant funding for Launch Phase

NOTE  
*These funds may be reimbursed by funding from the Oregon State Fire Marshal's Community Risk Reduction Fund*

## HB 762: OREGON STATE FIRE MARSHAL'S OFFICE COMMUNITY RISK REDUCTION FUND

ESTIMATED FUNDING  
\$600,000

EXPECTED DATE  
Summer 2022

PURPOSE OF FUNDING  
Support for Launch Phase

## 2023 CONGRESSIONALLY DIRECTED SPENDING VIA USFS WOOD INNOVATIONS PROGRAM

ESTIMATED FUNDING  
\$587,500

EXPECTED DATE  
March 2023

PURPOSE OF FUNDING  
Support for Permitting Phase - L35

## OREGON STATE DIRECTED SPENDING

ESTIMATED FUNDING  
\$587,500

EXPECTED DATE  
March 2023

PURPOSE OF FUNDING  
Match for Wood Innovations funds

## 2022 INVESTMENT TAX CREDIT (ITC)

ESTIMATED FUNDING  
30% of eligible project costs or up to \$43,500,000

EXPECTED DATE  
TBD

PURPOSE OF FUNDING  
Support for Construction Phase

NOTE  
*The current Federal ITC has yet to be renewed. This tax incentive could offset 30% of the total project cost. TRM and City Council representatives will meet with the Congressional Delegation in Washington DC to support the renewal of this program.*



# PROJECT FEES & DELIVERABLES

We are asking the City to award the Launch and Permitting Phases in this proposal. The following is a list of all anticipated project fees and deliverables separated by Launch and Permitting Phases. Pricing is valid up to 30 days from the date of this proposal. The Construction and Operations Phases will be awarded at a future date. Fees are subject to change if the project specifications change or if costs for outsourced services change before a contract is approved.

## LAUNCH PHASE

Site Control - Option Renewal	Preserve site control for Porfily property	\$25,000
Fuel Contract Maintenance and Development of Financial Package	Binding letters of intent, develop full fuel supply agreement w/City and TRM, financial proposal development, potential funder or philanthropic interest	\$125,000
Customer Development	Trips (7 total) to Washington D.C., Apple corporate, Facebook corporate to promote the project and educate customers	\$75,000
Funding Work	Application & submission of additional grant funding sources	\$75,000
Power Purchase Negotiations	Executable power purchase framework, updated financial model, up to \$50,000 for power attorney fees	\$150,000
PacifiCorp Interconnection Transmission Cluster Study	Required study cost and deposits	\$150,000
		<b>Total \$600,000</b>

## PERMITTING PHASE

Air Permit	Apply for and obtain DEQ air permit	\$85,000
Private Transmission	Designed transmission line from PREP to end user with recorded easements	\$200,000
Design Work	Develop drawings ready for manufacture and REQ generation (6-8 month reduction for construction schedule)	\$690,000
Interconnection	Assistance with interconnection process	\$100,000
Final Project Financing Package	Development of financing package	\$100,000
		<b>Total \$1,175,000</b>

## CONSTRUCTION PHASE

Advise COP in Final Equipment Selection	Review design and provide guidance for final equipment selection that provides a solid, utility grade power project	
Establish Project Budget	Update project pricing, review proforma and align revenue expectations with appropriate project budget	
Establish Project Schedule	Build project schedule with guidance from EPC	
Coordinate Project with EPC Contractor	Joint effort in aligning the fuel storage/handling, boiler island/turbine island, and private transmission construction to efficiently arrive at a successful project commissioning date	
Quality Control	Oversee project build: reviewing equipment, methods and schedule	
Delivery of Project	On time and on budget	
		Total (Est. 1.5% of Const. Costs) <b>\$1.75M-\$2.9M</b>

## OPERATIONS PHASE

Staff Power Plant	Provide all personnel for plant operation	
NERC/FERC Compliance	Verify all practices align with NERC/ FERC requirements	
Title V Operating Permit Compliance	Maintain operation/records. compliance with Title V	
Match Operational Schedules with PPA	Maximize operational uptime to produce power as negotiated	
Operate Complete CHP Complex	Manage Fuel supply, storage and delivery to energy plant for the production of steam for electrical production, thermal production for process off take	
Maintain Equipment	Develop preventative maintenance program to maximize equipment life and operational uptime	
		<b>Total (Est. \$0.015/kwh)</b>





# TAKE THE NEXT STEP FOR THE PREP

The Prineville Renewable Energy Project is a rare opportunity to provide a meaningful positive impact for the environment, economy, and Prineville community. We're excited to help the City of Prineville move forward with the successful development of the PREP.

We know from experience that these types of projects are fluid and the City is looking for certainty. With our team and the PREP's project attributes, certainty will grow with each completed milestone. TRM will do everything we can to adapt as needed and make decisions that drive certainty for the success of the City.

Much like the Crooked River Wetlands Complex project created an example for others to follow, the PREP is something that will have a positive impact on communities across Oregon. The collaboration of TRM and the City will not only help Prineville forge a path forward for scalable biomass power, but will create a template that other cities can use to build their own projects, creating a measurable reduction of the region's wildfire risk.

If you have any questions about this proposal, don't hesitate to contact Rob at [rob@trmenergysolutions.com](mailto:rob@trmenergysolutions.com) or 360-936-5408.

Thank you for your consideration.

**Rob Broberg**  
*Managing Member*





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Gaston, Oregon 97119



# STAFF REPORT

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<b>MEETING DATE:</b>	6/14/2022	<b>PREPARED BY:</b>	Justin Severance
<b>SECTION:</b>	Council Business	<b>DEPARTMENT:</b>	Public Works
<b>CITY GOAL:</b>	Quality Municipal Services & Programs		
<b>SUBJECT:</b>	Intent to Award 2022 Street Rehabilitation Project		

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## REASON FOR CONSIDERATION:

The rehabilitation of approximately 309,610 square feet (sq. ft.) of city streets.

## BACKGROUND:

The City of Prineville received proposals June 7, 2022 for the 2022 Street Rehabilitation Project that will consists of rehabilitating approximately 309,610 sq. ft. of city streets.

The following streets will be ground and inlayed 2" at curb line 3" at centerline (approximately 309,610 sq. ft.)

SE Juniper from Lynn Blvd to SE 5th  
SE Knight from Lynn Blvd to SE 5th  
SE Garner from SE 5<sup>th</sup> to SE 6<sup>th</sup>  
SE Holly from SE 5<sup>th</sup> to SE 6<sup>th</sup>  
SE Idlewood from SE 5<sup>th</sup> to SE 6<sup>th</sup>  
SE 6<sup>th</sup> from SE Garner to SE Juniper  
SE Mercury from SE 5<sup>th</sup> to end of cul-de-sac  
SE 7<sup>th</sup> from Knowledge to end of cul-de-sac  
SE 8<sup>th</sup> from Knowledge to end of cul-de-sac  
SE 6<sup>th</sup> from Knowledge to end of cul-de-sac  
SE Loma from 6<sup>th</sup> to end of cul-de-sac  
SE 7<sup>th</sup> from Juniper to Knowledge

We had three responsive bidders on the project.

7 Peaks Paving	\$565,995.00
Tri-County Paving	\$590,496.00
High Desert Aggregate	\$643,552.50

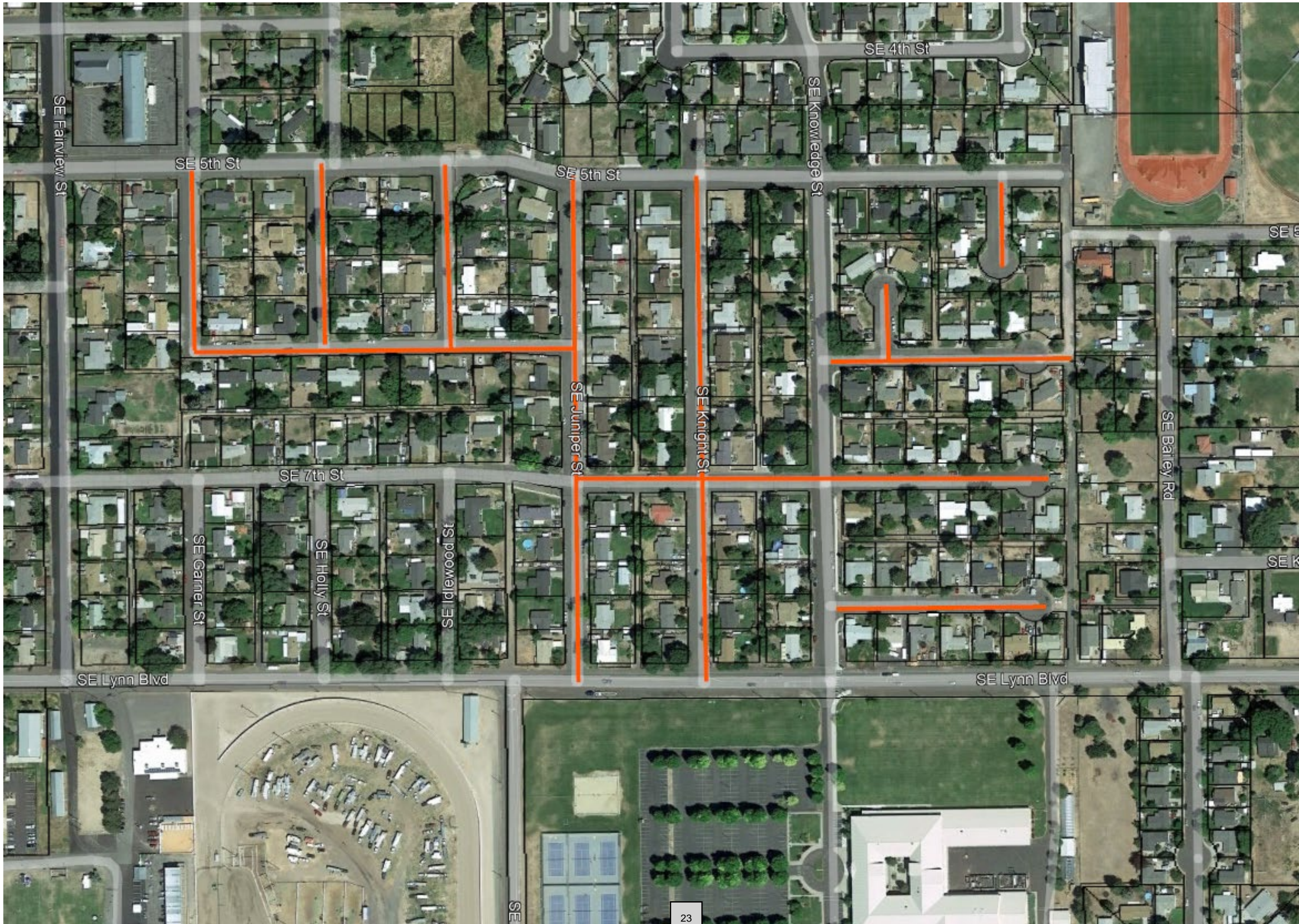
**The Engineers Estimate was \$402,938.00**

**FISCAL IMPACT:** See below

**RECOMMENDATION:**

After reviewing the bid documents and bid bonds, staff recommends Council approve the Intent to Award for the 2022 Street rehabilitation Project to 7 Peaks Paving in the amount of **\$565,995.00**







## **City Manager Update to Council**

### **Council Meeting June 14, 2022**

#### **Public Safety / Dispatch**

A candidate for the Dispatch Director position is in the final interview process and has already successfully been through the user's group interview which consisted of Crook County Fire & Rescue, The Sherriff's office and City. There are two recruits making it through the background process right now with a couple more good quality applicants to begin the process. Everyone is very busy in preparation for the upcoming rodeo events.

#### **Public Works**

The Barnes Butte trails will be going out to bid soon. Summer projects and activities are moving along.

#### **Rail Road**

Oil was coming in at \$600 per ton last year and this year is averaging around \$975 per ton. This has resulted in a reduction of 2200 tons average going through the railroad to only around 900 now. The Historical Society has narrowed it down to three potential future homes for the Shay Locomotive.

#### **Meadow Lakes Golf**

The golf course has had a good May for revenue and keeping busy with the summer leagues activity.

#### **Airport**

Erickson Air Crane has wrapped up their annual training time at the Prineville Airport, though you may see them in the upcoming fire season. AV gas has increased approximately \$1.00 per gallon, we will have to wait and see how the Jet A fuel goes but it will be expensive and is used during fire season. The airport remains very busy at this time.

#### **Planning**

An application for a little six-plex came in and Pahlisch is still building homes. Wilco's new store continues with its new building and there are a couple of more businesses interested in that area.

#### **Human Resources**

OSHA passed new laws regarding smoke exposure and high heat exposure with a requirement to have all staff take training on working with these conditions.

#### **Information Technology – No Update**

#### **Finance**

The Budget Committee including Council will be meeting on June 14<sup>th</sup> prior the regular Council meeting at 5:30 to have a public hearing for this year's revenue sharing. The budget appropriation adjustments and supplemental budget will be coming to Council on June 28<sup>th</sup>.

#### **City Recorder/Risk Management – No Update.**

#### **City Legal – No Update**



## **EDCO**

A disaster recovery company is interested in located in the Tom McCall industrial park. EDCO's annual luncheon is coming up for June 13<sup>th</sup> and SherpTek, an overland vehicle company has located in Prineville bringing additional job opportunities here.

## **Public Relations**

Again, with 4<sup>th</sup> of July coming we will beginning the fireworks safety campaign.

**Mayor/Council** – No Update

## **Other**

Keep an eye out for upcoming Crooked River Roundup event details, and I will be getting out more information to Council to participate in the parade soon.

*City of Prineville, Oregon  
Financial Report  
Third Quarter Ended March 31, 2022*





**Executive Summary**

The City of Prineville moved to a biennial budget in FY 20 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 22 reflect the annual allocation that the City’s BN 23 budget was based on 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 2022 numbers utilized in the preparation of the 2022-23 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 Balance	Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance

During the third quarter ending March 31, 2022 the City’s financial condition increased by approximately \$2.56 million. Funds with significant increases in fund balance include the General Fund, Transportation, Transportation SDC, Water SDC, Water, PERS / POB Fund, Wastewater SDC, Wastewater, Golf Course and the Building Facilities Fund. Funds with a significant negative impact to fund balance include the Emergency Dispatch Fund and the Administrative and Financial Services Fund. Capital improvements and 911 user upgrades contributed to the decrease in the City’s financial condition.

Through the third quarter, General Fund revenues came in at roughly 81 percent of the annual budget or \$7.28 million. Property tax revenue is at 98 percent of the annual budget and up compared to the prior year roughly \$82,000. Transient lodging taxes are up in comparison to the prior year quarter end by roughly \$116,000, bouncing back from the travel restrictions that are no longer in place by the Governor in response to the CV19 pandemic. Franchise fees are at roughly 67 percent of the annual budget with collection down approximately \$44,000 in comparison to the prior year at quarter end. This is largely due to electrical franchise fees being down roughly \$74,000 at quarter end with one data center building being partially taken offline. Overall, the General fund realized an increase in fund balance of roughly 11 percent or approximately \$301,000 through the third quarter.

The Transportation’s fund balance increased roughly \$102,000 or 30 percent through the third quarter. Third quarter state gas tax collection came in at roughly \$234,000 and is up approximately \$102,000 over the prior year quarter end with CV19 restrictions being lifted in June 2021. Capital improvements during the third quarter are largely associated with the beginning phases of the Empire Road project and the transit grant. Personnel services are at 91 percent of the annual budget with the retirement of the Streets Superintendent in December.

In Emergency Dispatch, fund balance decreased approximately \$256,000 or -24 percent through the third quarter with roughly \$138,000 in capital expenditures for radio system upgrades.

March 31, 2022

Capital expenditures will require a budget adjustment due to needing to replace their back up radio which was not anticipated at the time of budgeting. Communication Officer positions were open and looking to be filled at the end of the third quarter. Personnel services was at roughly 57 percent of the budget with overtime at approximately 237 percent of the annual budget. Revenue collection through the third quarter was at roughly 86 percent of the annual budget with E-911 funds being up over the prior year due roughly \$140,000.

In the SDC funds, ending fund balance increased in all three funds through the third quarter. Transportation SDC capital projects taking place during the third quarter include the Peters Road / Combs Flat extension project, the Peters and Main intersection safety improvement project and moving the Maverick statue. In the Water SDC Fund, the Aquifer Storage and Recovery (ASR) well project continued and the exploratory well project began. There were no capital expenditures in the Wastewater SDC Fund. SDC collection during the third quarter was associated with roughly 9 housing starts.

In the Railroad Fund, third quarter revenue comparisons to the prior year show overall revenues are down slightly by less than a percent. Significant decreases are in switching and storage, largely due to a loss of storage cars in July. The overall car count is down by approximately 10 cars though the revenue per car average is up slightly over the prior year at quarter end with the increases in McCall Oil and Heniff Transportation cars. Freight Depot charges for services are up over prior year quarter end, largely due to increased lease revenue from Heniff Transportation. Materials and services are at roughly 69 percent of the annual budget or \$207,000. Labor negotiations started in the third quarter and continued into the fourth quarter. Personnel services may require a budget adjustment next year depending on the outcome of the collective bargaining agreement. Overall operating expenditures are up in comparison to the prior year at quarter end approximately 3 percent. Capital expenditures during the third quarter were for needed bridge repairs due to a traffic accident. These unanticipated expenditures at the time of budgeting may require a budget adjustment prior to yearend. Fund balance increased roughly \$21,000 or 2 percent through the third quarter.

In the Airport Fund, fund balance increased approximately \$8,000 largely due to increased fuel sales from Erickson's airframe training. Operating revenues are up roughly 9 percent with operating expenses up 8 percent in comparison to the prior year at quarter end. Fuel sales are up in comparison to the third quarter of the prior year by roughly \$35,000 with increased activity at the airport. Fuel inventory at quarter end totaled approximately \$110,000. Hangar rent / tie downs and leases are up a combined total of 12 percent over the prior year at third quarter end.

Meadow Lakes Golf shows an increase in fund balance through the third quarter of approximately \$179,000 or 35 percent due to increased activity. Operating revenue for the golf course is up in comparison to the prior year roughly 9 percent. Rounds of golf are up by approximately 1800 rounds in comparison to the prior year at quarter end despite having to close for several days in December and January due to snow. Golf course operating expenditures are up approximately 20 percent largely due to increased activity. Maintenance expenditures are up roughly 13 percent over the prior year at quarter end due to needed pond and equipment maintenance and additional course supplies from the first quarter. Golf Course Superintendent, Steve Reynolds, announced his

March 31, 2022

retirement after 30 years of service. Recruitment for that position began during the third quarter with the position being filled by the end of the quarter.

In the Administration and Financial Support Services the fund balance decreased roughly -20 percent with Information Technology coming in at roughly 98 percent of the annual budget. This is largely due to upgrades to 911 infrastructure and 911 user equipment that continued through the third quarter. The City Council, Administration / Team Services and Finance Departments are tracking under budget through the third quarter. In the Finance Department, there were two open positions at the beginning of the third quarter and both were filled by the end of February.

Through the third quarter, the Building Facilities fund balance increased roughly 130 percent with both the Police Facilities, Public Works Facilities and Barnes Butte Facilities tracking under budget. Debt for the City Hall building was refinance for a lower interest rate during the first quarter. A budget adjustment will need to be done in the CDBG – Sr. Center Department due to their steam table no longer working and the State agreeing to let the remaining dollars from the Community Development Block Grant pay for its replacement which took place during the second quarter. Capital projects taking place during the third quarter in the Building Facilities fund are largely associated with the construction of the pedestrian bridge and landscaping and architectural services in the Barnes Butte Department.

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

March 31, 2022

*All City Funds*

Fund	Budgeted	Actual Audited	Current	Current	Ending	Change	Percentage
	Beginning Fund Balance	Beginning Fund Balance	Year Resources	Year Expenditures	Fund Balance	in Fund Balance	Change in Fund Balance
General	\$ 2,760,579	\$ 2,698,901	\$ 7,284,935	\$ 6,983,934	\$ 2,999,902	\$ 301,001	11%
Transportation	309,692	345,857	1,523,298	1,420,983	448,172	102,315	30%
Emergency Dispatch	1,079,426	1,059,703	981,389	1,236,919	804,173	(255,530)	-24%
Planning	105,620	135,505	329,672	317,322	147,855	12,350	9%
Transportation SDC	1,006,745	894,283	1,149,736	1,038,247	1,005,772	111,489	12%
Water SDC	678,559	163,653	939,093	612,484	490,262	326,609	200%
Wastewater SDC	108,660	153,715	99,625	49,837	203,503	49,788	32%
PERS / POB	1,376,018	1,377,472	304,896	36,036	1,646,332	268,860	20%
Railroad	1,185,460	1,166,597	783,312	762,237	1,187,672	21,075	2%
Airport	35,436	60,483	726,558	718,981	68,060	7,577	13%
Water	1,051,618	1,090,792	4,657,825	3,789,217	1,959,401	868,609	80%
Wastewater	2,554,024	1,838,803	8,801,445	8,691,477	1,948,771	109,968	6%
Golf Course and Restaurant	420,025	518,550	1,725,353	1,546,083	697,820	179,270	35%
Administration and Financial Services	642,949	693,898	2,359,471	2,496,428	556,940	(136,958)	-20%
Building Facilities	362,428	448,426	2,040,324	1,457,527	1,031,223	582,797	130%
Plaza Maintenance	25,402	23,339	20,104	8,202	35,241	11,902	51%
Public Works Support Services	208,638	375,558	1,854,748	1,858,120	372,186	(3,372)	-1%
Totals	\$ 13,911,279	\$ 13,045,535	\$ 35,581,783	\$ 33,024,034	\$ 15,603,285	\$ 2,557,750	20%



Plaza in January of 2022

***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 third quarter is at approximately \$7.3 million or 81 percent of the annual budget. Year to date property tax revenue is roughly 98 percent of the annual budget though the third quarter coming in at \$2.5 million. Transient lodging taxes are up in comparison to the prior year quarter end by roughly \$116,000, bouncing back from the travel restrictions that are no longer in place by the Governor in response to the CV19 pandemic. Franchise fees are at roughly 67 percent of the annual budget with overall collection down approximately \$44,000 over prior year’s third quarter. Electrical franchise fees are down in comparison to the prior year roughly \$74,000 at quarter end, due to a data center building being partially taken offline.

Police spending for the third quarter of the year was at approximately 69 percent of the annual budget. Personnel services are at roughly 71 percent of the annual budget with overtime tracking at approximately 44 percent. Overtime is expected to increase significantly through the fourth quarter with the loss of several police officers and the retirement of a police sergeant during the third and beginning of the fourth quarter.

Non-Departmental is at roughly 86 percent of budget with the Prineville Renewable Energy Project (PREP) having roughly \$215,000 in expenditures. A portion of these expenditures were reimbursed through an Energy Trust of Oregon and U.S Forest Service grant. Non-Departmental is anticipated to need a budget adjustment prior to yearend due to the increased collection of transient lodging taxes that are turned over to the Chamber of Commerce and the Peoples Irrigation project.

Overall, the General Fund realized an increase in fund balance of roughly 11 percent through the third quarter.

**General Fund – Continued**

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Property taxes	\$ 635,000	\$ 122,389	19%	\$ 2,540,000	\$ 2,480,445	98%	\$ 59,555	\$ 5,160,000	48%	\$ 2,679,556
Transient lodging tax	87,500	93,827	107%	350,000	378,858	108%	(28,858)	700,000	54%	321,142
Franchise fees	926,550	904,415	98%	3,706,200	2,489,999	67%	1,216,201	7,834,400	32%	5,344,401
Licenses and permits	1,925	1,098	57%	7,700	4,847	63%	2,853	15,900	30%	11,053
Intergovernmental revenues	384,950	231,823	60%	1,539,800	1,603,895	104%	(64,095)	1,987,800	81%	383,905
Charges for services	100,000	-	-	400,000	72,366	18%	327,634	400,000	18%	327,634
Interest	2,500	2,800	112%	10,000	8,244	82%	1,756	20,000	41%	11,756
Miscellaneous	87,000	22,797	26%	348,000	116,281	33%	231,719	706,000	16%	589,719
Transfers	32,500	-	-	130,000	130,000	100%	-	280,000	46%	150,000
<b>Total revenue</b>	<b>\$ 2,257,925</b>	<b>\$ 1,379,149</b>	<b>61%</b>	<b>\$ 9,031,700</b>	<b>\$ 7,284,935</b>	<b>81%</b>	<b>\$ 1,746,765</b>	<b>\$ 17,104,100</b>	<b>43%</b>	<b>\$ 9,819,165</b>
<b>Expenditures</b>										
Police	\$ 1,552,350	\$ 1,376,733	89%	\$ 6,209,400	\$ 4,303,950	69%	\$ 1,905,450	\$ 12,876,500	33%	8,572,550
Non-departmental	781,250	434,989	56%	3,125,000	2,679,983	86%	445,017	4,636,100	58%	1,956,117
Contingency				2,457,879				2,352,079		2,352,079
<b>Total expenditures</b>	<b>\$ 2,333,600</b>	<b>\$ 1,811,722</b>	<b>78%</b>	<b>\$ 11,792,279</b>	<b>\$ 6,983,934</b>	<b>59%</b>	<b>\$ 2,350,466</b>	<b>\$ 19,864,679</b>	<b>35%</b>	<b>\$ 10,528,666</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (75,675)</b>	<b>\$ (432,574)</b>	<b>-</b>	<b>\$ (2,760,579)</b>	<b>\$ 301,001</b>	<b>11%</b>	<b>\$ (603,701)</b>	<b>\$ (2,760,579)</b>		
<b>Beginning fund balance</b>	<b>2,760,579</b>	<b>2,698,901</b>	<b>98%</b>	<b>2,760,579</b>	<b>2,698,901</b>	<b>98%</b>	<b>2,760,579</b>	<b>2,760,579</b>		
<b>Ending fund balance</b>	<b>\$ 2,684,904</b>	<b>\$ 2,266,327</b>	<b>84%</b>	<b>\$ -</b>	<b>\$ 2,999,902</b>	<b>-</b>	<b>\$ 2,156,878</b>	<b>\$ -</b>		



*Sergeant O' Daniel receiving an award during the March City Council meeting in honor of his service before his retirement.*



**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 third quarter is at approximately 84 percent of the annual budget. Intergovernmental revenue collection is at 91 percent of the annual budget with roughly \$234,000 coming in for gas taxes during the third quarter. State gas tax collection is up approximately \$102,000 over the prior year quarter end with CV19 restrictions being lifted in June 2021.

Expenditures through the third quarter are at approximately 67 percent of annual budget. Third quarter capital expenses were associated with the transit grant and the beginning phases of the Empire Road project. Personnel services are at 91 percent of the annual budget at third quarter end with the retirement of the Streets Superintendent, Scott Smith, in December.

Fund balance increase roughly \$102,000 through the third quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
<b>Revenue</b>										
Franchise fees	\$ 87,250	\$ 85,000	97%	\$ 349,000	\$ 255,000	73%	\$ 94,000	\$ 709,000	36%	\$ 454,000
Intergovernmental	259,400	298,610	115%	1,037,600	947,562	91%	90,038	2,116,700	45%	1,169,138
Transfers	100,000	100,000	100%	400,000	300,000	75%	100,000	800,000	38%	500,000
Interest	250	633	253%	1,000	1,905	191%	(905)	2,000	95%	95
Miscellaneous	4,750	2,673	56%	19,000	18,831	99%	169	38,000	50%	19,169
<b>Total revenue</b>	<b>\$ 451,650</b>	<b>\$ 486,917</b>	<b>108%</b>	<b>\$ 1,806,600</b>	<b>\$ 1,523,298</b>	<b>84%</b>	<b>\$ 283,302</b>	<b>\$ 3,665,700</b>	<b>42%</b>	<b>\$ 2,142,402</b>
<b>Expenditures</b>										
Personnel services	\$ 64,025	\$ 58,559	91%	\$ 256,100	\$ 233,829	91%	\$ 22,271	\$ 526,300	44%	292,471
Material and services	75,675	23,495	31%	302,700	205,423	68%	97,277	606,300	34%	400,877
Capital outlay										
Improvements	188,650	27,921	15%	754,600	599,605	79%	154,995	1,509,200	40%	909,595
Transfers	127,375	127,375	100%	509,500	382,125	75%	127,375	1,035,500	37%	653,375
Contingency				293,392				298,092		298,092
<b>Total expenditures</b>	<b>\$ 455,725</b>	<b>\$ 237,349</b>	<b>52%</b>	<b>\$ 2,116,292</b>	<b>\$ 1,420,983</b>	<b>67%</b>	<b>\$ 401,917</b>	<b>\$ 3,975,392</b>	<b>36%</b>	<b>\$ 2,554,409</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (4,075)</b>	<b>\$ 249,568</b>	<b>72%</b>	<b>\$ (309,692)</b>	<b>\$ 102,315</b>	<b>30%</b>	<b>\$ (118,615)</b>	<b>\$ (309,692)</b>		
<b>Beginning fund balance</b>	<b>309,692</b>	<b>345,857</b>	<b>112%</b>	<b>309,692</b>	<b>345,857</b>	<b>112%</b>		<b>309,692</b>		
<b>Ending fund balance</b>	<b>\$ 305,617</b>	<b>\$ 595,425</b>	<b>195%</b>	<b>\$ -</b>	<b>\$ 448,172</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 \$981,000 or 86 percent of the annual budget. Intergovernmental revenue collection through the third quarter was at roughly \$736,000 with E-911 funds up over the prior year at quarter end roughly \$140,000.

Expenditures are at approximately \$1.2 million or 56 percent of the annual budget. Personnel services are 57 percent of the annual budget or approximately \$752,000 with overtime coming in at roughly 237 percent of the annual budget. Dispatch continued to be short staffed through the third quarter as open positions are looking to be filled. Materials and services are currently tracking under budget at roughly 70 percent of the annual budget at quarter end. Capital expenditures will need a budget adjustment due to needing to replace their back up radio, which was unanticipated at the time of budgeting.

Fund balance decreased roughly \$256,000 or -24 percent through the third quarter.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Intergovernmental	\$ 203,200	\$ 210,951	104%	\$ 812,800	\$ 735,967	91%	\$ 76,833	\$ 2,033,500	36%	\$ 1,297,533
Miscellaneous	1,000	6,754	675%	4,000	6,754	169%	(2,754)	8,000	84%	1,246
Interest	1,500	822	55%	6,000	2,943	49%	3,057	12,000	25%	9,057
Transfers from other funds	78,575	78,575	100%	314,300	235,725	75%	78,575	1,070,400	22%	834,675
<b>Total revenue</b>	<b>\$ 284,275</b>	<b>\$ 297,102</b>	<b>105%</b>	<b>\$ 1,137,100</b>	<b>\$ 981,389</b>	<b>86%</b>	<b>\$ 155,711</b>	<b>\$ 3,123,900</b>	<b>31%</b>	<b>\$ 2,142,511</b>
<b>Expenditures</b>										
Personnel services	\$ 327,350	\$ 210,024	64%	\$ 1,309,400	\$ 752,118	57%	\$ 557,282	\$ 2,713,400	28%	\$ 1,961,282
Material and services	71,375	25,542	36%	285,500	199,999	70%	85,501	575,300	35%	375,301
Capital outlay										
Equipment	27,000	-	-	108,000	138,177	128%	(30,177)	177,000	78%	38,823
Transfers	48,875	48,875	100%	195,500	146,625	75%	48,875	401,000	37%	254,375
Contingency				318,126				336,626		336,626
<b>Total expenditures</b>	<b>\$ 474,600</b>	<b>\$ 284,441</b>	<b>60%</b>	<b>\$ 2,216,526</b>	<b>\$ 1,236,919</b>	<b>56%</b>	<b>\$ 661,481</b>	<b>\$ 4,203,326</b>	<b>29%</b>	<b>\$ 2,966,407</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (190,325)</b>	<b>\$ 12,661</b>	<b>1%</b>	<b>\$ (1,079,426)</b>	<b>\$ (255,530)</b>	<b>-24%</b>	<b>\$ (505,770)</b>	<b>\$ (1,079,426)</b>		
<b>Beginning fund balance</b>	<b>1,079,426</b>	<b>1,059,703</b>	<b>98%</b>	<b>1,079,426</b>	<b>1,059,703</b>	<b>98%</b>		<b>1,079,426</b>		
<b>Ending fund balance</b>	<b>\$ 889,101</b>	<b>\$ 1,072,364</b>	<b>121%</b>	<b>\$ -</b>	<b>\$ 804,173</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.

Through the third quarter, revenue collection came in at approximately \$330,000 or 78 percent of the annual budget. Revenue collection for the licenses and permits are at approximately \$48,000, up roughly \$17,000 in comparison to the prior year at quarter end. Development highlights for the quarter included the collection of SDC’s for roughly nine residential starts.

Expenditures through the third quarter are at approximately \$317,000 or 60 percent of the annual budget. Expenditures are tracking below budget at quarter end in materials and services with annual insurance being paid during the first quarter.

Fund balance increased roughly \$12,000 through the third quarter.

	Current Quarter			Year to Date				Biennial Budget		
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance	Budget	Biennial Budget %	Biennial Budget Remaining Balance
<b>Revenue</b>										
Licenses and permits	\$ 10,000	\$ 24,521	245%	\$ 40,000	\$ 48,348	121%	\$ (8,348)	\$ 80,000	60%	\$ 31,652
Intergovernmental	1,250	-	-	5,000	2,003	40%	2,998	10,000	20%	7,998
Charges for services	6,950	3,234	47%	27,800	16,247	58%	11,553	55,600	29%	39,353
Interest	250	186	74%	1,000	574	57%	426	2,000	29%	1,426
Transfers from other funds	87,500	87,500	100%	350,000	262,500	75%	87,500	710,000	37%	447,500
<b>Total revenue</b>	<b>\$ 105,950</b>	<b>\$ 115,441</b>	<b>109%</b>	<b>\$ 423,800</b>	<b>\$ 329,672</b>	<b>78%</b>	<b>\$ 94,128</b>	<b>\$ 857,600</b>	<b>38%</b>	<b>\$ 527,928</b>
<b>Expenditures</b>										
Personnel services	\$ 65,125	\$ 77,199	119%	\$ 260,500	\$ 206,527	79%	\$ 53,973	\$ 546,900	38%	\$ 340,373
Material and services	10,925	8,065	74%	43,700	13,819	32%	29,881	88,600	16%	74,781
Transfers	32,325	32,325	100%	129,300	96,975	75%	32,325	263,500	37%	166,525
Contingency				95,920				64,220		64,220
<b>Total expenditures</b>	<b>\$ 108,375</b>	<b>\$ 117,589</b>	<b>109%</b>	<b>\$ 529,420</b>	<b>\$ 317,322</b>	<b>60%</b>	<b>\$ 116,178</b>	<b>\$ 963,220</b>	<b>33%</b>	<b>\$ 645,898</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (2,425)</b>	<b>\$ (2,148)</b>	<b>-2%</b>	<b>\$ (105,620)</b>	<b>\$ 12,350</b>	<b>9%</b>	<b>\$ (22,050)</b>	<b>\$ (105,620)</b>		
<b>Beginning fund balance</b>	<b>105,620</b>	<b>135,505</b>	<b>128%</b>	<b>105,620</b>	<b>135,505</b>	<b>128%</b>		<b>105,620</b>		
<b>Ending fund balance</b>	<b>\$ 103,195</b>	<b>\$ 133,357</b>	<b>129%</b>	<b>\$ -</b>	<b>\$ 147,855</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 144 percent of the annual budget with the grant of \$900,000 from HB5006 dedicated to the Peters and Main St. safety improvements. SDC collection at quarter end is at roughly \$198,000 with roughly nine housing starts that paid SDC's in the third quarter.

Expenditures at quarter end were primarily associated with capital projects. Capital expenditures during the third quarter were largely for the Peters Road / Combs Flat extension project, the Peters and Main intersection safety improvement project and moving the Maverick statue (pictured below).

Fund balance increased roughly \$111,000 or 12 percent through the third quarter, largely due to the grant of \$900,000 collected in the third quarter.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Miscellaneous	\$ 75,000	\$ 50,000	67%	\$ 300,000	\$ 50,000	17%	\$ 250,000	\$ 300,000	17%	\$ 250,000
Intergovernmental	-	\$ 900,000	#DIV/0!	-	900,000	#DIV/0!	(900,000)	-	-	(900,000)
Interest	1,000	576	58%	4,000	1,689	42%	2,311	8,000	21%	6,311
Transfers	37,500	-	-	150,000	-	-	150,000	150,000	0%	150,000
System development charges	85,875	51,989	61%	343,500	198,046	58%	145,454	687,000	29%	488,954
<b>Total revenue</b>	<b>\$ 199,375</b>	<b>\$ 1,002,564</b>	<b>503%</b>	<b>\$ 797,500</b>	<b>\$ 1,149,736</b>	<b>144%</b>	<b>(352,236)</b>	<b>\$ 1,145,000</b>	<b>100%</b>	<b>\$ (4,736)</b>
<b>Expenditures</b>										
Material and services	\$ 2,500	\$ 661	26%	\$ 10,000	\$ 2,233	22%	\$ 7,767	\$ 20,000	11%	\$ 17,767
Capital outlay										
Improvements	325,000	89,545	28%	1,300,000	1,028,711	79%	271,289	1,900,000	54%	871,289
Transfers	4,300	-	-	17,200	7,303	42%	9,897	34,400	21%	27,097
Contingency				477,045				197,345		197,345
<b>Total expenditures</b>	<b>\$ 331,800</b>	<b>\$ 90,206</b>	<b>27%</b>	<b>\$ 1,804,245</b>	<b>\$ 1,038,247</b>	<b>58%</b>	<b>\$ 288,953</b>	<b>\$ 2,151,745</b>	<b>48%</b>	<b>\$ 1,113,498</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (132,425)</b>	<b>\$ 912,358</b>	<b>102%</b>	<b>\$ (1,006,745)</b>	<b>\$ 111,489</b>	<b>12%</b>	<b>\$ (641,189)</b>	<b>\$ (1,006,745)</b>		
<b>Beginning fund balance</b>	<b>1,006,745</b>	<b>894,283</b>	<b>89%</b>	<b>1,006,745</b>	<b>894,283</b>	<b>89%</b>		<b>1,006,745</b>		
<b>Ending fund balance</b>	<b>\$ 874,320</b>	<b>\$ 1,806,641</b>	<b>207%</b>	<b>\$ -</b>	<b>\$ 1,005,772</b>	<b>-</b>		<b>\$ -</b>		



**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 through the third quarter was at approximately \$939,000 or 88 percent of the annual budget. Third quarter revenue was largely associated with the collection of SDC's. There were roughly 9 housing starts that paid SDC's in the third quarter.

Expenditures are at roughly \$612,000 through the third quarter and are largely associated with the completion of the ASR project, the start of the ASR well project and the exploration well project. The ASR project was originally anticipated to be completed by the end of June 2021 and will likely require a budget adjustment due to the crossing over in fiscal years and unanticipated expenditures associated with the completion of the 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 third quarter end, fund balance increased roughly \$327,000 due to the budgeted transfer made to support the ASR project.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
<b>Revenue</b>										
Interest	\$ 500	\$ 722	144%	\$ 2,000	\$ 2,230	111%	\$ (230)	\$ 4,000	56%	\$ 1,770
System development charges	91,250	55,131	60%	365,000	195,082	53%	169,918	730,000	27%	534,918
Transfers	175,000	-	-	700,000	700,000	100%	-	700,000	100%	-
Miscellaneous	-	-	-	-	41,782	#DIV/0!	(41,782)	-	-	(41,782)
<b>Total revenue</b>	<b>\$ 266,750</b>	<b>\$ 55,853</b>	<b>21%</b>	<b>\$ 1,067,000</b>	<b>\$ 939,093</b>	<b>88%</b>	<b>\$ 127,907</b>	<b>\$ 1,434,000</b>	<b>65%</b>	<b>\$ 494,907</b>
<b>Expenditures</b>										
Capital outlay										
Improvements	\$ 150,000	304,832	203%	\$ 600,000	587,835	98%	\$ 12,165	\$ 1,200,000	49%	612,165
Transfers	105,525	-	-	422,100	24,649	6%	397,451	847,200	3%	822,551
Contingency				723,459				65,359		65,359
<b>Total expenditures</b>	<b>\$ 255,525</b>	<b>\$ 304,832</b>	<b>119%</b>	<b>\$ 1,745,559</b>	<b>\$ 612,484</b>	<b>29%</b>	<b>\$ 409,616</b>	<b>\$ 2,112,559</b>	<b>29%</b>	<b>\$ 1,500,075</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 11,225</b>	<b>\$ (248,978)</b>	<b>-152%</b>	<b>\$ (678,559)</b>	<b>\$ 326,609</b>	<b>200%</b>	<b>\$ (281,709)</b>	<b>\$ (678,559)</b>		
<b>Beginning fund balance</b>	<b>678,559</b>	<b>163,653</b>	<b>24%</b>	<b>678,559</b>	<b>163,653</b>	<b>24%</b>		<b>678,559</b>		
<b>Ending fund balance</b>	<b>\$ 689,784</b>	<b>\$ (85,325)</b>	<b>-</b>	<b>\$ -</b>	<b>\$ 490,262</b>	<b>-</b>		<b>\$ -</b>		

March 31, 2022

**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 through the third quarter is at approximately \$100,000. Third quarter revenue can largely be attributed to SDC collection from roughly 9 housing starts that paid SDC's during the quarter.

There were no expenses during the third quarter. Materials and services expenditures through the third quarter were for project assistance associated with utility expansion projects.

Fund balance increased roughly \$50,000 or 32 percent.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Interest	\$ 500	\$ 189	38%	\$ 2,000	\$ 657	33%	\$ 1,343	\$ 4,000	16%	\$ 3,343
System development charges	46,250	30,823	67%	185,000	98,968	53%	86,032	370,000	27%	271,032
<b>Total revenue</b>	<b>\$ 46,750</b>	<b>\$ 31,013</b>	<b>66%</b>	<b>\$ 187,000</b>	<b>\$ 99,625</b>	<b>53%</b>	<b>\$ 87,375</b>	<b>\$ 374,000</b>	<b>27%</b>	<b>\$ 274,375</b>
<b>Expenditures</b>										
Material and services	\$ 2,500	\$ -	-	\$ 10,000	\$ 1,031	10%	\$ 8,969	\$ 20,000	5%	\$ 18,969
Capital outlay										
Improvements	-	-	-	-	-	-	-	-	-	-
Transfers	32,150	-	-	128,600	48,806	38%	79,794	257,200	19%	208,394
Contingency				157,060				205,460		205,460
<b>Total expenditures</b>	<b>\$ 34,650</b>	<b>\$ -</b>	<b>-</b>	<b>\$ 295,660</b>	<b>\$ 49,837</b>	<b>17%</b>	<b>\$ 88,763</b>	<b>\$ 482,660</b>	<b>10%</b>	<b>\$ 432,823</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 12,100</b>	<b>\$ 31,013</b>	<b>20%</b>	<b>\$ (108,660)</b>	<b>\$ 49,788</b>	<b>32%</b>	<b>\$ (1,388)</b>	<b>\$ (108,660)</b>		
<b>Beginning fund balance</b>	<b>108,660</b>	<b>153,715</b>	<b>141%</b>	<b>108,660</b>	<b>153,715</b>	<b>141%</b>		<b>108,660</b>		
<b>Ending fund balance</b>	<b>\$ 120,760</b>	<b>\$ 184,728</b>	<b>153%</b>	<b>\$ -</b>	<b>\$ 203,503</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.

Revenue collection through the third quarter is at roughly 61 percent of the annual budget. Revenues are as anticipated through the third quarter with the annual transfer taking place in the fourth quarter.

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

Fund balance increased approximately 20 percent through the third quarter.

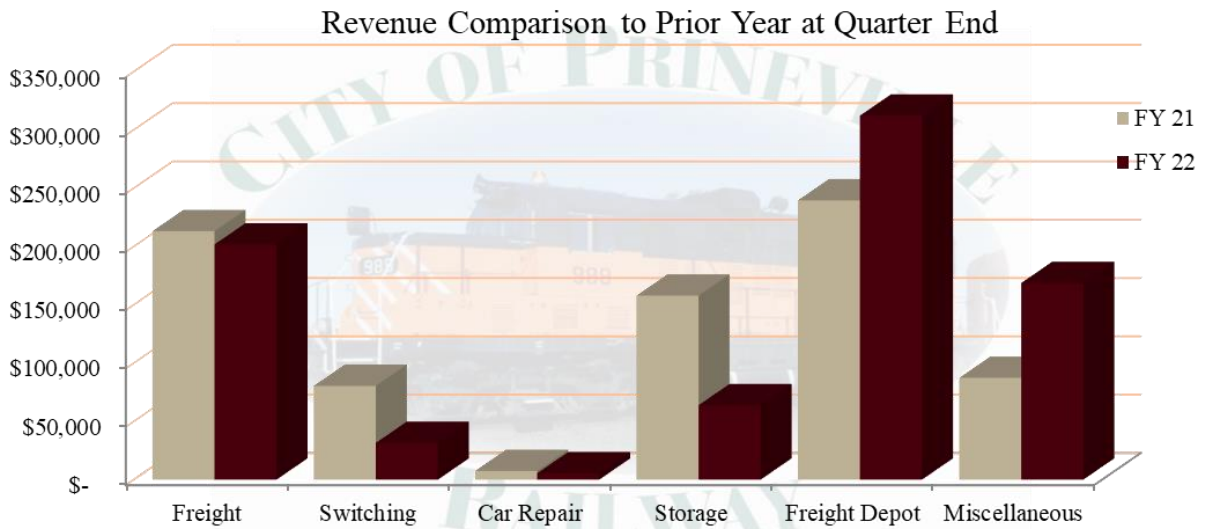
	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
<b>Revenue</b>										
Charges for services	\$ 99,075	\$ 100,025	0%	\$ 396,300	\$ 300,075	76%	\$ 96,225	\$ 815,200	37%	\$ 515,125
Interest	1,250	1,580	0%	5,000	4,821	96%	179	10,000	48%	5,179
Transfer from other funds	25,000	-	-	100,000	-	-	100,000	200,000	-	200,000
<b>Total revenue</b>	\$ 125,325	\$ 101,605	81%	\$ 501,300	\$ 304,896	61%	\$ 196,404	\$ 1,025,200	30%	\$ 720,304
<b>Expenditures</b>										
Personnel services	\$ -	\$ -	-	\$ -	-	-	\$ -	\$ -	-	\$ -
Debt service										
Principal - POB 2013	59,325	-	-	237,300	-	-	237,300	497,500	-	497,500
Interest - POB 2013	18,025	-	-	72,100	36,036	50%	36,064	135,400	27%	99,364
Contingency				1,258,518				1,768,318		1,768,318
<b>Total expenditures</b>	\$ 77,350	\$ -	0%	\$ 1,567,918	\$ 36,036	2%	\$ 273,364	\$ 2,401,218	2%	\$ 2,365,182
<b>Revenue over (under) expenditures</b>	\$ 47,975	\$ 101,605	7%	\$ (1,066,618)	\$ 268,860	20%	\$ (76,960)	\$ (1,376,018)		
<b>Debt service reserve</b>	309,400			309,400				323,500		
<b>Beginning fund balance</b>	1,376,018	1,377,472	100%	1,376,018	1,377,472	100%		1,376,018		
<b>Ending fund balance</b>	\$ 1,423,993	\$ 1,479,077	104%	\$ 309,400	\$ 1,646,332	532%		\$ -		



**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 \$783,000 or 81 percent of the annual budget. Charges for services for the railroad are at approximately \$239,000 or 72 percent of the annual budget, with the freight depot at approximately \$312,000 or 83 percent of annual budget. Overall revenue is down slightly in comparison to the prior year at quarter end with the insurance reimbursement for the bridge repair coming in during the third quarter. Freight revenue is down roughly -5 percent in comparison to the prior year at quarter end. The revenue per railcar average at quarter end is approximately \$473 compared to \$446 the prior year. Freight Depot charges for services are up approximately 30 percent over prior year quarter end, largely due to increased lease revenue from Heniff Transportation. Below is a prior year comparison at quarter end of operating revenues for the Railroad Fund.

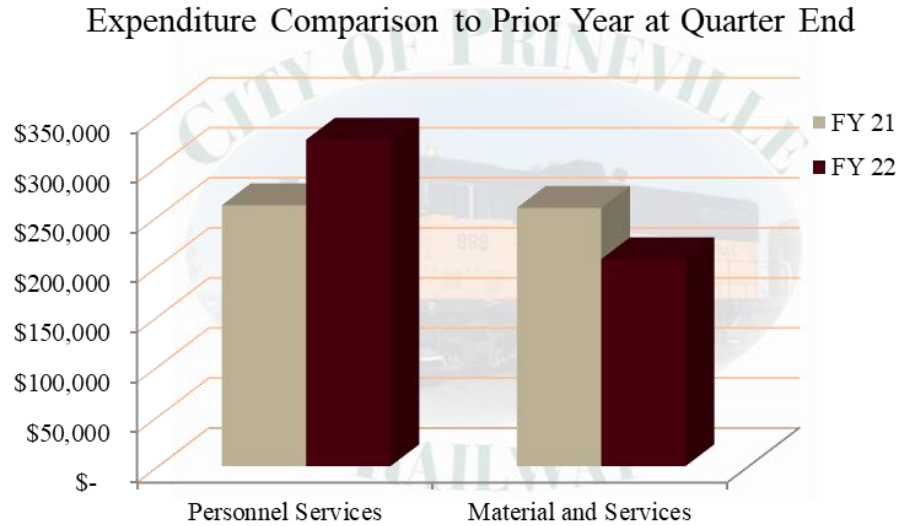


Overall expenditures at quarter end are at approximately \$762,000 or 35 percent of the annual budget. Materials and services are tracking below budget and personnel services are slightly over budget at quarter end. Labor negotiations started in the third quarter and continued into the fourth quarter. Personnel services may require a budget adjustment next year depending on the outcome of the collective bargaining agreement. Overall operating expenditures are up in comparison to the prior year at quarter end approximately 3 percent. Capital expenditures during the third quarter were for bridge repairs due to a traffic accident and the purchase of a new truck. The bridge repairs were unanticipated expenditures at the time of budgeting and may require a budget



**Railroad Fund- Continued**

adjustment prior to yearend. Below is a graph comparison of operating expenditures at quarter end to prior year.



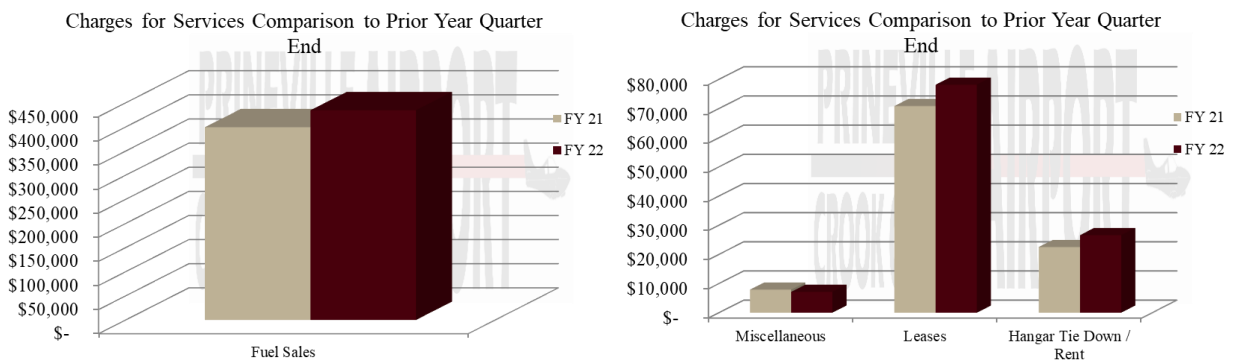
Fund balance increased roughly \$21,000 or 2 percent through the third quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
<b>Revenue</b>										
Charges for services										
Railroad	\$ 82,750	\$ 86,072	104%	\$ 331,000	\$ 239,153	72%	\$ 91,847	\$ 682,000	35%	\$ 442,847
Freight Depot	94,250	122,948	130%	377,000	312,135	83%	64,865	784,000	40%	471,865
Use of money and property	39,900	24,981	63%	159,600	93,711	59%	65,889	319,600	29%	225,889
Miscellaneous	26,250	76,923	293%	105,000	138,313	132%	(33,313)	215,000	64%	76,687
<b>Total revenue</b>	<b>\$ 243,150</b>	<b>\$ 310,924</b>	<b>128%</b>	<b>\$ 972,600</b>	<b>\$ 783,312</b>	<b>81%</b>	<b>\$ 189,288</b>	<b>\$ 2,000,600</b>	<b>39%</b>	<b>\$ 1,217,288</b>
<b>Expenditures</b>										
Personnel services	\$ 107,125	\$ 117,631	110%	\$ 428,500	\$ 326,413	76%	\$ 102,087	\$ 885,800	37%	\$ 559,387
Material and services	75,200	37,619	50%	300,800	206,949	69%	93,851	584,100	35%	377,151
Capital outlay										
Improvements	30,000	134,879	112%	120,000	160,550	134%	(40,550)	205,000	78%	44,450
Transfers	22,775	22,775	100%	91,100	68,325	75%	22,775	182,600	37%	114,275
Contingency				1,217,660				1,328,560		1,328,560
<b>Total expenditures</b>	<b>\$ 235,100</b>	<b>\$ 312,904</b>	<b>133%</b>	<b>\$ 2,158,060</b>	<b>\$ 762,237</b>	<b>35%</b>	<b>\$ 178,163</b>	<b>\$ 3,186,060</b>	<b>24%</b>	<b>\$ 2,423,823</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 8,050</b>	<b>\$ (1,980)</b>	<b>0%</b>	<b>\$ (1,185,460)</b>	<b>\$ 21,075</b>	<b>2%</b>	<b>\$ 11,125</b>	<b>\$ (1,185,460)</b>		
<b>Beginning fund balance</b>	<b>1,185,460</b>	<b>1,166,597</b>	<b>98%</b>	<b>1,185,460</b>	<b>1,166,597</b>	<b>98%</b>		<b>1,185,460</b>		
<b>Ending fund balance</b>	<b>\$ 1,193,510</b>	<b>\$ 1,164,617</b>	<b>98%</b>	<b>\$ -</b>	<b>\$ 1,187,672</b>	<b>-</b>		<b>\$ -</b>		

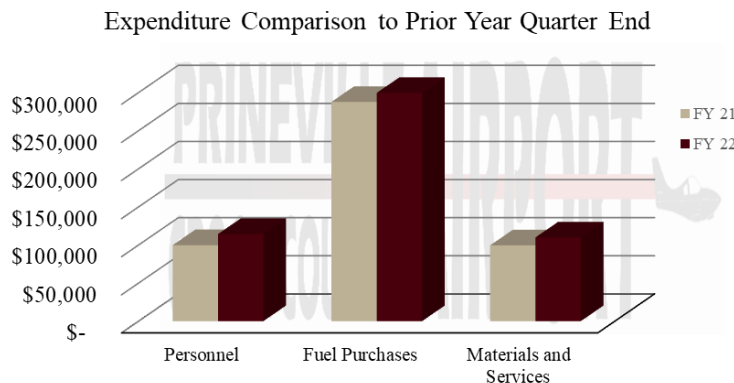
**Airport Fund**

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 third quarter came in at approximately 85 percent of the annual budget or \$727,000. Overall charges for services are up approximately 9 percent over the prior year at quarter end with fuel sales being up in comparison to the prior year same time frame. During the third quarter, Erickson’s was doing air crane training which increased fuel sales during the quarter. Leases and hangar rent activity has increased over the prior year. Below is a prior year comparison for operating revenue making up charges for services.



Overall expenditures through the third quarter came in at approximately \$719,000 or 81 percent of the annual budget. Materials and services are roughly 81 percent of the annual budget with fuel purchases making up roughly \$300,000 of the expenditures. Overall operating expenses are up roughly 8 percent over the prior year at quarter end with fuel inventory at approximately \$110,000. Below is a prior year comparison of operating expenditures.



At third quarter end, fund balance increased roughly \$8,000 or 13 percent, largely due to a increased fuel sales.

***Airport Fund - Continued***

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
<b>Revenue</b>										
Intergovernmental	\$ 45,000	\$ -	-	\$ 180,000	\$ 180,000	100%	\$ -	\$ 430,000	42%	\$ 250,000
Charges for services	144,250	212,157	147%	577,000	546,370	95%	30,630	1,154,000	47%	607,630
Interest	125	8	6%	500	188	38%	312	1,000	19%	812
Transfers	25,000	-	-	100,000	-	-	100,000	200,000	-	200,000
<b>Total revenue</b>	<b>\$ 214,375</b>	<b>\$ 212,165</b>	<b>99%</b>	<b>\$ 857,500</b>	<b>\$ 726,558</b>	<b>85%</b>	<b>\$ 130,942</b>	<b>\$ 1,785,000</b>	<b>41%</b>	<b>\$ 1,058,442</b>
<b>Expenditures</b>										
Personnel service	\$ 35,425	\$ 42,201	119%	\$ 141,700	\$ 114,326	81%	\$ 27,374	\$ 297,100	38%	\$ 182,774
Materials and services	127,150	126,434	99%	508,600	409,455	81%	99,145	1,028,000	40%	618,545
Capital outlay	25	-	-	100	-	-	100	100	0%	100
Debt service										
Les Schwab Hangar	6,250	-	-	25,000	25,000	100%	-	50,000	50%	25,000
Transfers	45,900	13,400	29%	183,600	170,200	93%	13,400	389,200	44%	219,000
Contingency				33,936				56,036	-	56,036
<b>Total expenditures</b>	<b>\$ 214,750</b>	<b>\$ 182,035</b>	<b>85%</b>	<b>\$ 892,936</b>	<b>\$ 718,981</b>	<b>81%</b>	<b>\$ 140,019</b>	<b>\$ 1,820,436</b>	<b>39%</b>	<b>\$ 1,101,455</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (375)</b>	<b>\$ 30,130</b>	<b>50%</b>	<b>\$ (35,436)</b>	<b>\$ 7,577</b>	<b>13%</b>	<b>\$ (9,077)</b>	<b>\$ (35,436)</b>		
<b>Beginning fund balance</b>	<b>35,436</b>	<b>60,483</b>	<b>171%</b>	<b>35,436</b>	<b>60,483</b>	<b>171%</b>		<b>35,436</b>		
<b>Ending fund balance</b>	<b>\$ 35,061</b>	<b>\$ 90,613</b>	<b>258%</b>	<b>\$ -</b>	<b>\$ 68,060</b>	<b>-</b>		<b>\$ -</b>		



*Erickson's doing aircrane training at the Prineville Airport*

**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 third quarter came in at approximately \$4.66 million or 148 percent of the annual budget with \$1.9 million coming in from debt proceeds in the first quarter. Revenue associated with charges for service came in at roughly \$2.67 million which is an increase compared to the prior year of roughly \$19,000. Miscellaneous revenue is largely associated with reimbursements for water quality monitoring and reimbursements from Central Oregon Cities Organization for miscellaneous water work from GSI.

Third quarter expenditures are at approximately \$3.79 million or 98 percent of the annual budget with \$1.9 million being associated with the refinancing of debt previously mentioned from the first quarter. Materials and services are tracking slightly under budget at 69 percent of the annual budget. Capital expenditures are largely associated with meter reading upgrades, Crooked River Concepts and the Habitat Conservation Plan.

Fund balance increased roughly \$869,000 or 80 percent through the third quarter.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Charges for services	\$ 744,750	\$ 596,594	80%	\$ 2,979,000	\$ 2,674,744	90%	\$ 304,256	\$ 6,035,000	44%	\$ 3,360,256
Interest	1,250	1,278	102%	5,000	3,050	61%	1,950	10,000	30%	6,950
Miscellaneous	125	14,931	11945%	500	46,961	9392%	(46,461)	1,000	4696%	(45,961)
Debt proceeds	-	-	-	-	1,915,036	-	(1,915,036)	-	-	(1,915,036)
Transfers	42,200	-	-	168,800	18,035	11%	150,765	340,600	5%	322,565
<b>Total revenue</b>	<b>\$ 788,325</b>	<b>\$ 612,804</b>	<b>78%</b>	<b>\$ 3,153,300</b>	<b>\$ 4,657,825</b>	<b>148%</b>	<b>\$ (1,504,525)</b>	<b>\$ 6,386,600</b>	<b>73%</b>	<b>\$ 1,728,775</b>
<b>Expenditures</b>										
Materials and services	\$ 181,775	\$ 130,273	72%	\$ 727,100	\$ 503,645	69%	\$ 223,455	1,459,300	35%	\$ 955,655
Franchise fee expense	36,000	36,000	100%	144,000	108,000	75%	36,000	292,000	37%	184,000
Capital outlay										
Improvements	125,000	31,816	25%	500,000	115,095	23%	384,905	1,000,000	12%	884,905
Principal										
Refunding bond 2017	35,775	-	-	143,100	1,892,115	1322%	(1,749,015)	293,600	644%	(1,598,515)
Water revenue bond 2003	18,050	-	-	72,200	-	-	72,200	144,400	0%	144,400
Interest										
Refunding bond 2017	12,650	-	-	50,600	13,753	27%	36,847	97,300	14%	83,547
Water revenue bond 2003	16,750	-	-	67,000	23,537	35%	43,463	134,000	18%	110,463
2021 refunding	-	-	-	-	3,347	-	(3,347)	-	-	(3,347)
Transfers	376,575	376,575	100%	1,506,300	1,129,725	75%	376,575	3,036,000	37%	1,906,275
Contingency				658,418				645,418		645,418
<b>Total expenditures</b>	<b>\$ 802,575</b>	<b>\$ 574,664</b>	<b>72%</b>	<b>\$ 3,868,718</b>	<b>\$ 3,789,217</b>	<b>98%</b>	<b>\$ (578,917)</b>	<b>\$ 7,102,018</b>	<b>53%</b>	<b>\$ 3,312,801</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (14,250)</b>	<b>\$ 38,139</b>	<b>3%</b>	<b>\$ (715,418)</b>	<b>\$ 868,609</b>	<b>80%</b>	<b>\$ (925,609)</b>	<b>\$ (715,418)</b>		
<b>Debt service reserve</b>	<b>336,200</b>			<b>336,200</b>				<b>336,200</b>		<b>194,600</b>
<b>Beginning fund balance</b>	<b>1,051,618</b>	<b>1,090,792</b>	<b>104%</b>	<b>1,051,618</b>	<b>1,090,792</b>	<b>104%</b>		<b>1,051,618</b>		
<b>Ending fund balance</b>	<b>\$ 1,037,368</b>	<b>\$ 1,128,931</b>	<b>109%</b>	<b>\$ -</b>	<b>\$ 1,959,401</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 \$8.8 million or 208 percent of the annual budget with the \$4.96 million from debt proceeds in the first quarter and a transfer of \$511,300 in the second quarter to support the Peoples Irrigation Project. Revenue collection for charges for services was roughly \$3.23 million or 80 percent of annual budget which is an increase of approximately \$292,000 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 \$8.69 million or 151 percent of the annual budget with \$4.96 million being associated with refinancing of debt from the first quarter previously mentioned. Personnel services are tracking under budget with the Public Works Department restructuring personnel, affecting several departments including Wastewater. Materials and services are at 163 percent of budget largely due to the unanticipated at the time of budgeting, repairs to the People’s Irrigation District’s ditch of roughly \$800,000 through the third quarter; this will require a budget adjustment prior to yearend.

Fund balance increased roughly \$110,000 or 6 percent through the third quarter.



*Wastewater crew getting ready to do some pump repairs in March 2022.*



**Wastewater Fund - Continued**

Revenue	Current Quarter			Year to Date			Annual Est. Budget Balance	Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %				
Charges for services	\$ 1,004,500	\$ 1,021,364	102%	\$ 4,018,000	\$ 3,232,550	80%	\$ 785,450	\$ 8,124,300	40%	\$ 4,891,750
Interest	2,500	2,492	100%	10,000	7,572	76%	2,428	20,000	38%	12,428
Transfers	-	-	-	-	511,300	-	(511,300)	-	-	(511,300)
Miscellaneous	20,925	31,652	151%	83,700	42,858	51%	40,842	167,400	26%	124,542
SDCs - reimbursement fees	29,850	-	-	119,400	45,562	38%	73,838	241,300	19%	195,738
Debt proceeds	-	-	-	-	4,961,475	-	(4,961,475)	-	-	(4,961,475)
Intergovernmental	-	-	-	-	126	-	(126)	-	-	(126)
<b>Total revenue</b>	<b>\$ 1,057,775</b>	<b>\$ 1,055,508</b>	<b>100%</b>	<b>\$ 4,231,100</b>	<b>\$ 8,801,445</b>	<b>208%</b>	<b>\$ (4,570,345)</b>	<b>\$ 8,553,000</b>	<b>103%</b>	<b>\$ (248,445)</b>
<b>Expenditures</b>										
Personnel services	\$ 62,700	\$ 45,135	72%	\$ 250,800	\$ 108,377	43%	\$ 142,423	\$ 509,600	21%	\$ 401,223
Materials and services	203,850	563,119	276%	815,400	1,326,850	163%	(511,450)	1,638,600	81%	311,750
Franchise fee expense	49,000	49,000	100%	196,000	147,000	75%	49,000	401,000	37%	254,000
Capital outlay	-	-	-	-	-	-	-	-	-	-
Improvements	121,500	66,100	54%	486,000	277,296	57%	208,704	972,000	29%	694,704
Debt service										
Principal										
DEQ CWSRF R74682/2	125,950	-	-	503,800	2,962,108	588%	(2,458,308)	1,022,600	290%	(1,939,508)
Refunding 2017	41,750	-	-	167,000	2,207,885	1322%	(2,040,885)	342,600	644%	(1,865,285)
State of Oregon IFA	6,825	-	-	27,300	27,291	100%	9	54,900	50%	27,609
USDA 2015	15,250	60,922	399%	61,000	60,922	100%	78	123,600	49%	62,678
Interest										
2021 refunding	-	-	-	-	8,672	-	(8,672)	-	-	(8,672)
DEQ CWSRF R74682/2	20,875	-	-	83,500	45,291	54%	38,209	152,000	30%	106,709
Refunding 2017	14,750	-	-	59,000	16,048	27%	42,952	113,500	14%	97,452
State of Oregon IFA	1,700	-	-	6,800	6,765	99%	35	13,300	51%	6,535
USDA 2015	26,325	105,238	400%	105,300	105,238	100%	62	208,900	50%	103,662
Fees										
DEQ CWSRF R74682/2	3,725	-	-	14,900	14,811	99%	89	27,200	54%	12,389
Transfers	483,975	458,975	95%	1,935,900	1,376,925	71%	558,975	3,911,900	35%	2,534,975
Contingency	-	-	-	1,057,624	-	-	-	825,324	-	825,324
<b>Total expenditures</b>	<b>\$ 1,178,175</b>	<b>\$ 1,348,489</b>	<b>114%</b>	<b>\$ 5,770,324</b>	<b>\$ 8,691,477</b>	<b>151%</b>	<b>\$ (3,978,777)</b>	<b>\$ 10,317,024</b>	<b>84%</b>	<b>\$ 1,625,547</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (120,400)</b>	<b>\$ (292,982)</b>	<b>-16%</b>	<b>\$ (1,539,224)</b>	<b>\$ 109,968</b>	<b>6%</b>	<b>\$ (591,568)</b>	<b>\$ (1,764,024)</b>		
<b>Other resources / (requirements)</b>										
Debt service reserve	1,014,800	-	-	1,014,800	-	-	-	790,000	-	790,000
Capital reserve	-	-	-	-	-	-	-	-	-	-
<b>Beginning fund balance</b>	<b>2,554,024</b>	<b>1,838,803</b>	<b>72%</b>	<b>2,554,024</b>	<b>1,838,803</b>	<b>72%</b>		<b>2,554,024</b>		
<b>Ending fund balance</b>	<b>\$ 2,433,624</b>	<b>\$ 1,545,821</b>	<b>64%</b>	<b>\$ -</b>	<b>\$ 1,948,771</b>	<b>-</b>		<b>\$ -</b>		



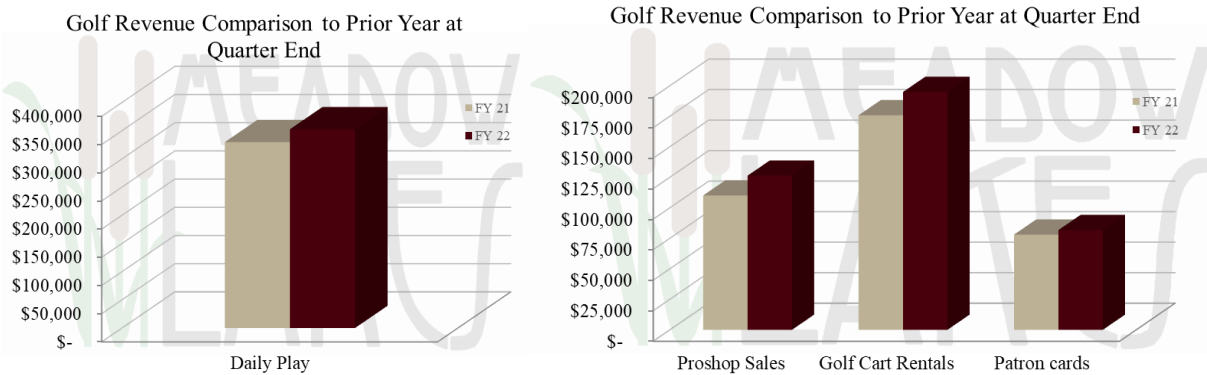
Public Works crew working on the Peoples Irrigation Ditch project in January 2022.



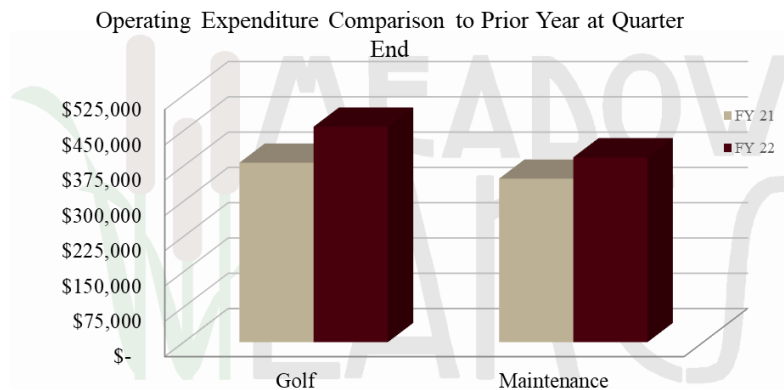
**Golf Course and Restaurant Fund**

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 \$1.73 million at quarter end or 93 percent of the annual budget, with roughly \$596,000 of debt proceeds coming in for new golf carts and refinancing some debt to get a better interest rate during the first quarter. Golf operating revenue came in at about \$809,000 or 82 percent of the annual budget which is an increase over the prior year of roughly 9 percent. Rounds of golf are up roughly 1800 rounds through the third quarter compared to the prior year quarter despite the snow closures that took place in December and January. 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 \$1.55 million or 71 percent of the annual budget with \$264,000 being associated with the refinancing of debt previously mentioned from the first quarter and the purchasing of new golf carts in the second quarter totaling roughly \$321,000. Waste disposal expenditures are at roughly \$393,000 or 73 percent of the annual budget, an increase of approximately 13 percent over the prior year. This increase can largely be attributed to needed pond and equipment maintenance and additional course supplies from the first quarter. After 30 years of service, Steve Reynolds, Golf Course Superintendent, announced his retirement during the third quarter. Golf course expenditures are 84 percent of the annual budget with operating expenditures up approximately 20 percent over the prior year, largely due to increased activity. Below is a comparison of operating only expenditures to the prior year by department.



March 31, 2022

**Golf Course and Restaurant Fund - Continued**

Fund balance increased roughly \$179,000 or 35 percent through the third quarter largely due to increased activity.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
<b>Revenue</b>										
Charges for services										
Golf Course	\$ 246,500	\$ 251,848	102%	\$ 986,000	\$ 809,059	82%	\$ 176,941	\$ 1,997,800	40%	\$ 1,188,741
Waste Disposal	92,500	92,500	100%	370,000	277,500	75%	92,500	740,000	38%	462,500
Restaurant	6,025	7,358	122%	24,100	18,073	75%	6,027	57,700	31%	39,627
Interest	1,500	876	58%	6,000	2,798	47%	3,202	12,000	23%	9,202
Transfers	25,000	-	-	100,000	-	0%	100,000	200,000	-	200,000
Miscellaneous	2,425	5,699	235%	9,700	21,878	226%	(12,178)	19,900	110%	(1,978)
Debt proceeds	90,900	-	0%	363,600	596,044	164%	(232,444)	363,600	164%	(232,444)
<b>Total revenue</b>	<b>\$ 464,850</b>	<b>\$ 358,282</b>	<b>77%</b>	<b>\$ 1,859,400</b>	<b>\$ 1,725,353</b>	<b>93%</b>	<b>\$ 134,047</b>	<b>\$ 3,391,000</b>	<b>51%</b>	<b>\$ 1,665,647</b>
<b>Expenditures</b>										
Golf Course	\$ 258,875	\$ 212,374	82%	\$ 1,035,500	\$ 865,700	84%	\$ 169,800	\$ 1,726,800	50%	\$ 861,100
Waste Disposal	134,125	107,066	80%	536,500	392,992	73%	143,508	1,113,800	35%	720,808
Restaurant	7,800	5,745	74%	31,200	20,431	65%	10,769	66,200	31%	45,769
Debt service										
Principal - note payable	12,500	-	-	50,000	-	-	50,000	122,800	0%	122,800
Interest - note payable	1,150	-	-	4,600	-	-	4,600	4,600	0%	4,600
Principal - 2021 refunding	-	-	-	-	-	-	-	-	-	-
Interest - 2021 refunding	-	-	-	-	1,042	-	(1,042)	-	-	(1,042)
Principal - 2017 bond	12,500	-	-	50,000	264,000	528%	(214,000)	100,000	264%	(164,000)
Interest - 2017 bond	2,500	-	-	10,000	1,919	19%	8,081	18,200	11%	16,281
Contingency				447,025				527,625		527,625
<b>Total expenditures</b>	<b>\$ 429,450</b>	<b>\$ 325,185</b>	<b>76%</b>	<b>\$ 2,164,825</b>	<b>\$ 1,546,083</b>	<b>71%</b>	<b>\$ 171,717</b>	<b>\$ 3,680,025</b>	<b>42%</b>	<b>\$ 2,133,942</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 35,400</b>	<b>\$ 33,097</b>	<b>6%</b>	<b>\$ (305,425)</b>	<b>\$ 179,270</b>	<b>35%</b>	<b>\$ (37,670)</b>	<b>\$ (289,025)</b>		
<b>Debt service reserve</b>	114,600			82,400				131,000		82,400
<b>Beginning fund balance</b>	420,025	518,550	123%	420,025	518,550	123%		420,025		
<b>Ending fund balance</b>	<b>\$ 455,425</b>	<b>\$ 551,647</b>	<b>121%</b>	<b>\$ 114,600</b>	<b>\$ 697,820</b>	<b>609%</b>		<b>\$ -</b>		



Meadow Lakes Golf Course - March 2022

**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 third quarter came in at approximately \$2.36 million or 77 percent of the annual budget. Charges for services are largely associated with Internal Service Fund transfers totaling \$2.16 million and 911 user equipment reimbursements of \$131,000 through the third quarter. Transfers totaling roughly \$29,000 were from the Police Department for MDT reimbursements and installations in the police vehicles done by the IT Department.

Overall expenditures at quarter end are at approximately 67 percent of the annual budget or \$2.5 million. Expenditures are tracking below budget in the City Council Department and Finance Department with the Administrative Services Department tracking at roughly 74 percent of the budget. The Finance Department needed to do a temporary restructuring of their employees with the loss of two employees during the third quarter. Open positions were filled by the end of February. In the Information Technology Department, expenditures are at 98 percent of budget with upgrades to 911 infrastructure and 911 user equipment continuing through the third quarter.

Fund balance decreased roughly \$137,000 or -20 percent through the third quarter.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Charges for services	\$ 740,675	\$ 797,428	108%	\$ 2,962,700	\$ 2,327,141	79%	\$ 635,559	\$ 6,095,600	38%	\$ 3,768,459
Intergovernmental	25,000	-	-	100,000	502	1%	99,498	100,000	1%	99,498
Transfers	-	29,435	-	-	29,435	-	(29,435)	-	-	(29,435)
Interest	625	773	124%	2,500	2,392	96%	108	5,000	48%	2,608
<b>Total revenue</b>	<b>\$ 766,300</b>	<b>\$ 827,636</b>	<b>108%</b>	<b>\$ 3,065,200</b>	<b>\$ 2,359,471</b>	<b>77%</b>	<b>\$ 705,729</b>	<b>\$ 6,200,600</b>	<b>38%</b>	<b>\$ 3,841,129</b>
<b>Expenditures</b>										
City Council	\$ 22,975	\$ 12,713	55%	\$ 91,900	\$ 49,719	54%	\$ 42,181	\$ 185,300	27%	\$ 135,581
Administration / Team Services	227,400	224,300	99%	909,600	675,667	74%	233,933	1,838,000	37%	1,162,333
Financial Services	275,050	240,681	88%	1,100,200	725,288	66%	374,912	2,166,300	33%	1,441,012
Information Technology	267,900	355,909	133%	1,071,600	1,045,754	98%	25,846	2,193,900	48%	1,148,146
Contingency				534,849				460,049		460,049
<b>Total expenditures</b>	<b>\$ 793,325</b>	<b>\$ 833,603</b>	<b>105%</b>	<b>\$ 3,708,149</b>	<b>\$ 2,496,428</b>	<b>67%</b>	<b>\$ 676,872</b>	<b>\$ 6,843,549</b>	<b>36%</b>	<b>\$ 4,347,121</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (27,025)</b>	<b>\$ (5,966)</b>	<b>-1%</b>	<b>\$ (642,949)</b>	<b>\$ (136,958)</b>	<b>-20%</b>	<b>\$ 28,858</b>	<b>\$ (642,949)</b>		
<b>Beginning fund balance</b>	<b>642,949</b>	<b>693,898</b>	<b>108%</b>	<b>642,949</b>	<b>693,898</b>	<b>108%</b>		<b>642,949</b>		
<b>Ending fund balance</b>	<b>\$ 615,924</b>	<b>\$ 687,932</b>	<b>112%</b>	<b>\$ -</b>	<b>\$ 556,940</b>	<b>-</b>		<b>\$ -</b>		



*Kasey Kent, Finance Assistant I and Karee Miller, Finance Assistant II both started in the Finance Department during the third quarter.*



March 31, 2022

### ***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 \$2.04 million or 117 percent of the annual budget with \$987,000 in debt proceeds coming in from a refinancing during the first quarter. Third quarter revenues were largely associated with user rents and transfers.

Expenditures through the third quarter are roughly 55 percent of the annual budget with the refinancing of debt mentioned earlier in the first quarter. The City Hall building debt was refinanced in the amount of \$986,000 affecting the City Hall Facilities Department. The Barnes Butte Department, Police Facilities Department and Public Works Facilities Department are tracking under budget at approximately 21 percent, 38 percent and 61 percent of the annual budget respectively. Capital expenditures during the third quarter included work done for the pedestrian bridge and landscape architect work for Barnes Butte. The Sr. Center project was completed in the last fiscal year but when they opened to the public a couple months later, their steam table stopped working. The project had finished slightly under budget leaving some grant dollars still to be spent. The State was contacted and they allowed the rest of the grant dollars to be used to replace the steam table. The senior center reimbursed the City for the costs that were not covered by the remaining grant funds.

Fund balance increased roughly 130 percent through the third quarter.



*Barnes Butte during the third quarter.*

**Building Facilities Fund - Continued**

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Rent	\$ 54,400	\$ 55,000	101%	\$ 217,600	\$ 165,000	76%	\$ 52,600	\$ 451,300	37%	\$ 286,300
Transfers	283,700	284,050	100%	1,134,800	852,150	75%	282,650	1,995,700	43%	1,143,550
Miscellaneous	1,250	1,233	99%	5,000	7,815	156%	(2,815)	10,000	78%	2,185
Debt proceeds	-	-	-	-	986,811	-	(986,811)	-	-	(986,811)
Intergovernmental	94,400	-	-	377,600	26,715	7%	350,885	377,600	7%	350,885
Interest	1,250	773	62%	5,000	1,832	37%	3,168	10,000	18%	8,168
<b>Total revenue</b>	<b>\$ 435,000</b>	<b>\$ 341,056</b>	<b>78%</b>	<b>\$ 1,740,000</b>	<b>\$ 2,040,324</b>	<b>117%</b>	<b>\$ (300,324)</b>	<b>\$ 2,844,600</b>	<b>72%</b>	<b>\$ 804,276</b>
<b>Expenditures</b>										
City Hall facilities	\$ 73,500	\$ 16,671	23%	\$ 294,000	\$ 1,068,507	363%	\$ (774,507.15)	\$ 540,800	198%	\$ (527,707)
Police facilities	146,925	30,279	21%	587,700	222,635	38%	365,065	1,142,800	19%	920,165
CDBG - Sr. Center	-	-	-	-	14,966	-	(14,966)	-	-	(14,966)
Public Works facilities	9,125	7,372	81%	36,500	22,212	61%	14,288	73,000	30%	50,788
Barnes Butte	151,575	43,788	29%	606,300	129,207	21%	477,093	788,200	16%	658,993
Contingency	-	-	-	35,628	-	-	-	119,928	-	119,928
<b>Total expenditures</b>	<b>\$ 381,125</b>	<b>\$ 98,109</b>	<b>26%</b>	<b>\$ 1,560,128</b>	<b>\$ 1,457,527</b>	<b>55%</b>	<b>\$ 66,973</b>	<b>\$ 2,664,728</b>	<b>55%</b>	<b>\$ 1,207,201</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 53,875</b>	<b>\$ 242,947</b>	<b>54%</b>	<b>\$ 179,872</b>	<b>582,797</b>	<b>130%</b>	<b>\$ (367,297)</b>	<b>\$ 179,872</b>		
<b>Other requirements</b>										
Debt service reserve	542,300	-	-	542,300	-	-	-	542,300	-	-
<b>Beginning fund balance</b>	<b>362,428</b>	<b>448,426</b>	<b>124%</b>	<b>362,428</b>	<b>448,426</b>	<b>124%</b>		<b>362,428</b>		
<b>Ending fund balance</b>	<b>\$ 416,303</b>	<b>\$ 691,373</b>	<b>166%</b>	<b>\$ 542,300</b>	<b>\$ 1,031,223</b>	<b>190%</b>		<b>\$ -</b>		



*Pedestrian bridge completed during the third quarter for additional access to Barnes Butte.*



**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 through the third quarter are at roughly 100 percent of the annual budget with only interest revenue being collected during the third quarter.

Third quarter materials and services are for contracted grounds keeping and snow and ice removal totaling approximately \$2,600.

Fund balance increased roughly 51 percent through the third quarter.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Intergovernmental	\$ 2,500	\$ -	-	\$ 10,000	\$ 10,000	100%	\$ -	\$ 20,000	50%	\$ 10,000
Interest	50	36	72%	200	104	52%	96	400	26%	296
Transfers	2,500	-	-	10,000	10,000	100%	-	20,000	50%	10,000
<b>Total revenue</b>	<b>\$ 5,050</b>	<b>\$ 36</b>	<b>1%</b>	<b>\$ 20,200</b>	<b>\$ 20,104</b>	<b>100%</b>	<b>\$ 96</b>	<b>\$ 40,400</b>	<b>50%</b>	<b>\$ 20,296</b>
<b>Expenditures</b>										
Materials and services	\$ 7,250	\$ 2,593	36%	\$ 29,000	\$ 6,702	23%	\$ 22,298	\$ 43,000	16%	\$ 36,298
Transfers	500	500	100%	2,000	1,500	75%	500	4,000	38%	2,500
Contingency				14,602				18,802		18,802
<b>Total expenditures</b>	<b>\$ 7,750</b>	<b>\$ 3,093</b>	<b>40%</b>	<b>\$ 45,602</b>	<b>\$ 8,202</b>	<b>18%</b>	<b>\$ 22,798</b>	<b>\$ 65,802</b>	<b>12%</b>	<b>\$ 57,600</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (2,700)</b>	<b>\$ (3,057)</b>	<b>-13%</b>	<b>\$ (25,402)</b>	<b>\$ 11,902</b>	<b>51%</b>	<b>\$ (22,702)</b>	<b>\$ (25,402)</b>		
<b>Beginning fund balance</b>	<b>25,402</b>	<b>23,339</b>	<b>92%</b>	<b>25,402</b>	<b>23,339</b>	<b>92%</b>		<b>25,402</b>		
<b>Ending fund balance</b>	<b>\$ 22,702</b>	<b>\$ 20,282</b>	<b>89%</b>	<b>\$ -</b>	<b>\$ 35,241</b>	<b>-</b>		<b>\$ -</b>		



The plaza in January 2022



**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.

Third quarter revenues are at roughly 71 percent of the annual budget and are largely associated with transfers for services from the streets, water and wastewater departments for public works. Intergovernmental revenue is from ODOT for STP fund exchange program totaling roughly \$110,000.

Expenditures through the third quarter are at roughly 66 percent of the annual budget. Expenditures for support services are as anticipated through the third quarter with personnel services coming in at 75 percent at quarter end. Expenditures in the fleet and vehicles department are tracking at 78 percent of the annual budget with capital expenditures during the third quarter totaling roughly \$180,000 for the purchase of a new truck, backhoe and generator.

Fund balance decreased approximately \$3,000 or -1 percent through the third quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
<b>Revenue</b>										
Intergovernmental	\$ 27,500	\$ 109,736	399%	\$ 110,000	\$ 111,031	101%	\$ (1,031)	\$ 220,000	50%	\$ 108,969
Charges for services	577,075	518,325	90%	2,308,300	1,554,975	67%	753,325	4,640,600	34%	3,085,625
Interest	300	584	195%	1,200	1,857	155%	(657)	2,400	77%	543
Miscellaneous	1,750	331	19%	7,000	1,946	28%	5,054	14,000	14%	12,054
Debt Proceeds	45,825	-	-	183,300	184,940	101%	(1,640)	183,300	101%	(1,640)
<b>Total revenue</b>	<b>\$ 652,450</b>	<b>\$ 628,976</b>	<b>96%</b>	<b>\$ 2,609,800</b>	<b>\$ 1,854,748</b>	<b>71%</b>	<b>\$ 756,692</b>	<b>\$ 5,060,300</b>	<b>37%</b>	<b>\$ 3,207,192</b>
<b>Expenditures</b>										
Public Works Support Services	\$ 462,725	\$ 476,859	103%	\$ 1,850,900	\$ 1,394,998	75%	\$ 455,902	\$ 3,805,000	37%	\$ 2,410,002
Public Works Fleet and Vehicles	149,200	217,711	146%	596,800	463,122	78%	133,678	1,025,200	45%	562,078
Contingency				370,738				438,738		438,738
<b>Total expenditures</b>	<b>\$ 611,925</b>	<b>\$ 694,570</b>	<b>114%</b>	<b>\$ 2,818,438</b>	<b>\$ 1,858,120</b>	<b>66%</b>	<b>\$ 589,580</b>	<b>\$ 5,268,938</b>	<b>35%</b>	<b>\$ 3,410,818</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 40,525</b>	<b>\$ (65,594)</b>	<b>-17%</b>	<b>\$ (208,638)</b>	<b>\$ (3,372)</b>	<b>-1%</b>	<b>\$ 167,112</b>	<b>\$ (208,638)</b>		
<b>Beginning fund balance</b>	<b>208,638</b>	<b>375,558</b>	<b>180%</b>	<b>208,638</b>	<b>375,558</b>	<b>180%</b>		<b>208,638</b>		
<b>Ending fund balance</b>	<b>\$ 249,163</b>	<b>\$ 309,964</b>	<b>124%</b>	<b>\$ -</b>	<b>\$ 372,186</b>	<b>-</b>		<b>\$ -</b>		



PW crew working to get the Maverick statue moved in March 2022.

**ORDINANCE NO. 1275**

**AN ORDINANCE VACATING THE ALLEY IN BLOCK 4 OF THE MONROE HODGES PLAT OF PRINEVILLE.**

**Whereas**, pursuant to provisions of ORS Chapter 271, on the City of Prineville City Council’s own motion, the City of Prineville (“City”) intends to vacate the alley in block 4 of the Monroe Hodges Plat of Prineville, hereinafter “alley,” which is more specifically described on Exhibit A, attached hereto and incorporated herein; and

**Whereas**, an adjacent property owner, Crook County, requested the proposed vacation to accommodate the development of a Justice Center and the re-plat of the entire block.

**Whereas**, utilities within the alley have been re-located and City staff has reviewed the proposal and determined that there is no current or future necessity for this alley; and

**Whereas**, notice of the proposed vacation and hearing was published in the Central Oregonian newspaper on May 10, 2022 and May 17, 2022; and

**Whereas**, a public hearing considering the vacation was held by the City Council on May 24, 2022, to allow an opportunity for any interested person to appear and present comment.

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

1. The alley in block 4 of the Monroe Hodges Plat of Prineville described in Exhibit A is hereby vacated with equal portions of property being conveyed to the adjacent landowners.
2. That the City shall not have any further obligation to maintain the vacated area.

Presented for the first time at a regular meeting of the City Council held on June 14<sup>th</sup>, 2022 and the City Council finally enacted the foregoing ordinance this \_\_\_\_ day of June, 2022.

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Rodney J. Beebe  
Mayor

ATTEST:

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Lisa Morgan, City Recorder

**EXHIBIT A**

The alley in Block 4 of Monroe Hodges Plat of Prineville, according to the official plat thereof, recorded July 31, 1883 in Plat Book 1, Page 1, on file and of record in the office of the County Clerk for Crook County Oregon.

REGISTERED  
PROFESSIONAL  
LAND SURVEYOR

*Patrick Gage Cole* 4/25/22

OREGON  
JULY 10, 2007  
PATRICK GAGE COLE  
79157

EXPIRES: 12/31/23

**RESOLUTION NO. 1526  
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION APPROVING AMENDMENT NUMBER 01 TO COOPERATIVE  
IMPROVEMENT AGREEMENT WITH THE STATE OF OREGON DEPARTMENT OF  
TRANSPORTATION**

**Whereas**, on or about March 4, 2019, the City of Prineville (“City”) and the State of Oregon, acting by and through its Department of Transportation (“ODOT”) entered into a Cooperative Improvement Agreement designated by ODOT as No. 32415 Miscellaneous Contracts and Agreements (the “Agreement”) regarding State’s US26: Meadow Lakes Drive-Combs Flat Road Project; and

**Whereas**, the Agreement contemplated a scope of work in which ODOT was bringing existing curb ramps up to current ADA standards, replacing and upgrading existing traffic signals, providing intersection safety improvements and constructing and upgrading portions of the ODOT Intelligent Information Systems (ITS) Infrastructure; and

**Whereas**, ODOT wishes to construct a storm water facility in conjunction with State’s US 26: Meadow Lakes Drive to Combs Flat Road project on City owned property near the intersection of Claypool Street and 5<sup>th</sup> Street; and

**Whereas**, the proposed storm water facility will treat water from the US Route 26 corridor and sections of the City; and

**Whereas**, City and ODOT wish to amend the Agreement to apply the HB2017 funding in the amount of \$3,000,000.00 for the design analysis and development efforts of US26: Meadow Lakes Drive to Combs Flat Road to include key storm-water drainage system needs, and City’s Downtown Streetscape amenities; and

**Whereas**, City and ODOT have negotiated an Amendment to the Agreement designated by ODOT as No. 73000-00005176 Miscellaneous Contracts and Agreements (“Amendment”) attached hereto and incorporated herein;

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

**Now, Therefore**, the City of Prineville resolves that the Amendment is hereby approved and that the Mayor is authorized to sign such Amendment on behalf of the City.

Approved by the City Council this \_\_\_\_ day of June, 2022.



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Rodney J. Beebe, Mayor

ATTEST:

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Lisa Morgan, City Recorder



## STAFF REPORT

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**MEETING DATE:** 6/14/2022      **PREPARED BY:** Casey Kaiser

**SECTION:** Resolutions      **DEPARTMENT:** Planning/Public Works

**CITY GOAL(S):** Provide Quality Municipal Services, Community Safety

**SUBJECT:** Resolution 1526 authorizing an amendment to the Cooperative Improvement Agreement with ODOT for the improvements to US 26 Meadow Lakes Drive to Combs Flat Rd (the 3<sup>rd</sup> Street project).

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**REASON FOR CONSIDERATION:** To authorize an amendment modifying the scope of work from the original agreement with ODOT. ***ABBEY DRISCOLL from ODOT will be providing a presentation and additional detail during the Council Meeting.***

**BACKGROUND:** In 2019 City Council authorized a Cooperative Improvement Agreement with ODOT to work jointly on a series of improvements to US 26 through Prineville's core that included upgrading the signal interconnect and a series of pedestrian safety improvements. Since that time the City has been able to add in some significant upgrades/improvements to the stormwater facilities in the project area. Since the original scope of work and budget for the project was established, construction costs have increased significantly resulting in a need to reduce the overall scope of work of the project.

**FISCAL IMPACT:** The immediate impact is a reduction in scope of work. While there isn't a direct fiscal impact it does mean additional corridor work will need to be done in the future. ODOT does recognize the need for complete re-paving of the corridor but does not have that project scheduled at this time.

**RECOMMENDATION:** Staff recommends approval of Resolution 1526 approving the amendment. This will allow the City and ODOT to move forward with the project based on the limited scope. The project will include upgrading the signal interconnect, completing the stormwater facility improvements, ADA ramps, and pedestrian safety improvements.

**RELATED DOCUMENT(S):** Resolution 1526, ODOT Update Report (attached)

## Project Update

### US 26: Meadow Lakes Dr. - Combs Flat Rd. (Prineville)

#### Purpose and Need

US 26 is a major highway and a critical part of the state's transportation system as a major east-west corridor between Oregon and Idaho. Within the City of Prineville, US 26/3rd Street serves as the main corridor through the City's business district. This project will replace aging infrastructure in downtown Prineville to improve traffic management and pedestrian use and safety on US 26/3rd Street. Existing signals in downtown Prineville use span wires and have reached end of useful life, requiring frequent maintenance. ADA curb ramps, where existing, do not meet current ODOT requirements. The existing stormwater system that collects water from US 26 and surrounding downtown area is undersized and frequently floods during large storm events.

#### Current Scope

- New signals at Deer Street, Main Street and Elm Street and radio signal interconnect from Harwood Street to Combs Flat Road.
- ADA improvements between Harwood Avenue and Combs Flat Road. Corners from Deer Street to Main Street and Elm Street to include curb extensions to accommodate ADA.
- Streetscape improvements at corners between Deer Street and Main Street, including lighting.
- Stormwater improvements on US 26 between Claypool Street and Main Street and new stormwater facility at Claypool Street/5th Street including upgrades to storm system on Claypool Street.
- Repaving of US 26 between Claypool Street and Main Street where trenching for storm system upgrades will occur.
- Enhanced pedestrian crossings at intersections of US 26 and Maple Avenue, Garner Street and Knowledge Street (Knowledge Street crossing to include RRFB).

#### Changes from original project scope:

- Removes mid-block streetscape improvements, including sidewalk, curb, landscaping, and lighting, between Deer Street and Elm Street.
- Adds ADA ramp retrofit from Knowledge Street to Combs Flat Road.
- Upgrades storm water system on US 26 between Claypool Street to Main Street.
- Adds enhanced pedestrian crossings at intersections of US 26 and Maple Avenue, Garner Street and Knowledge Street.
- Adds repaving of US 26 between Claypool Street and Main Street.
- Removes Hwy OR380/Combs Flat Road & Lynn Blvd intersection safety improvements (*removed from scope in 2020*).

#### Funding

In May 2022, ODOT added \$5,136,101 in additional funding towards signal replacements, ADA upgrades and bike and pedestrian crossing improvements. Additional funding accounts for cost differences between scoping and current estimates and cost escalation.

Phase	Original	Current
Project Engineering	\$630,000	\$2,280,000
Right-of-Way	\$140,000	\$840,000
Utility Relocation	\$40,000	\$40,000
Construction	\$3,938,200	\$6,724,301
<b>Total</b>	<b>\$4,748,200</b>	<b>\$9,884,301</b>

#### Schedule

Project Planning: 2018 - 2020

Project Design: 2020 – Summer 2023

Right-of-Way Acquisition: Summer 2022 – Summer 2023

Construction: Fall 2023 – Summer 2024