



**Location:** City Hall – Council Chambers  
**Date:** March 24, 2026  
**Time:** 6:00 PM

## City Council Meeting Agenda

Mayor Jason Beebe, Council Members Steve Uffelman, Janet Hutchison, Shane Howard, Jerry Brummer, Scott Smith, Marv Sumner and City Manager Steve Forrester

<https://us02web.zoom.us/j/87946306782>

### Call to Order

### Flag Salute

### Additions to Agenda

### Consent Agenda

- [1.](#) Regular Meeting Brief 3-10-2026

### Visitors, Appearances, and Requests Limited to Three (3) Minutes Per Person

### Council Presentations

2. Republic Disposal Update to Council

### Council Business

- [3.](#) Reading of Proclamation - Dark Skies Week - Mayor Beebe
- [4.](#) Empire Reimbursement District (**PUBLIC HEARING**) - Randy Blakeny / Jered Reid
- [5.](#) Intent to Award Fairmont Area Waterline Improvements Project - Mike Kasberger
6. Hemp Processing Plant Complaints Discussion - Josh Smith

### Staff Reports and Requests

- [7.](#) City Manager's Report - Steve Forrester
8. Middle Income Revolving Loan (MIRL) Presentation - Josh Smith

### Council Reports

### Ordinances

### Resolutions

- [9.](#) Resolution No 1640 - Authorizing the Purchase of Real Property from Crook County Parks and Recreation District - Josh Smith



10. Resolution No 1641- Authorizing the Assignment of the Purchase Agreement - Josh Smith

**Visitors, Appearances, and Requests Limited to Three (3) Minutes Per Person**

**Adjourn**

***Agenda items may be added or removed as necessary after publication deadline***

Individuals needing special accommodations such as sign language, foreign language interpreters or equipment for the hearing impaired must request such services at least 48 hours prior to the City Council meeting. To make your request, please contact the City Recorder at 541-447-5627 (voice), or by e-mail to [recorder@cityofprineville.com](mailto:recorder@cityofprineville.com)



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

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

**City Council Meeting Brief -Corrected**  
**March 10, 2026**

**Council Members Present:**

Scott Smith  
Marv Sumner  
Steve Uffelmann  
Jerry Brummer

Shane Howard  
Jason Beebe  
Janet Hutchison

**Council Members Absent**

None.

**Additions to the Agenda**

None.

**Consent Agenda**

1. Regular Meeting Brief 2-24-2026

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

**Visitors, Appearances, and Requests**

John Heylin, new sales representative for Republic Services in Prineville, said he just wanted to introduce himself and see how we work.

No one else came forward. No one online raised a hand.

2. Relocation of the “Y” Spurs – Phil Burgess

Phil Burgess, who has become sort of the team leader of this effort to relocate the Spurs.

Mr. Burgess introduced some of the people in the audience who came regarding this proposed project and are a part of the team.

Ellen Waterson is going to provide a few words and introduce herself. Ellen was responsible for the original construction of Spurs in 1982. She is the catalyst for the idea to relocate Spurs. Seth Crawford, after being advised to talk with the county, immediately stepped up and has become active in the group as well. Councilor Sumner, who first heard of this through the Crook County Foundation Board, has become the liaison for the City Council. Dan McNeary is part of the team, who is not here this evening. Wayne Looney, representing Kiwanis, who provided some of the seed money. Joel Hoff, Interim Crook County School District Superintendent, is also part of the team and here.

Mr. Burgess continued with his presentation, explaining that Ms. Waterson came up with the relocation idea about a year ago. The community effort has grown significantly. We have identified two possible locations. According to Arron Smith, an ODOT, the city has the authority to manage the process of moving Spurs out of the ODOT right of way. The city also has the required performance bond. We have the commitment from Don Profily, Jr., to act as the contractor for the physical moving of Spurs. The idea is to move to the high school, where Dan McNeary's welding class can make the necessary modifications to its base for installation at its new location. Once the modifications to the base have been made it will be in the Round Up parade, transported by Ron Cholin and then transferred to the Crook County Fairgrounds for all to see at the Saturday evening rodeo.

Ms. Waterson explained that she is delighted that there is so much interest in this project, which is vintage Prineville. Prineville is a precious community and hopes to see it keep that way.

Ms. Waterson continued with the history of how Pauline Shelk and herself became interested in public art, and the background on how the Spurs originated. She thinks it would be great to see it in a more visible location since it was student-born and student-constructed.

Seth Crawford, Crook County Commissioner, explained that he learned of this several months ago when it was initially proposed to be in the city plaza. After hearing some community input, quite a few people thought it would be good in the roundabout on Combs Flat Rd. He said the roundabout gets the highest amount of votes to relocate it there. He thinks it might get lost in the background in the plaza, whereas there are hundreds of people through the roundabout every day. Talked about the plaque with all of the original contributors' names and putting a bench right at the trails that go through there, where people could sit and read it, and also doing a new plaque with the names of everyone involved in the relocation effort.

Mr. Crawford complimented the city on the trail system up there and how well it was done.

Joel Hoff, Crook County School District Superintendent, thinks it is a great project and talked of the ways his students can be involved. One is by building bridges between the students and the community. Having the students connect with the legacy of the Spurs. Second, it is for the students to be learning those skills where they are welding and cutting. Working with other industries and partnering with them. It is a great opportunity for students to get connected in the trade.

Wayne Looney, Kiwanis, talked about Matt Wiederhold, Railroad Manager, showing him a bench that had been made of railcar wheels, and Mr. Wiederhold suggested using them in Stryker Park III for benches. Mr. Looney thought it would be worth considering something like that for the bench that Mr. Crawford talked about, since they are also part of the Prineville culture.

Mr. Burgess continued with his PowerPoint presentation that illustrated the two possible locations and has since become fond of the Combs Flat Road roundabout location. He went over the various organizations that support the project, as well as public art aesthetics, especially Western.

There were discussions regarding the Spurs being in the center of the roundabout, being on a different base closer to the ground, and orientation.

Jered Reid, City Attorney, asked for clarification of what the ask to Council is.

Mr. Burgess explained that the ask is to get approval from the Council since there is no clear ownership of the Spurs, and the Council can decide whether it can be relocated or not. ODOT is in favor of it being moved and gave it a big thumbs up, asking to just be informed when it happens.

Mr. Reid asked for further clarification and stated that the Council has not interpreted the ownership of the Spurs.

Mr. Burgess is asking for the Council to approve Spurs being picked up, moved, and managing that process.

Councilor Sumner added that he liked the location next to War Paint, where it can be walked up to and looked at. It can appeal to visitors as well as the residents, as opposed to the Combs Flat Road roundabout or the other locations that they looked at.

Discussions continued regarding this being the start of an effort for other Western public art and if it is up to the Council to decide where it goes. Mr. Reid said right now it is just whether the Council wants to participate in moving the Spurs and not the location, since that requires further work, and that the basic level decision is whether this Council is in agreement to direct public works staff and city administration to work with Mr. Burgess to move this statue/artwork. There are going to be costs associated with this, such as landscaping to support it, safety analysis for potential locations, and additional questions and information before vetting any location, and voting on. The Council can certainly decide on the whole concept of moving the spurs and assisting this committee with city resources, and certainly move forward with that tonight.

Mr. Burgess agreed that it is certainly the central question.

Councilor Brummer stated that he was very involved with War Paint and initially wanted it to go up in the roundabout. When the dedication for War Paint happened, a lot of people said War Paint should really stay in the plaza, because a lot of people will want to look at it and read the

plaque. You don't want people slowing down to look at it there in the roundabout, and he could see the same thing happening here in the Combs Flat roundabout, because people would still have to walk in front of traffic to look at it, and he doesn't think that is a good location. He is in favor of moving the Spurs so they get good exposure. Maybe even the fairgrounds, which would be up to the fairgrounds and the county, there are 150 events a year there.

Mr. Burgess said that he asked Greg Congleton (Maverick and War Paint artist) about this several months ago, who recommended the roundabout or at the flag pole by the high school, and said that the fairgrounds had come up before.

Councilor Howard said that he is confident in voting on whether to move Spurs or not tonight. However, regarding where to put it, feels that maybe if we could get input from constituents, we could put a poll out and see what the people want. He thinks the roundabout is great, but wants to take some time and talk with people, and fully supports moving Spurs.

Councilor Hutchison asked Mr. Reid if kids were climbing on it, and if it is a liability to the city.

Mr. Reid said it is certainly worth looking into, adding that the location tonight is really premature. The question here tonight is whether the Council agrees to have city staff and administration work with this committee to get this project moving. This is what you would be doing.

**Council Smith moved to have the city staff participate with Mr. Burgess to relocate Spurs to a yet-to-be-determined spot. Motion seconded. Councilor Uffelman asked if this means staff, as opposed to the Council, to decide on the siting? Mayor Beebe said no, it is just to assist in moving forward with moving it, and come back later. Councilor Smith said, and to get it to the high school to get it refurbished. Mr. Reid added that recommendations for a location would be forthcoming. No further discussion on the motion. All in favor, motion carried.**

### **Council Presentations**

None.

### **Council Business:**

#### **3. Intent to Award Main Street Paving & Stormwater Project – Mike Kasberger**

Mike Kasberger, Assistant City Engineer, presented the staff report and provided a project overview.

Mayor Beebe asked which street was going to be a full rebuild.

Mr. Kasberger responded that it will be on South Main Street from the Catholic Church to the Parks & Recreation building. It is a very poor sub-base there, so it is just going to get rebuilt.

Councilor Smith asked who submitted the bids, and Mr. Kasberger read who submitted the bids that were received.

Councilor Smith said he reached out to Mr. Kaiser to make sure that the project wasn't going to interfere with the fairgrounds activities, such as the rodeo, and believes it is June 19<sup>th</sup> when the project is completed.

**Councilor Hutchison moved to approve the intent to award the Main Street Paving and Stormwater Improvements to Taylor Northwest in the amount of \$621,057.11. Motion seconded. No discussion on the motion. Motion carried.**

**4. Consideration of a Proclamation – Dark Skies Week – Sponsors Councilor Uffelman & Councilor Sumner**

Councilor Sumner read the proposed proclamation for consideration of a formal reading.

Mr. Reid clarified that the proclamation would be proclaimed at the March 24<sup>th</sup> meeting, and asked if Councilor Sumner could provide information on the event.

Councilor Sumner said that this is about creating a better atmosphere without light pollution and Dark Sky Week, and talked about Antelope and Sisters. He likes the proclamation.

Councilor Uffelman asked for a modification in the last portion of the draft proclamation, it says Bend and it should be Prineville.

Mayor Beebe asked during Dark Skies Week if they are asking for everyone to turn off lights to enhance the night sky. Councilor Sumner explained that this is just to bring awareness to the benefits of dark skies.

Discussions continued regarding the meaning and just making the community aware that turning off the lights, and pointing lighting down can be helpful all the time and not just during one week. To look at reducing the amount of light pollution we cause.

**Councilor Howard made a motion approving the reading of the Dark Skies Week proclamation at the next Council meeting. Motion seconded. No discussion on motion. All in favor, motion carried.**

**Staff Reports and Requests:**

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

Steve Forrester, City Manager, presented the report highlighting recent activity in all departments.

Mr. Forrester added an OID and reservoirs update. The Prineville Reservoir is at 70% capacity. It is better than what they had thought it would be, and should be okay this year. A second year of low snow levels is what can really make it bad.

Mr. Forrester provided an update on attending the Governor's Data Center Committee meeting. It was about a three-hour meeting that Councilor Uffelman and he attended, with Mayor Beebe participating virtually. We had a great opportunity to present our experience in Prineville. We were asked a lot of very good questions, and had some really good responses to our answers. He suspects we haven't heard the last from this committee and thanked Mayor Beebe and Councilor Uffelman for their participation.

Councilor Uffelman said that Mr. Forrester did an excellent presentation and that it was well received.

Mayor Beebe wanted to reiterate and mentioned that Jason Chaney put a good article in the Central Oregonian the committee in today's paper. He said that the committee is made up of unbiased people who have nothing to do with the tech industry. They had some really good questions and genuinely do not know anything about the data centers and what they do. A lot of good information came out of it, and it seemed that many were happy with the information they received.

Councilor Smith asked Interim Chief Wilson if they are successful in getting the grant and doing a bike rodeo, and if they could name it the Mark Monroe Bike Rodeo. He explained that he had worked with Mark when he used to put on the bike rodeos.

Interim Chief Wilson said that would be an excellent idea. He used to do the carnival back behind city hall, and has since partnered with the schools to do it.

There were no further questions.

#### **6. Seahale Property Acquisition Discussion – Josh Smith**

Josh Smith, Planning Director, announced that he received a call to invite Prineville back to the Governor's Data Center Committee meeting to discuss water.

Mr. Smith said that Parks & Recreation had contacted the city about this property and whether or not we want to take this opportunity.

Mr. Smith went through a PowerPoint presentation that highlighted maps of where the property is. This is a very wet part of town that has drainage problems. With the hazards on the property, it would be hard to develop.

Mr. Smith provided background on the property over the last approximately 20 years, explaining that Parks & Recreation bought it to preserve green space, which took some of their SDC's for capital improvement projects. He then went through the strategic value to the city to acquire.

There were discussions regarding where it could be developed, not being able to dig two feet without hitting water, any city infrastructure that could be installed would be underwater, how the surrounding neighborhood drains, and the big problems it caused.

Councilor Uffelman said that this is an opportunity for floodplain mitigation.

Councilor Brummer added that the best use for this property is floodplain mitigation.

Councilor Howard said there is a reason why private developers haven't developed it. The cost to develop, the cost for flood insurance, and those reasons not making it worth it to develop.

Mr. Smith said we are not looking for a motion to purchase this evening. We are looking for consensus to move forward with the acquisition, and a resolution would come back for an official vote.

Mr. Reid added that if the Council wanted additional information, the Council could do that, or if the Council feels they have enough information to move forward, a resolution could be brought back to the next meeting.

Steve Waring, Crook County Parks & Recreation Director, said this discussion came up about three years ago. They did a comprehensive look into how they can increase capacity and enhance existing facilities. They looked at possibly purchasing properties for more ball fields as the community grows. He thinks it is a win-win solution, and if there were any trails that would be built on the property in the future, they would just be added to the existing Parks & Recreation agreement with the city.

There were discussions about illegal dirt bike riding back on the property, illegal bird hunting, people having signs in their driveways to stay out, gates being put up to keep people from being able to access their neighborhood from this property. Parks & Recreation really doesn't know the best use for the property, and the city can use it for floodplain mitigation.

Mayor Beebe said that he loves the idea of using the property for floodplain mitigation credits.

Mike Warren, Crook County Properties and Realtor of Record for the city, explained that the eight acres that could be developed were an estimate as one of the ways to determine the value of the property.

Council concurred that no further information is needed and to bring a resolution forward.

### **Council Reports**

Councilor Uffelman said the EDCO luncheon was good and wished more people had come.

No further reports.

**Ordinances:**

None.

**Resolutions:**

None.

**Visitors, Appearances, and Requests:**

Mike Warren, Crook County Properties, talked about EDCO and CV International, giving the city amazing kudos for the way the city worked with them. He explained the good working relationship that he has with city staff and how he hears from commercial brokers, not only just in Central Oregon, but even down in the valley, how well they are treated when they call the city for questions.

No one else came forward, and no one online raised a hand.

**Adjourn**

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

Meeting adjourned at 7:31 P.M.

**Motions and Outcomes:**

Motion:	Outcome	Beebe	Brummer	Howard	Hutchison	Smith	Sumner	Uffelman
Consent Agenda as Presented	PASSED	Y	Y	Y	Y	Y	Y	Y
Motion to have the city staff participate with Mr. Burgess to relocate Spurs to a yet-to-be-determined spot. Motion seconded. Councilor Uffelman asked if this means staff, as opposed to the Council, to decide on the siting? Mayor Beebe said no, it is just to assist in moving forward with moving it, and come back later. Councilor Smith said, and to get it to the high school to get it refurbished. Mr. Reid added that recommendations for a location would be forthcoming.	PASSED	Y	Y	Y	Y	Y	Y	Y
Motion to approve the intent to award the Main Street Paving and Stormwater Improvements to Taylor Northwest in the amount of \$621,057.11.	PASSED	Y	Y	Y	Y	Y	Y	Y
Motion approving the reading of the Dark Skies Week proclamation at the next Council meeting	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>.

# PROCLAMATION

## DARK SKY WEEK 2026

**WHEREAS:** International Dark Sky Week is observed in April on the week of the new moon, and

**WHEREAS:** The experience of standing beneath a starry night sky inspires feelings of wonder and awe, and encourages stewardship of our shared environment and our magnificent dark skies; and

**WHEREAS:** Dark skies are an integral aspect of the sustainability of Oregon's wild ecosystems as a key environmental factor in bird migration, insect pollination, and human sleep patterns; and

**WHEREAS:** Oregon's dark skies are a significant natural resource, with seven accredited International Dark Sky Places to date—Sunriver, Prineville Reservoir State Park, Oregon Caves National Monument, City of Antelope, Oregon Outback Sanctuary, Cottonwood Canyon State Park, and City of Sisters.

**WHEREAS:** Eastern Oregon holds the world's largest dark sky sanctuary, and an area of the largest pristine night skies in the contiguous 48 states; and

**WHEREAS:** Astro-tourism, including star gazing, astronomy star parties, and dark sky photography, is an evolving facet of outdoor recreation with real economic benefits for communities across Oregon, and which promotes the mitigation of light pollution; and

**NOW, THEREFORE,** we, the Prineville City Council, proclaim April 13-20, 2026, to be International Dark Sky Week in Prineville, Oregon, and encourage all Oregonians to join in this observance.



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Mayor Rodney J. Beebe

**JERED REID**  
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To: Prineville City Council  
From: Jered Reid  
Re: Public Hearing for Empire Drive Reimbursement District  
Date: March 24, 2026

The City of Prineville received an application from R&D Investment Group for the creation of a Reimbursement District under Chapter 39 of the Prineville Municipal Code. Accompanying this memorandum is the Engineer's Report, which is required per the Code for the establishment of a reimbursement district.

Any person who constructs public improvements capable of providing services to property, other than property owned by that person, may, by written application filed with the City, request that the City establish a reimbursement district.

The City Engineer is required to review the application and prepare a written report for the City Council, considering and making a recommendation as to the efficacy of establishing a reimbursement district. The City Engineer has recommended the establishment of the Empire Drive Reimbursement District.

The Code requires the City Council to hold a public hearing at which any person who is or may be monetarily affected by the formation of the reimbursement district is given the opportunity to comment on the formation of the proposed reimbursement district. Public notice was sent to the applicant and the affected property owners.

After the public hearing, the City Council shall approve, reject, or modify the recommendations contained in the City Engineer's report. If approved, I will have a Resolution prepared for your consideration at the next Council Meeting.

**NOTICE OF PUBLIC HEARING FOR  
PRINEVILLE CITY COUNCIL  
REQUEST FOR REIMBURSEMENT DISTRICT**

**TO: R&D INVESTMENT GROUP, LLC  
4200 SW Empire Drive  
Prineville, Oregon 97754**

The City of Prineville has received a request to establish a Reimbursement District that affects your property located at Crook County Taxlot: 1515020000302.

Pursuant to Chapter 39 of the Code of Prineville, a person who constructs public improvements capable of providing services to property other than the property owned by the person constructing the public improvements may request the City establish a reimbursement district which would allow payment of a portion of the costs of constructing the public improvement to be reimbursed when other designated properties connect to such public improvement.

The Prineville City Engineer has prepared a report dated February 19, 2026, recommending that the Reimbursement District be established. That Engineer Report is attached.

**NOTICE IS HEREBY** given that the Prineville City Council will conduct a public hearing on the 24<sup>th</sup> day of March 2026 at 6:00 p.m. in the City Council Chambers of City Hall located at 387 NE 3<sup>rd</sup> Street in Prineville, Oregon, to allow you an opportunity to comment on the formation of the proposed reimbursement district.

You may participate in person or by **Zoom at <https://us02web.zoom.us/j/87946306782> at the time of the meeting.** Anyone wishing to present written testimony on these proposed actions may do so in writing prior to the Public Hearings, by submitting comments to City Hall, ATTN: City Recorder, 387 NE Third Street, Prineville, Oregon or by email at [recorder@cityofprineville.com](mailto:recorder@cityofprineville.com). All written comments must be submitted no later than 4:30 p.m. on March 24, 2026, and include senders name and address.

Engineer's Report  
Re: Empire Drive Reimbursement District  
Applicant: R&D Investment Group – R2 Prineville Property  
Location: SW Empire Drive – Tax Lot 300, Map 151502  
Date: February 19, 2026

## Background

The City's reimbursement district ordinance allows for formation of a reimbursement district when a property owner constructs public infrastructure that may serve other properties in the vicinity. The ordinance requires identification of the benefitted properties and establishes a mechanism that allows the person constructing the infrastructure to recover a proportional share of eligible public improvement costs when those properties connect to or utilize the improvements.

The applicant constructed public street and utility improvements along SW Empire Drive to serve Tax Lot 300 (45.66 acres, Zoned M1), as shown on Exhibit A Empire Drive Reimbursement Map prepared by H.A. McCoy Engineering & Surveying, Sheet P1.0, dated October 2025.

### 1. Description of Improvements

Improvements constructed along SW Empire Drive include blasting, excavation, grading, road construction, sanitary sewer, water, storm drainage, dry utilities, testing, and paving. Contractor invoices provided by Collins & Sons Excavating (Invoices #1256, #1293, #1296, #1298, and #1299 dated November 30, 2023 through June 28, 2024) document the scope of work performed.

Payment verification shown in Exhibit F Payment Verification Bank Letter from First Interstate Bank confirms that the following payments were issued from RDIG Account No. ending in 3542 to AE West Inc. dba Collins & Sons Excavating, Account No. ending in 6834.

12/12/2023 – \$749,068.41  
02/29/2024 – \$128,539.52  
04/19/2024 – \$223,833.03  
05/22/2024 – \$69,000.92  
07/15/2024 – \$422,605.72

Total verified payments for the improvements equal \$1,593,047.60.

The documented costs are associated with construction of public improvements located within the SW Empire Drive right-of-way and associated public utility corridors.

### 2. Benefitted Properties

Exhibit A Empire Drive Reimbursement Map and Exhibit B CS\_477 Final Plat identifies Tax Lot 300 or Parcel 3 (45.66 acres) and adjacent parcels along SW Empire Drive. The improvements

provide frontage, access, and utility service capacity to adjacent and future-developing industrial parcels.

Properties included within the proposed reimbursement district are those that:

- Have frontage along the improved segment of SW Empire Drive, or
- Have the ability to connect to the installed water, sewer, or storm infrastructure.

Properties already independently served or not directly benefitted by the installed infrastructure are not included within the district.

### 3. Eligible Public Improvement Costs

Based on payment verification and contractor documentation, total eligible public improvement costs are \$1,593,047.60.

Costs associated solely with private site development, internal grading, building pads, or private utilities are excluded from reimbursement eligibility.

The improvements were constructed to City standards and provide public infrastructure capacity available to multiple properties.

### 4. Cost Allocation

Consistent with past reimbursement districts administered by the City, allocation of costs may be based on frontage along the improved roadway segment.

Under a frontage-based methodology, each included property would pay a proportional share of the total eligible cost, outlined in this document, based on its linear frontage along SW Empire Drive within the district boundary.

Payment would be required at the time of building permit issuance, utility connection, or prior to certificate of occupancy, concurrent with applicable System Development Charges and connection fees.

### 5. Duration

Consistent with prior local improvement and reimbursement districts, the right of reimbursement should remain in effect for a period not to exceed ten (10) years from the date of Council approval.

### 6. Status of Improvements

The improvements have been constructed and payments verified. Final acceptance by the City shall be subject to completion of standard requirements including inspection, submission of as-built drawings, and execution of a Bill of Sale.

#### 7. Recommendation

Based on review of the Exhibit A Partition Map, Exhibit B CS\_4744 Final Plat, Exhibit C Bill of Sale (The total of the items listed in Exhibit C (Bill of Sale) is greater than the amount eligible for reimbursement. Certain items included in the Bill of Sale relate to work performed outside of the right-of-way and were therefore excluded from reimbursement.), Exhibit D Empire Drive Final Approved Plans, Exhibit E Certificate of Substantial Completion documents, Exhibit F Payment Verification Bank Letter - AE West Inc. and Exhibit G Contractor Collins Sons Empire Drive Invoices I find that the improvements constitute eligible public infrastructure that provides benefit to adjacent and future-developing properties.

I recommend that the Empire Drive Reimbursement District be established in accordance with this report and the accompanying documents.

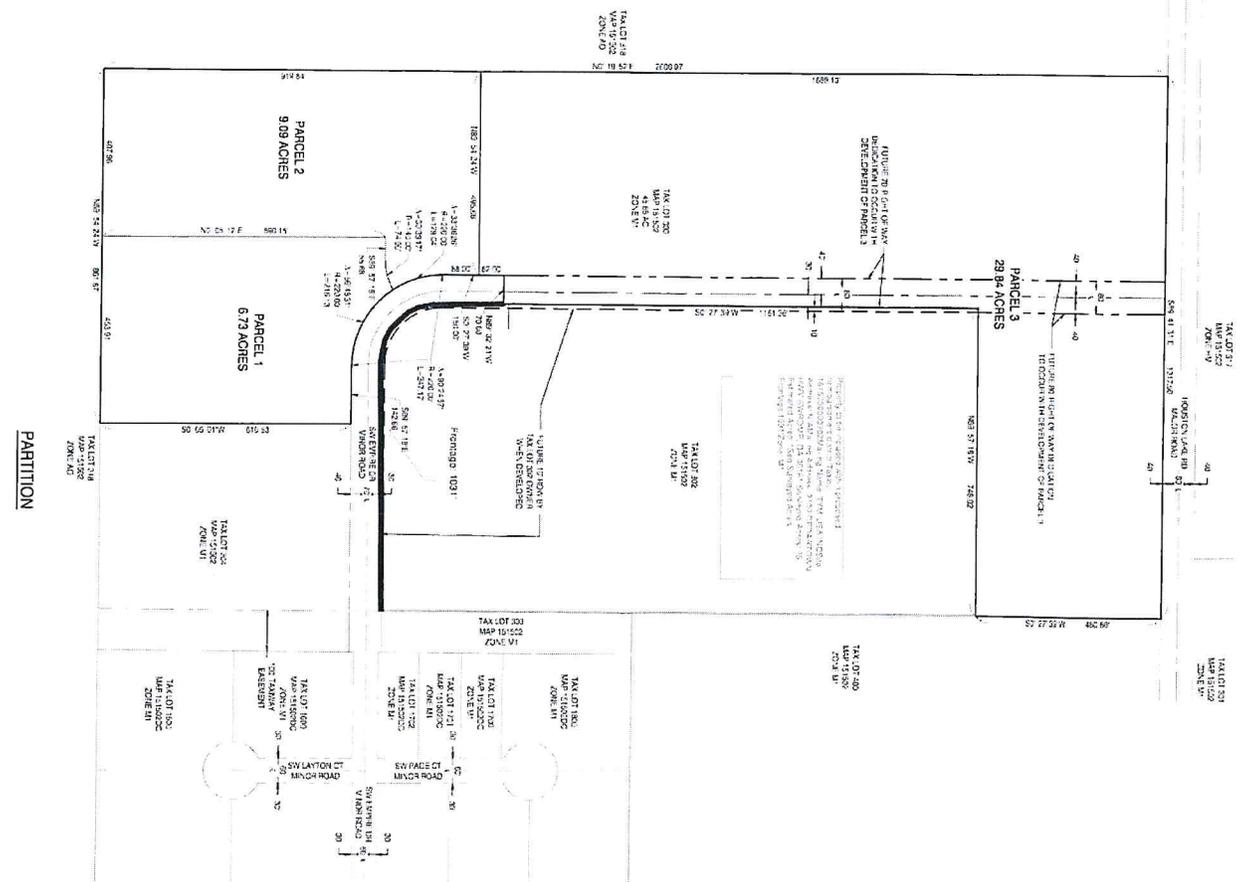
Respectfully submitted,

Randy Blakeney  
Assistant City Engineer



UTILITY PROVISIONS  
 POWER TO BE PROVIDED BY PACIFIC POWER CORPORATION  
 WATER AND SEWER TO BE PROVIDED BY CITY OF PRINEVILLE  
 SOLID WASTE DISPOSAL TO BE PROVIDED BY LOCAL SOLID WASTE COMPANY

SCALE: 1" = 150'  
 100' 0" 50' 0" 0'



JOB NO.  
 DRAWN BY: JLB  
 DRAWING: P1.1

SHEET TITLE  
 PARTITION PLAN

PROJECT LOCATION  
 PRINEVILLE, OR

CLIENT  
 JAMES A DRAPER LIVING TRUST ET AL

H.A. MCCOY  
 ENGINEERING & SURVEYING LLC  
 1015 N. 10th Street, Prineville, OR 97670  
 Phone: 531-421-1111  
 Fax: 531-421-1112  
 www.hamccoy.com

DRAWING STATUS	DATE	No	REVISION	DATE
PLAT PLAN	12/15/20			

No	REVISION	DATE



EXHIBIT A  
 Page 2 of 2

# PARTITION PLAT 2024-19

A REPLAT OF PARCEL 1 OF PARTITION PLAT 2006-10,  
 LOCATED IN THE SOUTH ONE-HALF OF SECTION 2,  
 TOWNSHIP 15 SOUTH, RANGE 15 EAST, WILLAMETTE MERIDIAN,  
 CITY OF PRINEVILLE, CROOK COUNTY, OREGON.  
 CITY OF PRINEVILLE LAND USE FILES: LP-2022-103,  
 C-2023-101, C-2023-102, C-2023-103.  
 DATE: DECEMBER, 2024

PARCEL 1  
 PARTITION PLAT 2023-06

BASIS OF BEARINGS  
 (S) 19 52' W 2638.97' 2 4  
 (N) 19 52' E 2638.97' 1  
 (N) 19 52' E 2639.90'

SW HOUSTON LAKE ROAD

5/8" IRON ROD WITH YPC MARKED  
 G.S. LAND SURVEYING, INC. SET PER (1),  
 FOUND PER (1), (1), AND THIS SURVEY

5/8" IRON ROD SET PER (1),  
 FOUND PER (1), (2) AND (1),  
 SET YPC MARKED "H.A. MCCOY ENGR"  
 ON IRON ROD PER THIS SURVEY

5/8" IRON ROD WITH YPC MARKED  
 G.S. LAND SURVEYING, INC. SET PER (1),  
 FOUND PER (2) AND THIS SURVEY

### MEASURED CURVE TABLE

NO	RADIUS	LENGTH	DELTA	CHORD BEARING	CHORD
C1	150.00	226.73	90.78007°	S44°43'34"E	212.83
C2	160.00	281.03	99.2437°	N44°44'50"W	255.48
C3	200.00	318.18	66.4830°	S41°33'02"W	299.30
C4	220.00	129.64	33.9629°	N49°20'34"W	127.20
C5	220.00	347.17	99.2437°	N44°44'50"W	317.25
C6	140.00	74.90	30.2817°	N74°43'04"E	74.01

### RECORD CURVE DATA PER (1)

NO.	RADIUS	LENGTH	DELTA	CHORD BEARING	CHORD
C1	150.00	226.71	90.78457°	S44°44'50"E	212.90

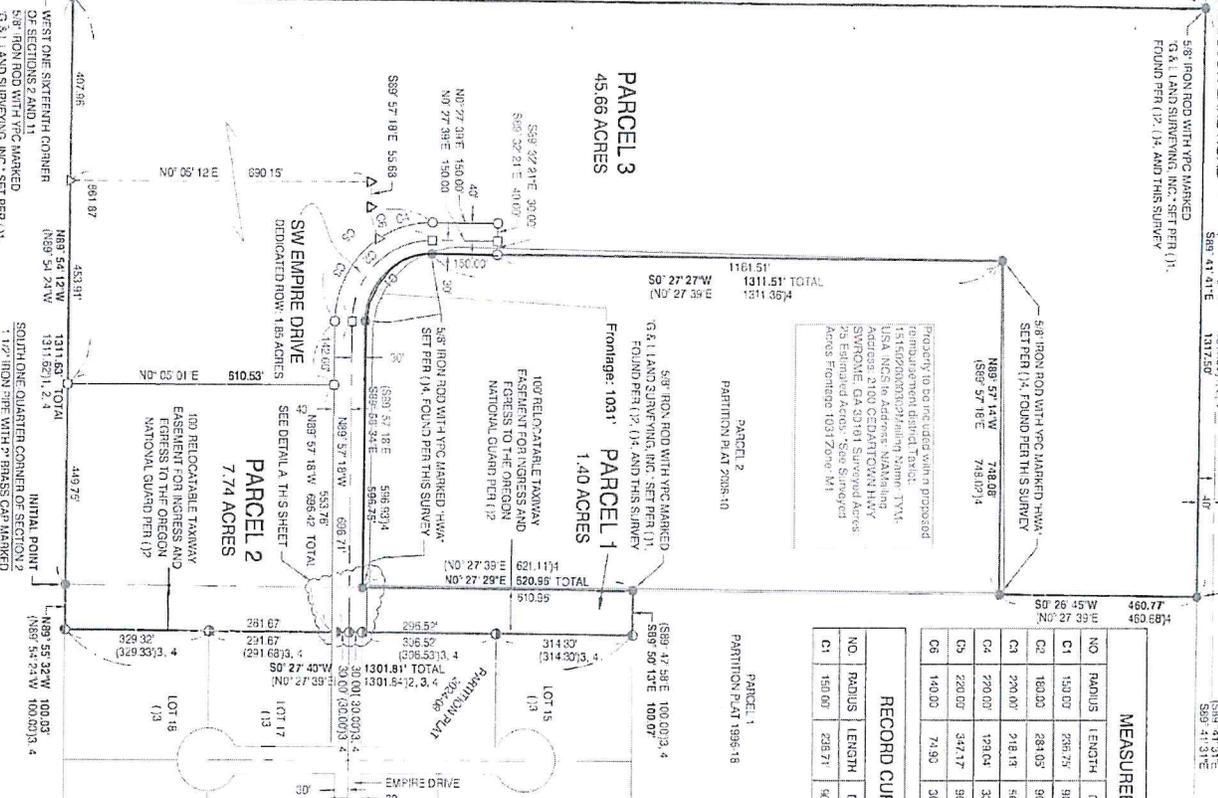
PARCEL 1  
 PARTITION PLAT 1986-18

PARCEL 2  
 PARTITION PLAT 2006-10

PARCEL 3  
 45.66 ACRES

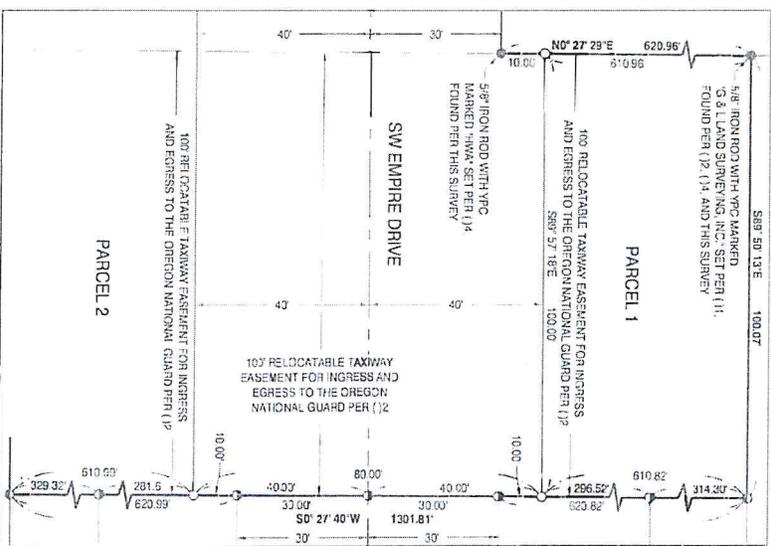
PARCEL 1  
 1.40 ACRES

PARCEL 2  
 7.74 ACRES



### LEGEND

- FOUND MONUMENT AS NOTED, HELD
- 5/8" IRON ROD WITH YPC MARKED "HWA" SET PER (1), (2)
- FOUND PER (1), (1), AND THIS SURVEY - HELD
- 5/8" IRON ROD WITH YPC MARKED "HWA" SET PER (1), (3)
- FOUND PER (1), (1), AND THIS SURVEY - HELD
- SET 5/8" IRON ROD WITH YPC MARKED "H.A. MCCOY ENGR" SET PER CLIENT INSTRUCTION
- SET 5/8" IRON ROD WITH YPC MARKED "H.A. MCCOY ENGR" SET PER CLIENT INSTRUCTION
- SET 5/8" IRON ROD WITH ALUMINUM CAP MARKED "H.A. MCCOY ENGR" SET PER CLIENT INSTRUCTION
- INDICATES RECORD INFORMATION PER PARTITION PLAT 1986-18
- INDICATES RECORD INFORMATION PER PARTITION PLAT 2006-10
- INDICATES RECORD INFORMATION PER PARTITION PLAT 2023-03
- INDICATES RECORD INFORMATION PER TOM MCCALL BUSINESS PARK FILED AS OS 2450 05/02/2005 MANLEY
- INDICATES RECORD INFORMATION PER PARTITION PLAT 2016-10 FILED AS OS 2455 10/23/2016 MANLEY
- MEASURED DISTANCE BETWEEN TWO MONUMENTS
- COUNTY SILENCE NUMBER, CROOK COUNTY SILENCE RECORDS
- VERTICAL PLASTIC CAP
- RIGHT OF WAY



DETAIL A  
 SCALE: 1"=20'



SCALE: 1" = 200'  
 FOR 18x24" SHEETS

L. JASON L. SWINE, OREGON REGISTERED PROFESSIONAL LAND SURVEYOR NO. 83256, HEREBY CERTIFY THIS IS A TRUE AND EXACT COPY OF THE PLAT FILED IN THE CROOK COUNTY CLERK'S OFFICE.  
 DATE: 12/12/2024  
 REGISTERED PROFESSIONAL LAND SURVEYOR  
 JASON L. SWINE

**H.A. MCCOY**  
 ENGINEERING & SURVEYING, LLC  
 1880 SW LAKE ROAD SUITE 200  
 PORTLAND, OREGON 97256  
 (503) 922-7254

PREPARED FOR:  
 JAMES A. DORRER LIVING TRUST ET AL  
 2700 SW STILLMANN RD  
 PORTLAND, OREGON 97239

EXHIBIT 13  
 Page 1 of 2

## PUBLIC FACILITIES BILL OF SALE

The undersigned person, firm or corporation, USER, hereby sells, transfer and assigns to the City of Prineville, an Oregon municipal corporation, designated CITY, the following Improvements: Streets (including storm, sewer, and curbs) sewer and water facilities installed by **Collins and Son's DBA AE West Developments for Empire Extensions: Sewer, Water and Streets** City approval of the Tentative Plan for **Empire Road Extensions.**, dated December 23, 2024, a Public Facilities Improvement Agreement between USER and CITY for: Approximately **1133 lf of water, 1031 lf of streets, and approximately 1196 lf sewer/drainage line.**

**Project Name: Empire Road Extensions**

**Owner/Developer: R&D Investments**

This bill of sale is given pursuant to the Public Facilities Improvement Agreement between the parties and the City's sewer, water and street policies. USER warrants and represents that it owns these facilities free and clear of all liens and encumbrances and has the right to transfer them and deliver good title to the CITY.

USER understands that this BILL of Sale only becomes effective upon City's acceptance of the above described facilities.

Dated this 23<sup>rd</sup> day of December, 2024.

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

Final Costs of Capitalization

**STREETS: \$976,204.53**

**SEWER: \$516,264.77**

**WATER: \$263,312.03**

City of Prineville accepts the above facilities as of December 23, 2024.

CITY OF PRINEVILLE

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

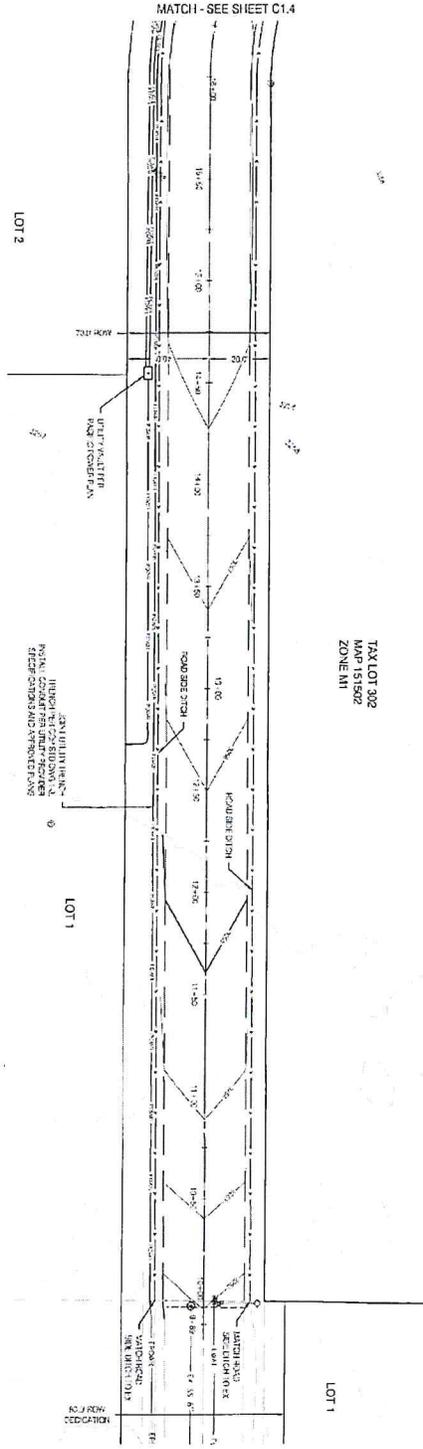
EXHIBIT C

Page 1 of 1







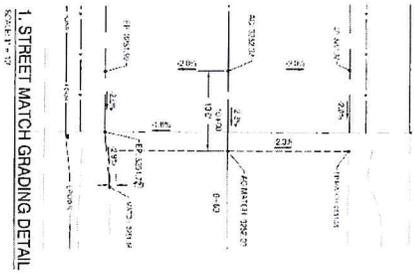


**GRADING NOTES**

1. EXISTING GRADE SHOWN BY DASHED LINE.
2. PROPOSED GRADE SHOWN BY SOLID LINE.
3. FINISH GRADE SHOWN BY DOTTED LINE.
4. EXISTING ELEVATION SHOWN BY NUMBER IN CIRCLE.
5. PROPOSED ELEVATION SHOWN BY NUMBER IN SQUARE.
6. FINISH ELEVATION SHOWN BY NUMBER IN TRIANGLE.
7. GRADE CHANGES SHALL BE MADE TO MAINTAIN PROPER DRAINAGE AND TO PREVENT EROSION.
8. ALL GRADING SHALL BE IN ACCORDANCE WITH THE LATEST EDITION OF THE OREGON ENGINEERING BOARD'S SPECIFICATIONS FOR THE PROFESSION OF CIVIL ENGINEERING.

**POWER NOTES**

1. ALL POWER LINES SHALL BE DEEPENED TO A MINIMUM OF 36" BELOW FINISH GRADE.
2. ALL POWER LINES SHALL BE PROTECTED BY CONCRETE ENCASEMENT.
3. ALL POWER LINES SHALL BE MARKED WITH REFLECTOR PINS.
4. ALL POWER LINES SHALL BE MAINTAINED AT ALL TIMES.
5. ALL POWER LINES SHALL BE PROTECTED BY CONCRETE ENCASEMENT.
6. ALL POWER LINES SHALL BE MARKED WITH REFLECTOR PINS.
7. ALL POWER LINES SHALL BE MAINTAINED AT ALL TIMES.



JOB NO.: 21-254  
DRAWING BY: JLC  
DRAWING NO.: C1.3

**SHEET TITLE:**  
GRADING, DRAINAGE & EROSION CONTROL  
STA 10+00 - 15+97

**PROJECT:**  
SW EMPIRE DR EXTENSION

**PROJECT LOCATION:**  
PRINEVILLE, OR

**CLIENT:**  
JAMES A DRAPER LIVING TRUST ET AL

**H.A. MCCOY**  
REGISTERED PROFESSIONAL ENGINEER  
25

DRAWING STATUS:	DATE:	NO.	REVISION:	DATE:
ENGR 1	03/29/22	1		
ENGR 2	10/11/22	2		
ENGR 3	11/28/22	3		
ENGR 4	11/14/22	4		
ENGR 5	12/09/22	5		
ENGR 6	01/22/23	6		
FINAL ENGR	02/07/23			

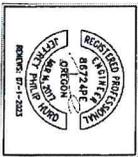
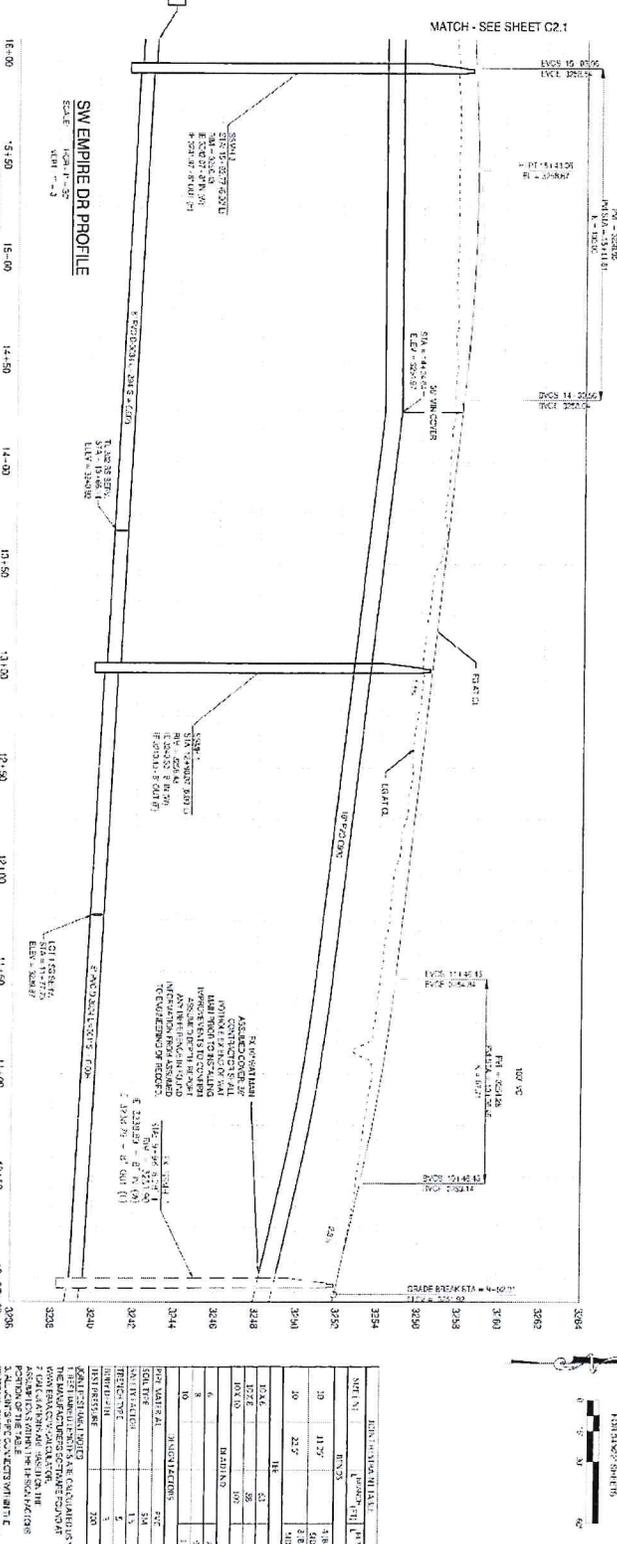
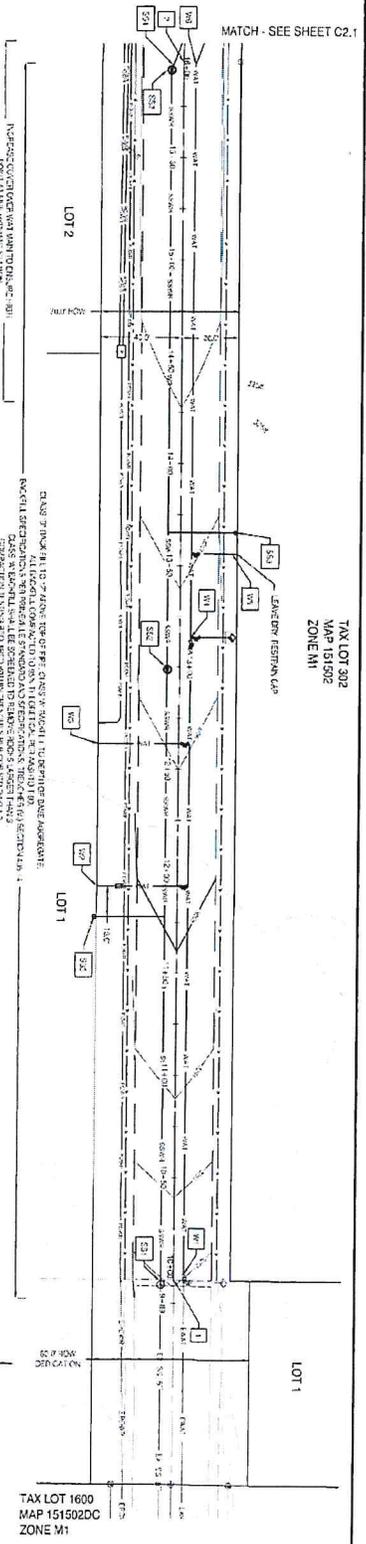


EXHIBIT  
Page 9 of 11



**CENTERLINE DATA**  
 STA 10+00 TO STA 10+150  
 PLAN  
 1. 10+00 TO 10+150  
 1. 10+150 TO 10+300  
 1. 10+300 TO 10+450  
 1. 10+450 TO 10+600  
 1. 10+600 TO 10+750  
 1. 10+750 TO 10+900  
 1. 10+900 TO 10+1000



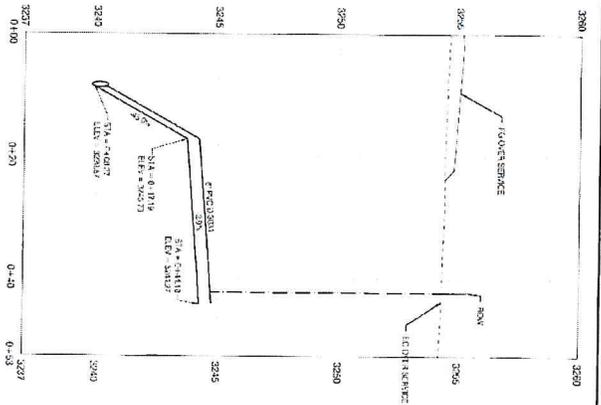
- STREET NOTES**
- 1. STA 10+00 TO STA 10+150: EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION. EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION. EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION.
  - 2. STA 10+150 TO STA 10+300: EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION. EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION. EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION.
  - 3. STA 10+300 TO STA 10+450: EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION. EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION. EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION.
  - 4. STA 10+450 TO STA 10+600: EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION. EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION. EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION.
  - 5. STA 10+600 TO STA 10+750: EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION. EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION. EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION.
  - 6. STA 10+750 TO STA 10+900: EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION. EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION. EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION.
  - 7. STA 10+900 TO STA 10+1000: EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION. EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION. EXISTING DRIVEWAY CONNECTION TO EXISTING DRIVEWAY CONNECTION.
- WATER NOTES**
- 101. STA 10+00 TO STA 10+1000: EXISTING WATER MAIN. EXISTING WATER MAIN. EXISTING WATER MAIN.
  - 102. STA 10+00 TO STA 10+1000: EXISTING WATER MAIN. EXISTING WATER MAIN. EXISTING WATER MAIN.
  - 103. STA 10+00 TO STA 10+1000: EXISTING WATER MAIN. EXISTING WATER MAIN. EXISTING WATER MAIN.
  - 104. STA 10+00 TO STA 10+1000: EXISTING WATER MAIN. EXISTING WATER MAIN. EXISTING WATER MAIN.
  - 105. STA 10+00 TO STA 10+1000: EXISTING WATER MAIN. EXISTING WATER MAIN. EXISTING WATER MAIN.
- SANITARY SEWER NOTES**
- 201. STA 10+00 TO STA 10+1000: EXISTING SANITARY SEWER. EXISTING SANITARY SEWER. EXISTING SANITARY SEWER.
  - 202. STA 10+00 TO STA 10+1000: EXISTING SANITARY SEWER. EXISTING SANITARY SEWER. EXISTING SANITARY SEWER.
  - 203. STA 10+00 TO STA 10+1000: EXISTING SANITARY SEWER. EXISTING SANITARY SEWER. EXISTING SANITARY SEWER.
  - 204. STA 10+00 TO STA 10+1000: EXISTING SANITARY SEWER. EXISTING SANITARY SEWER. EXISTING SANITARY SEWER.
  - 205. STA 10+00 TO STA 10+1000: EXISTING SANITARY SEWER. EXISTING SANITARY SEWER. EXISTING SANITARY SEWER.

Page 6 of 14  
 EXHIBIT

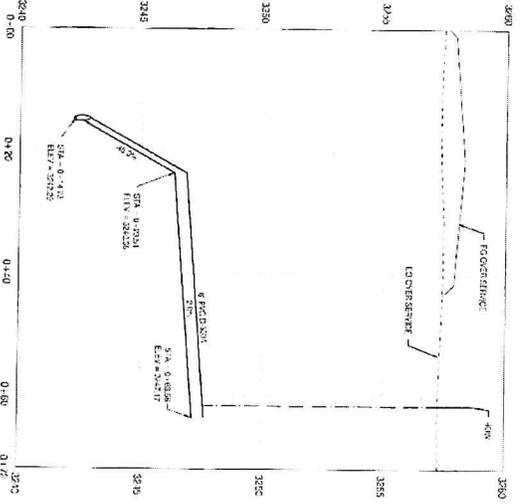
JOB NO. 11-159 DRAWING DATE DRAWING NO. C20	<b>SHEET TITLE:</b> SW EMPIRE DR PLAN & PROFILE STA 10+00 - 15+97	<b>PROJECT:</b> SW EMPIRE DR EXTENSION <b>PROJECT LOCATION:</b> PRINEVILLE, OR <b>CLIENT:</b> JAMES A DRAPER LIVING TRUST ET AL	H.A. MC COY ENGINEERING & SURVEYING, LLC 27	<b>DRAWING STATUS:</b> ENGR 1 ENGR 2 ENGR 3 ENGR 4 ENGR 5 ENGR 6 FINAL ENGR	<b>DATE:</b> 02/22/22 11/21/22 11/20/22 11/14/22 12/09/22 01/24/23 07/27/23	<b>REVISION:</b> 1 2 3 4 5 6 7	<b>DATE:</b>       
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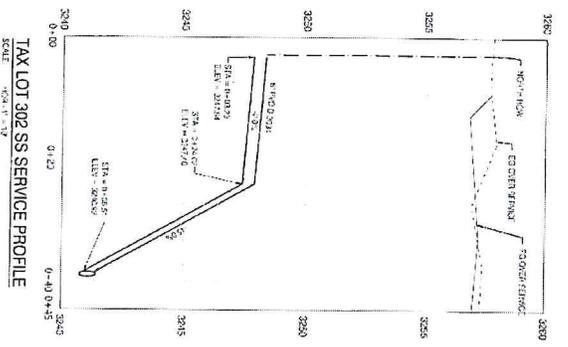




LOT 1 SS SERVICE PROFILE  
SCALE: HORIZ. 1" = 10'  
VERT. 1" = 1.5'



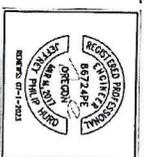
LOT 2 SS SERVICE PROFILE  
SCALE: HORIZ. 1" = 10'  
VERT. 1" = 1.5'



TAX LOT 302 SS SERVICE PROFILE  
SCALE: HORIZ. 1" = 10'  
VERT. 1" = 1.5'



LOT 3 SS SERVICE PROFILE  
SCALE: HORIZ. 1" = 10'  
VERT. 1" = 1.5'



DRAWING STATUS:	DATE:	NO.	REVISION:	DATE:
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<input type="checkbox"/> ENGR 5	12/03/22	5		
<input type="checkbox"/> ENGR 6	01/24/23	6		
<input checked="" type="checkbox"/> FINAL ENGR	02/22/23	7		

**H.A.M. COY**  
ENGINEERING & SURVEYING, LLC  
29

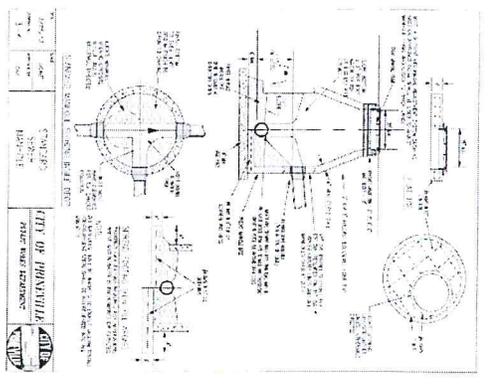
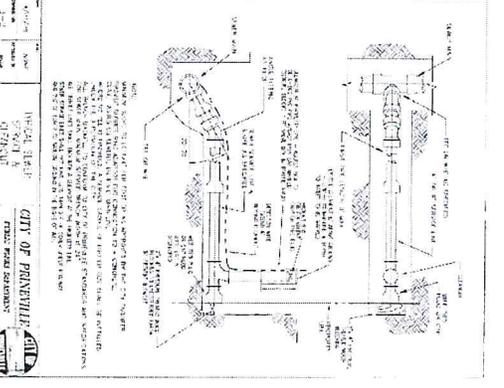
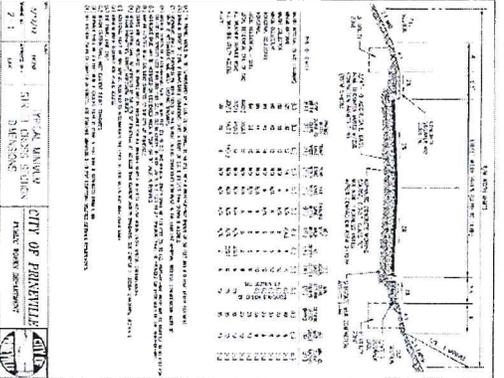
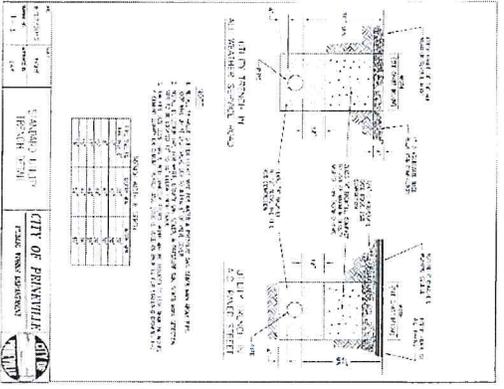
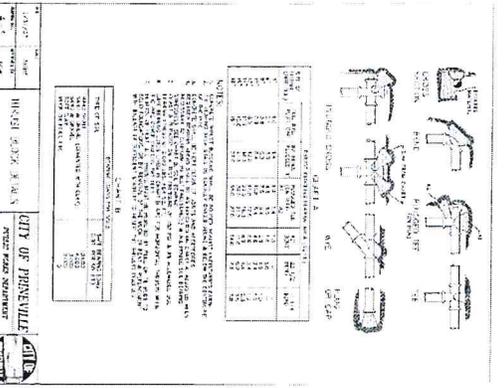
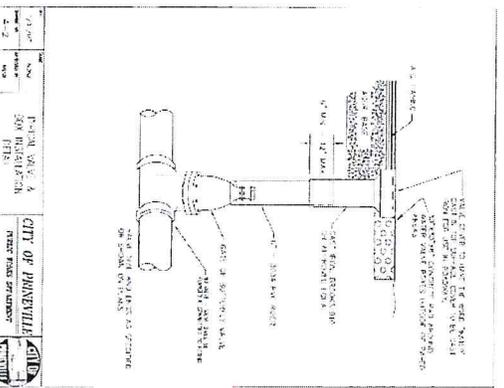
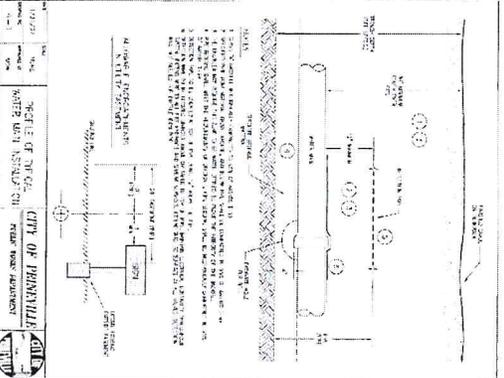
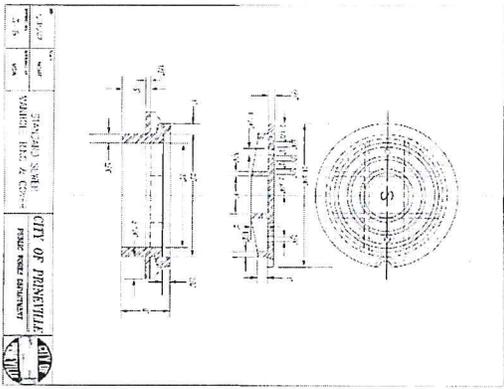
**SHEET TITLE:**  
SEWER SERVICE PROFILES

**PROJECT:**  
SW EMPIRE DR EXTENSION

**PROJECT LOCATION:**  
PRINEVILLE, OR

**CLIENT:**  
JAMES A DRAPER LIVING TRUST ET AL

**JOB NO.:** 21-236  
**DRAWN BY:** JCA  
**DRAWINGS:** C2.2



JOB NO. 21-236  
DRAWING BY: JCF  
DRAWINGS  
**C3.0**

SHEET TITLE:  
**STANDARD DETAILS**

PROJECT:  
**SW EMPIRE DR EXTENSION**

PROJECT LOCATION:  
**PRINEVILLE, OR**

CLIENT:  
**JAMES A DRAPER LIVING TRUST ET AL**

**H.A. MCCOY**  
CONSULTING & SURVEYING, LLC  
30

DRAWING STATUS:	DATE:	No.	REVISION:	DATE:
ENGR 1	09/29/22	1		
ENGR 2	10/11/22	2		
ENGR 3	11/08/22	3		
ENGR 4	11/14/22	4		
ENGR 5	12/09/22	5		
ENGR 6	01/24/23	6		
FINAL ENGR	02/07/23	7		

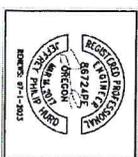


EXHIBIT  
7 of 14



From: H.A. McCoy  
Subject: Utility Provider Approval Emails  
Date: 2024-07-17 10:52 AM

Hi Kelly,  
I hope you are well. I am writing to you regarding the utility provider approval emails that were sent to you on 7/15/24. I am sorry that you did not receive them. I will resend them to you as soon as possible.

Thank you for your patience and understanding.  
Best regards,  
H.A. McCoy  
H.A. McCoy Engineering, Inc.  
544-439-7281 ext 414  
544-439-7281 ext 414  
544-439-7281 ext 414

**BEND BROADBAND'S PLAN SIGNATURE APPROVAL**

From: H.A. McCoy  
Subject: Cascade Natural Gas Plan Signature Approval  
Date: 2024-07-17 10:52 AM

Hi Kelly,  
I hope you are well. I am writing to you regarding the Cascade Natural Gas plan signature approval. I am sorry that you did not receive the signature approval. I will resend it to you as soon as possible.

Thank you for your patience and understanding.  
Best regards,  
H.A. McCoy  
H.A. McCoy Engineering, Inc.  
544-439-7281 ext 414  
544-439-7281 ext 414  
544-439-7281 ext 414

**CASCADE NATURAL GAS PLAN SIGNATURE APPROVAL**

From: H.A. McCoy  
Subject: Lumen Plan Signature Approval  
Date: 2024-07-17 10:52 AM

Hi Kelly,  
I hope you are well. I am writing to you regarding the Lumen plan signature approval. I am sorry that you did not receive the signature approval. I will resend it to you as soon as possible.

Thank you for your patience and understanding.  
Best regards,  
H.A. McCoy  
H.A. McCoy Engineering, Inc.  
544-439-7281 ext 414  
544-439-7281 ext 414  
544-439-7281 ext 414

**LUMEN PLAN SIGNATURE APPROVAL**

From: Brooke Berry  
Subject: Pacific Power Plan Signature Approval  
Date: 2024-07-17 10:52 AM

Hi Kelly,  
I hope you are well. I am writing to you regarding the Pacific Power plan signature approval. I am sorry that you did not receive the signature approval. I will resend it to you as soon as possible.

Thank you for your patience and understanding.  
Best regards,  
Brooke Berry  
Brooke Berry | Contract Engineering and Design  
544-439-7281 ext 414  
544-439-7281 ext 414  
544-439-7281 ext 414

**PACIFIC POWER PLAN SIGNATURE APPROVAL**



DRAWING STATUS	DATE	NO.	REVISION	DATE
ENR	07/22/24	1		
ENR	07/22/24	2		
ENR	07/22/24	3		
ENR	07/22/24	4		
ENR	07/22/24	5		
ENR	07/22/24	6		
FINAL ENR	07/22/24	7		

H.A. M'COY  
ENGINEERING & SURVEYING, LLC  
32

**SHEET TITLE:**  
UTILITY PROVIDER  
APPROVAL EMAILS

**PROJECT:**  
SW EMPIRE DR EXTENSION

**PROJECT LOCATION:**  
PRINEVILLE, OR

**CLIENT:**  
JAMES A DRAPER LIVING TRUST ET AL

**JOB NO.:** 21-256  
**DRAWN BY:** [Name]  
**DRAWING NO.:** C3.2

EXHIBIT  
Page 11 of 11

City of Prineville  
Public Works Department

### CERTIFICATE OF SUBSTANTIAL COMPLETION

Name of Project: EMPIRE EXTENSION

Contractor: R/E Collins & Sons

Project #:

Address:

Issuance Date: 9-11-24

Contract No.:

SUBSTANTIAL COMPLETION DATE:

Complete     Partial

The work performed under this contract has been reviewed and is deemed to be substantially complete. The date of Substantial Completion is, therefore, established for the portion for the portion noted above as: 9-11-24 which is also the date of commencement of warranties required in the Contract Documents, except as stated below.

The Definition of the Date of Substantial Completion of the Work or designated portion noted above is the Date determined by the Public Works Department when construction is adequately complete, in accordance with the Contract Documents, so the Owner may occupy or utilize the work or portion noted above for its intended purpose, as detailed in the Contract documents.

A list of items to be completed or corrected (Punch List), prepared by the Public Works Designee is attached to this certificate. The failure to include any items on this list does not alter the requirements of the Contract Documents. The date of commencement of warranties for items included in the Punch List will be the date of final payment unless agreed to, in writing, by The City and the Contractor.

PUNCH LIST: N/A

A list of items to be completed or corrected, prepared by the Architect/Engineer, City Engineer or Public Works Designee, checked and augmented as required by the Prime Contractor or Construction Manager is appended hereto. The failure to include any item on such list does not relieve the Contractor of the responsibility to complete all work in accordance with the Contract documents.

The Contractor shall complete or correct the work on the punch list appended hereto by 9-11-24. The punch list consists of 0 items.  
Mo. Day Year

<u>PAT GOETZING</u> Public Works Inspector	<u>Pat</u> Representative	<u>9-11-25</u> Date
_____ Design Engineer	_____ Representative	_____ Date
_____ Owner	_____ Representative	_____ Date
_____ City Engineer	_____ Representative	_____ Date

The owner accepts the Work or portion noted above as substantially complete as determined by the Public Works Department and will assume full possession thereof at 12:00 PM on (date) 9-11-25

EXHIBIT E

Page 1 of 2

PUBLIC WORKS DEPARTMENT SIGN OFF

PROJECT NAME: EMPIRE EXTENSION

PROJECT NUMBER: \_\_\_\_\_

All items on the project punch list have been completed and meet or exceed the requirements of the Public Works Department of the City of Prineville. This project is eligible for acceptance by the City subject to a one year warranty period, which will require the project Developer to repair or replace defective or damaged items. The final inspection will need to be done prior to acceptance by the City before the one year maintenance period begins.

- Planning
- Water
- Sewer
- Street
- N/A Sidewalk
- Street Lights
- Property Corners
- N/A Pump Station
- Grading
- Drainage

FINAL INSPECTION – RECOMMENDATION FOR CITY ACCEPTANCE.

A final inspection of this project has been completed. The Public Works Department has disclosed the following items that require further work: All items complete except:

\_\_\_\_\_ FINAL INSPECTION – A final inspection of this project has been completed. The Public Works Department has disclosed the following items that require further work: All items complete except:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dated this 11 day of September 2024

City of Prineville, Public Works Department/City Inspector:

By: [Signature]  
34

EXHIBIT E  
Page 2 of 2



12/22/2025

AE West Inc DBA Collins & Sons Excavating  
4100 SW Empire Blvd.  
Prineville, OR 97754

To Whom it May Concern:

This is verification that the payments below were issued from the account of RDIG Account No. ending in 3542 to the account of AEW DBA Collins & Sons No. ending in 6834.

12/12/2023 - \$749,068.41

02/29/2024 - \$128,539.52

04/19/2024 - \$223,833.03

05/22/2024 - \$69,000.92

7/15/2024 - \$422,605.72

Sincerely,

Wendy McDowell

TREASURY DELIVERY SPECIALIST II

O: 503-499-5909

[wendy.mcdowell@fib.com](mailto:wendy.mcdowell@fib.com)

EXHIBIT F  
Page 1 of 1

# COLLINS & SONS EXCAVATING

PO Box 1658  
Redmond, OR 97756  
Office: 541-548-6050 Fax: 888-211-7841  
CCBH# 239292  
www.collinsandsons.com

Bill to:

R&D Investment Group  
Po Box 1269  
Redmond, OR 97756

Invoice #	1256
Date:	11/30/2023
Net due by the 10th	
Work performed in:	Pineville, OR
Project Name:	Empire Dr Extension
Collins and Sons Job #:	
Owner Job #:	Tom McCall
Owner Contract #:	

Item #	Unit Description	Bid Qty	Units	Unit Price	Total	To Date		Previous		Current	
						Units	Price	Units	Price	Units	Price
1	Blasting, excavation, labor and materials*		EA		\$ 758,389.91	1	\$ -	0	\$ -	1	\$ 749,068.41
2			EA		\$ -	0	\$ -	0	\$ -	0	\$ -
3			EA		\$ -	0	\$ -	0	\$ -	0	\$ -
4			EA		\$ -	0	\$ -	0	\$ -	0	\$ -
5			EA		\$ -	0	\$ -	0	\$ -	0	\$ -
<b>TOTAL</b>					<b>\$ 758,389.91</b>		\$ -		\$ -		\$ 749,068.41

**CHANGE ORDERS**

1			EA		\$ -	1	\$ -	1	\$ -		\$ -
2			EA		\$ -	1	\$ -		\$ -	1	\$ -
3			EA		\$ -	1	\$ -		\$ -	1	\$ -
<b>Change Order Total</b>					<b>\$ -</b>		\$ -		\$ -		\$ -

\* Partial pmt progress invoices billed 40%

Subtotal \$ 749,068.41  
0% Retention \$ -  
Total Due \$ 749,068.41

# COLLINS & SONS EXCAVATING

PO Box 1658  
Redmond, OR 97756  
Office: 541-548-6050 Fax: 888-211-7841  
CCBH 239292  
www.collinsandsons.com

Bill to:

R&D Investment Group  
Po Box 1269  
Redmond, OR 97756

Invoice #	1293
Date:	2/16/2024
Net due by the 10th	
Work performed In:	Prineville, OR
Project Name:	Empire Dr Extension
Collins and Sons Job #:	
Owner Job #:	Tom McCall
Owner Contract #:	

Item #	Unit Description	Bid Qty	Units	Unit Price	Total	To Date		Previous		Current	
						Units	Price	Units	Price	Units	Price
1	Blasting, labor, materials *		EA			1	\$ -	0	\$ -	1	\$ 128,539.52
2			EA			0	\$ -	0	\$ -	0	\$ -
3			EA			0	\$ -	0	\$ -	0	\$ -
4			EA			0	\$ -	0	\$ -	0	\$ -
5			EA			0	\$ -	0	\$ -	0	\$ -
<b>TOTAL</b>							\$ -		\$ -		\$ 128,539.52

**CHANGE ORDERS**

1			EA	\$ -	\$ -	1	\$ -	1	\$ -		\$ -
2			EA	\$ -	\$ -	1	\$ -		\$ -	1	\$ -
3			EA	\$ -	\$ -	1	\$ -		\$ -	1	\$ -
<b>Change Order Total</b>							\$ -		\$ -		\$ -

\* Partial pmt progress invoices billed 7%

Subtotal \$ 128,539.52  
0% Retention \$ -  
Total Due \$ 128,539.52

# COLLINS & SONS EXCAVATING

PO Box 1658  
Redmond, OR 97756  
Office: 541-548-6050 Fax: 888-211-7841  
CCRH# 239292  
www.collinsandsons.com

Bill to:

R&D Investment Group  
Po Box 1269  
Redmond, OR 97756

Invoice #	1296
Date:	3/31/2024
Net due by the 10th	
Work performed in:	Pineville, OR
Project Name:	Empire Dr Extension
Collins and Sons Job #:	
Owner Job #:	Tom McCall
Owner Contract #:	

Item #	Unit Description	Bid Qty	Units	Unit Price	Total	To Date		Previous		Current	
						Units	Price	Units	Price	Units	Price
1	Excavation, labor and materials*		EA			1	\$ -	0	\$ -	1	\$ 223,833.03
2			EA			0	\$ -	0	\$ -	0	\$ -
3			EA			0	\$ -	0	\$ -	0	\$ -
4			EA			0	\$ -	0	\$ -	0	\$ -
5			EA			0	\$ -	0	\$ -	0	\$ -
<b>TOTAL</b>							\$ -		\$ -		\$ 223,833.03

**CHANGE ORDERS**

1			EA	\$ -	\$ -	1	\$ -	1	\$ -		\$ -
2			EA	\$ -	\$ -	1	\$ -		\$ -	1	\$ -
3			EA	\$ -	\$ -	1	\$ -		\$ -	1	\$ -
<b>Change Order Total</b>							\$ -		\$ -		\$ -

\* Partial pmt progress invoices billed 10%

Subtotal \$ 223,833.03  
0% Retention \$ -  
Total Due \$ 223,833.03

# COLLINS & SONS EXCAVATING

PO Box 1658  
Redmond, OR 97756  
Office: 541-548-6050 Fax: 888-211-7841  
CCB# 239292  
www.collinsandsons.com

Bill to:

R&D Investment Group  
Po Box 1269  
Redmond, OR 97756

Invoice #	1298
Date:	4/30/2024
Net due by the 10th	
Work performed in:	Prineville, OR
Project Name:	Empire Dr Extension
Collins and Sons Job #:	
Owner Job #:	Tom McCall
Owner Contract #:	

Item #	Unit Description	Bid Qty	Units	Unit Price	Total	To Date		Previous		Current	
						Units	Price	Units	Price	Units	Price
1	Testing, permits, labor and materials*		EA			1	\$ -	0	\$ -	1	\$ 69,000.92
2			EA			0	\$ -	0	\$ -	0	\$ -
3			EA			0	\$ -	0	\$ -	0	\$ -
4			EA			0	\$ -	0	\$ -	0	\$ -
5			EA			0	\$ -	0	\$ -	0	\$ -
<b>TOTAL</b>							\$ -		\$ -		\$ 69,000.92

**CHANGE ORDERS**

1			EA	\$ -	\$ -	1	\$ -	1	\$ -		\$ -
2			EA	\$ -	\$ -	1	\$ -		\$ -	1	\$ -
3			EA	\$ -	\$ -	1	\$ -		\$ -	1	\$ -
<b>Change Order Total</b>						\$ -	\$ -	\$ -	\$ -		\$ -

\* Partial pmt progress invoices billed 3%

Subtotal	\$	69,000.92
0% Retention	\$	-
<b>Total Due</b>	<b>\$</b>	<b>69,000.92</b>

# COLLINS & SONS EXCAVATING

PO Box 1658  
Redmond, OR 97756  
Office: 541-548-6050 Fax: 888-211-7841  
CCB# 239292  
www.collinsandsons.com

Bill to:

R&D Investment Group  
Po Box 1269  
Redmond, OR 97756

Invoice #	1299
Date:	6/28/2024
Net due by the 10th	
Work performed in:	Prineville, OR
Project Name:	Empire Dr Extension
Collins and Sons Job #:	
Owner Job #:	Tom McCall
Owner Contract #:	

Item #	Unit Description	Bid Qty	Units	Unit Price	Total	To Date		Previous		Current	
						Units	Price	Units	Price	Units	Price
1	paving, labor and materials*		EA			1		0		1	\$ 422,605.72
2			EA			0		0		0	
3			EA			0		0		0	
4			EA			0		0		0	
5			EA			0		0		0	
					<b>TOTAL</b>		\$ -		\$ -		\$ 422,605.72

CHANGE ORDERS

1			EA			1		1			\$ -
2			EA			1				1	\$ -
3			EA			1				1	\$ -
					<b>Change Order Total</b>		\$ -		\$ -		\$ -

\* Partial pmt progress invoices billed 23%

Subtotal \$ 422,605.72  
0% Retention \$ -  
Total Due \$ 422,605.72

City of Prineville, OR  
Monday, March 2, 2026

## Title 3. Administration

# CHAPTER 39. REIMBURSEMENT DISTRICTS FOR PUBLIC IMPROVEMENTS

## § 39.01. DEFINITIONS.

### **APPLICANT.**

A person required to pay for or install (or chooses to finance) some or all of a public improvement which is available to serve real property (other than real property owned by the person) and who applies to the city for reimbursement for the expense of the improvement. An applicant can be the city.

### **CITY.**

The City of Prineville.

### **CITY ENGINEER.**

The person holding the position of City Engineer or, if there is none, an engineer hired by city.

### **FRONT FOOTAGE.**

The linear footage of a lot or parcel owned by a property owner to be served by a public improvement. Front footage excludes the front footage of property used as public right-of-way.

### **PERSON.**

A natural person or persons, a partnership, corporation, limited liability company, association, or any other legal entity capable of owning, holding, and/or disposing of real or personal property.

### **PUBLIC IMPROVEMENT.**

The construction, reconstruction, and/or upgrading of facilities covered by the terms of "street improvement," "sewer improvement," and/or "water improvement" as defined in this section.

### **REIMBURSEMENT AGREEMENT.**

The agreement between an applicant and the city providing for the construction, reconstruction, and/or upgrading of and payment for public improvements to be financed through a reimbursement district.

### **REIMBURSEMENT DISTRICT.**

The area determined by the Prineville City Council to derive benefits from the construction of street, water, and/or sewer improvements financed in whole or in part by an applicant, including property having the potential to utilize the affected improvement(s).

### **REIMBURSEMENT FEE.**

That sum determined by a resolution of the City Council and the reimbursement agreement to be the amount of money proportionate to the benefit derived by the affected property from the public improvement.

### **SEWER IMPROVEMENT.**

A sewer or sewer line improvement conforming with the City of Prineville adopted standards and specifications, and any applicable land use conditions of approval including, but not limited to, extending a sewer line to property (other than property owned by the applicant) so that sewer service can be provided for such other property without further extension of the line.

**STREET IMPROVEMENT.**

A street or street improvement conforming with the City of Prineville adopted standards and specifications, and any applicable land use conditions of approval including, but not limited to, street, storm drains, curbs, gutters, sidewalks, bike paths, traffic control devices, street trees, lights and signs, and public right-of-way.

**UTILIZE.**

To receive the benefit of a public improvement, manifested by the receipt of a permit which will allow the use of an affected public improvement, or increase the use thereof.

**WATER IMPROVEMENT.**

A water or water line improvement conforming with the City of Prineville adopted standards and specifications and any applicable land use conditions of approval including, but not limited to, extending a water line to real property (other than property owned by the applicant) so that water service can be provided for said other property without extension of the line.

(Ord. 1149, passed 2-26-2008)

**§ 39.02. APPLICATION FOR A REIMBURSEMENT DISTRICT.**

- (A) Any person who constructs public improvement(s) capable of providing service(s) to property, other than property owned by that person, may, by written application filed with the city, request that the city establish a reimbursement district. The application shall be accompanied by a fee sufficient to cover the cost of administrative review and the notice required by this section as well as the fee of the City Engineer.
- (B) The application for creation of a reimbursement district shall include the following:
- (1) A description of the location, type, size, and cost of the public improvement sought to be eligible;
  - (2) A map showing the properties to be included within the proposed reimbursement district which includes information on the ownership of each property; the zoning thereof; the front and/or square footage of the property; and any other data (traffic studies, water modeling, etc.) necessary for or relevant to calculate the apportionment of the cost of the affected public improvement(s);
  - (3) Information on the cost of the public improvement(s). In the event the affected public improvement(s) have been built or installed, this information must reflect the actual cost of the improvements as evidenced by receipt, invoices, or other similar documents. In the event the public improvements have not been constructed or installed, the information must reflect the estimated cost of the improvements as evidenced by bids, projections as to the cost of labor and materials and other similar information requested by the City Engineer;
  - (4) The date the city either accepted the public improvements or estimated date of completion.

An application may be submitted to the city prior to the construction or installation of the affected public improvement but in any event must be submitted not later than 90 days after completion and acceptance by the city of the public improvements. However, the City Engineer may waive this time limitation upon a showing by the applicant of good cause for the delay.

(Ord. 1149, passed 2-26-2008)

**§ 39.03. ENGINEER'S REPORT.**

The City Engineer shall review the application and evaluate whether a reimbursement district should be established. The City Engineer may require the submittal of other relevant information from the applicant in order to assist the City Engineer in the evaluation. The City Engineer shall, after evaluation, prepare a written report for the City Council considering and making a recommendation

as to the efficacy of establishing a reimbursement district. The report shall include information on the following items:

- (A) Whether the applicant will finance or has constructed some or all of the public improvement(s) and whether those improvements are available to serve property other than property owned by the applicant;
- (B) The area to be included within the reimbursement district;
- (C) The actual or estimated cost of the public improvement(s);
- (D) A methodology for spreading the costs associated with the public improvement(s) between and among the affected parcels. The methodology should take into consideration the cost of the improvement(s), the value of the unused capacity, and such other factors as may be deemed relevant by the City Engineer, utilizing cost accounting principles generally employed in the construction of public improvements;
- (E) The amount, if any, to be charged by the city for its administration of the agreement;
- (F) The period of time that the right to reimbursement exists; and
- (G) Whether the public improvement(s) will or have met city standards.  
(Ord. 1149, passed 2-26-2008)

## § 39.04. AMOUNT TO BE REIMBURSED.

The cost to be reimbursed to the applicant is limited to the cost of construction, including property acquisition costs, the cost of construction permits, engineering, and legal expenses related directly to the formation of the reimbursement district, as determined by the City Council in its sole discretion.  
(Ord. 1149, passed 2-26-2008)

## § 39.05. PUBLIC HEARING.

- (A) Within a reasonable time after the City Engineer has completed the report described in § 39.03, the City Council shall hold a public hearing at which any person who is or may be monetarily affected by the formation of the reimbursement district is given the opportunity to comment on the formation of the proposed reimbursement district. The formation of the reimbursement district is not subject to termination because of remonstrances, and the City Council has the sole authority and discretion to decide whether a reimbursement district shall be formed.
- (B) If a reimbursement district is formed prior to the actual construction of and/or acceptance by the city of the improvement(s), the City Council may set a not-to-exceed reimbursable amount which may or may not reflect the applicant's actual costs. A second public hearing shall be held after the improvement(s) have been accepted by the city. At that time the City Council may modify the resolution described in § 39.07 to reflect the actual cost of the improvement(s).  
(Ord. 1149, passed 2-26-2008)

## § 39.06. NOTICE OF PUBLIC HEARING.

Not less than ten nor more than 30 days prior to any public hearing held pursuant to this section, the applicant and all owners of property within the proposed district shall be notified of such hearing and the purpose thereof. Such notifications shall be accomplished by either regular mail or personal service. If notification is accomplished by mail, notice shall be mailed not less than 13 days prior to the hearing, which notice is deemed effective on the date the notice is mailed. Failure of the applicant or any affected property owner to receive notice shall not invalidate or otherwise affect the

authority of the City Council to act.  
(Ord. 1149, passed 2-26-2008)

## § 39.07. CITY COUNCIL ACTION.

- (A) After the public hearing held pursuant to § 39.05(A), the City Council shall approve, reject, or modify the recommendations contained in the City Engineer's report. The Council's decision shall be embodied in a resolution. If a reimbursement district is established, the resolution shall include the City Engineer's report as approved or modified, and shall specify that payment of the reimbursement fee, as designated for each parcel, is a precondition of receiving city permits applicable to development of that parcel as provided for in § 39.11.
- (B) When the applicant is other than the city, the resolution shall authorize the City Manager to enter into an agreement with the applicant pertaining to the reimbursement district improvements. The agreement at a minimum shall contain the following provisions:
- (1) That the public improvement(s) shall meet all applicable city standards;
  - (2) The amount of potential reimbursement to the applicant;
  - (3) That the total amount of potential reimbursement shall not exceed the actual cost of the public improvement(s);
  - (4) That the applicant shall guarantee the public improvement(s) for a minimum period of 12 months after the date of written acceptance by the city;
  - (5) That the applicant shall defend, indemnify, and hold the city harmless from any and all losses, claims, damage, judgments, or the costs or expense arising as a result of or related to the city's establishment of the district; and
  - (6) That the city will make reasonable efforts to properly account for and collect the reimbursement fee from any affected property, including the city's costs or expenses related to collection of the reimbursement fee, but is not liable for any failure to collect such fee or costs.
  - (7) If the agreement is entered into prior to construction, the agreement shall be contingent upon the improvements being accepted by the city.
- (C) If a reimbursement district is established by the City Council, the date of the formation of the district shall be the date that the City Council adopts the resolution forming the district.  
(Ord. 1149, passed 2-26-2008)

## § 39.08. NOTICE OF ADOPTION OF RESOLUTION.

The city shall notify all property owners within the district and the applicant of the adoption of a reimbursement district resolution by notice mailed to them. The notice shall include a copy of the resolution, the date it was adopted, and a short explanation of when the property owner is obligated to pay the reimbursement fee and the amounts thereof.  
(Ord. 1149, passed 2-26-2008)

## § 39.09. RECORDING THE RESOLUTION.

The City Manager shall cause notice of the formation and the nature of the reimbursement district to be filed in the office of the County Clerk so as to provide notice to potential purchasers of property within the district. Said recording shall not create a lien. Failure to make such recording shall not affect either the lawfulness of the resolution nor t

(Ord. 1149, passed 2-26-2008)

## § 39.10. CONTESTING THE REIMBURSEMENT DISTRICT.

Any legal action intended to contest the formation of the district or the reimbursement fee, including the amount of the charge designated for each parcel, shall be filed within 60 days following the adoption of a resolution establishing a reimbursement district and shall be by writ of review as provided in ORS **34.010** to **34.100**.

(Ord. 1149, passed 2-26-2008)

## § 39.11. OBLIGATION TO PAY REIMBURSEMENT FEE.

- (A) The applicant for a permit related to property within any reimbursement district shall pay to the city, in addition to any other applicable fees and charges, the reimbursement fee established by the City Council if within the time specified in the resolution the person applies for and receives approval for any of the following activities:
- (1) A building permit which will cause either the use of a public improvement or an increase in the use thereof.
  - (2) The connection to a public improvement which results in the use of a public improvement or an increase in the use thereof.
  - (3) Any city approval or development activity which results in utilization of a public improvement as defined in § **39.01**.
- (B) The city's determination of who shall pay the reimbursement fee is final. Neither the city nor any officer or employee shall incur liability of any nature whatsoever as a result of this determination.
- (C) A permit applicant whose property is subject to payment of a reimbursement fee receives a benefit from the construction of street improvement(s), regardless of whether access is taken or provided directly onto such street. Nothing in this section is intended to modify or limit the authority of the city to provide or require access management.
- (D) No person shall be required to pay the reimbursement fee on an application or upon property for which the reimbursement fee has been previously paid unless such payment was for other improvement(s). No permit shall be issued for any of the activities listed in subsection **(A)** of this section unless the reimbursement fee, as adjusted, has been paid in full. In the case of multiple improvements, a reimbursement fee may be collected for selected improvements which the new development actually utilizes.
- (E) The date when the right of reimbursement ends shall be as follows:
- (1) For sewer and water improvements, ten years from the district formation date. Upon application for an extension, the City Council may, by resolution, authorize up to two consecutive five-year extensions for a total reimbursement period not to exceed 20 years. A decision as to whether to grant any extension shall be the sole discretion of the City Council.
  - (2) For street improvements, ten years from the district formation date. The reimbursement fee shall be calculated over the ten-year reimbursement period based on the City Engineer's determination of the useful life of the street improvement and shall decline 5% per year to a value not exceeding 50% of the original fee in the tenth and final year of the reimbursement agreement. The reimbursement fee shall be calculated to decline beginning at six months and 5% every year thereafter. No extensions may be applied for or authorized in the case of street improvements.

(F) Any property owner may prepay the established reimbursement fee prior to applying for a building permit or connecting to the affected public improvement.

(Ord. 1149, passed 2-26-2008)

## § 39.12. PUBLIC IMPROVEMENTS.

Public improvements installed pursuant to reimbursement district agreements shall become and remain the sole property of the city or other appropriate public entity as directed by the city.

(Ord. 1149, passed 2-26-2008)

## § 39.13. MULTIPLE PUBLIC IMPROVEMENTS.

During the initial formation of a reimbursement district, more than one public improvement may be considered for inclusion in the reimbursement district.

(Ord. 1149, passed 2-26-2008)

## § 39.14. COLLECTION AND PAYMENT; OTHER FEES AND CHARGES.

(A) Applicants shall receive all reimbursements collected by the city for their public improvements. Such reimbursements shall be delivered to the developer for so long as the reimbursement district agreement is in effect. Such payments shall be made by the city semi-annually.

(B) The reimbursement fee is not intended to replace or limit and is in addition to any other existing fees or charges collected by the city.

(Ord. 1149, passed 2-26-2008)



# STAFF REPORT

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<b>MEETING DATE:</b>	3/24/2026	<b>PREPARED BY:</b>	Casey Kaiser
<b>SECTION:</b>	Council Business	<b>DEPARTMENT:</b>	Public Works
<b>CITY GOAL:</b>	Quality Municipal Services & Programs		
<b>SUBJECT:</b>	Fairmont Area Waterline Improvements		

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## REASON FOR CONSIDERATION:

To request City Council approval for the water distribution and storm drainage improvements in the Fairmont area.

## BACKGROUND:

The project will include installing approximately 3580 lf of 8" C-900 PVC water main, approximately 210 lf of 2" schedule 80 pipe that will include extensions and connections to existing 8", 6" and 2" water lines. This will also include new water service and new existing meter connections.

Storm drainage improvements include approximately 117 lf of 8" schedule 3034 storm pipe and two new catch basins.

Installing new waterlines will significantly improve the area because the existing infrastructure is outdated and causing problems such as leaks, low water pressure, and water quality issues. Modern waterlines are made from durable, corrosion-resistant materials that reduce maintenance costs, prevent contamination, and ensure reliable service for residents.

## FISCAL IMPACT:

This project is included in the 2026 Water Improvement budget which was estimated at approximately \$1,020,000.00. We had eight responsive bids:

McKernan Enterprises	\$612,961.49
Taylor Northwest	\$780,335.00
Robinson & Owens	\$811,033.00
T-Line Construction	\$1,088,305.00
Turney Excavation	\$1,109,168.00
Bar Seven-A	\$1,132,037.78
Deschutes Construction	\$1,193,025.00
SMAF Construction	\$1,287,651.36

**RECOMMENDATION:**

Staff recommends City Council approve the Intent to Award the Fairmont Area Waterline Improvements to McKernan Enterprises in the amount of \$612,961.49.

# **City Manager Update to Council**

**March 24, 2026**

## **Public Safety / Dispatch**

PD will be interviewing four candidates for the last opening, and is hopeful to have that last position filled soon.

It's that time of year when all the spring and summer activity plans are getting put together.

The final part of the Axon installation is underway, upgrading the interview rooms. Then all operations will be fully Axon-equipped.

## **Public Works**

The horizontal well is in the permitting and design phase of the project. Other projects starting soon are the Fairmont Waterline project, the WWTP headworks rail system, the South Main paving and stormwater project. The annual weed-spraying program will start up on March 24<sup>th</sup> and continue into April, depending on the weather.

## **Railroad**

The Railroad has remained very busy and is going to start the recruitment process for a warehouse lead position. Matt is still working behind the scenes to bring in additional rail users.

## **Meadow Lakes Golf**

Meadow Lakes has been extremely busy and is gearing up for the season. Irrigation lines are being charged to keep the course green and beautiful.

## **Airport – No Update**

## **Planning**

Josh is still trying to secure funding to offset the cost of the land development code update.

The Tap House on Second Street (across from Gee's) is moving along again. The Horse Shoe is well into its renovations and will have new sidewalks, decorative street lights, and a power pole coming down, further improving our downtown appearance.

## **Human Resources**

Policy updates are underway, and we are actively recruiting for Meadow Lakes, the Railroad, and IT.

## **Information Technology**

The Fire Department phone system upgrade went smoothly. City facilities will be getting the same phone system upgrades in the near future.

## **Finance**

We have a Doodle poll out to our Budget Committee to have our annual meeting and public hearing for the State Revenue Sharing.

## **City Recorder/Risk Management**

We received word that we can expect a 5-10% decrease initially for base premiums this year, before the average 4% increase in property values and 2% increase in property values are factored in. For workers' compensation, our experience rates are improving from 1.13 to 1.02 for this upcoming year, again allowing for lower premiums.

**City Legal – No Update**

**EDCO – No Update**

**Public Relations**

Social media remains relatively calm with mostly positive engagement.

**Mayor/Council – No Update**

**Economic Development and Strategic**

The next round of CRISI grant opportunities is starting soon, which is rumored to have a very short application window this year.

Caroline and Josh did a joint presentation at a regional EDCO meeting where they were able to share Prineville's successes and stories. It went very well and garnered quite a bit of positive attention for our community.

**Other**

Russ at the Fire District is reporting that fire season is showing up early this year and they are preparing for that. The Fire District is also busy recruiting for a firefighter position and a lieutenant.

**RESOLUTION NO. 1640  
CITY OF PRINEVILLE**

**A RESOLUTION AUTHORIZING THE PURCHASE OF REAL PROPERTY FROM  
CROOK COUNTY PARKS AND RECREATION DISTRICT**

**Whereas**, the Crook County Parks and Recreation District (CCPRD) owns 24.9 acres of real property within the City of Prineville identified as the following six (6) Map and Taxlot Numbers: (1) 141631CB00100; (2) 141631CB00200; (3) 141631CB00300; (4) 141631BD02300; (5) 141631CA02400; and (6) 141631CA03100, collectively “Property.”

**Whereas**, the Property is located within the 100-year floodplain of Ochoco Creek and is characterized by high groundwater, significant drainage challenges, Resolution and access issues.

**Whereas**, public acquisition of the Real Property prevents construction in hazardous and problematic areas, reducing long-term taxpayer burdens for disaster relief, infrastructure repair, drainage management, and code enforcement.

**Whereas**, Property may be used for wetland and/or floodplain mitigation.

**Whereas**, acquisition of the Property keeps it undeveloped and allows the City to preserve the land’s natural ability to absorb and store excess runoff, significantly reducing the risk of flooding. The Property provides a natural filtration system, where wetlands and soil layers scrub pollutants from stormwater before they reach the local water table or surface streams.

**Whereas**, the Property acquisition secures green space and neighborhood connections for nearby residents who currently lack sufficient outdoor recreation options.

**Whereas**, the purchase price would be returned to the CCPRD in the form of system development charges (SDCs) that were used for the original purchase and which will be reinvested into CCPRD capital improvement projects within the community.

NOW, THEREFORE, the City of Prineville resolves as follows:

1. The purchase of the CCPRD Property identified within this Resolution is hereby approved, and the mayor and City Manager are authorized and instructed to execute the required documents to close on the Property on behalf of the City consistent with this Resolution.

Approved by the City Council this \_\_\_\_ day of March, 2026.

\_\_\_\_\_  
Rodney J. Beebe, Mayor

ATTEST:

\_\_\_\_\_

Lisa Morgan, City Recorder



# STAFF REPORT

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<b>MEETING DATE:</b>	3/24/2026	<b>PREPARED BY:</b>	Joshua Smith
<b>SECTION:</b>	Staff Reports and Requests	<b>DEPARTMENT:</b>	Planning
<b>CITY GOAL(S):</b>	Position City for the Future		
<b>SUBJECT:</b>	Re-assignment of property sale.		

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**BACKGROUND:** On October 23, 2020, the City agreed to sell a portion of the Barnes Butte property, located west of the newly constructed Combs Flat Road to Pahlisch Homes. This sale aimed to address the local need for housing while allowing the City to recover its initial investment in the larger Barnes Butte site. As a natural extension of the Ochoco Pointe subdivision, the project would build on Pahlisch Homes' established reputation for delivering high-quality residential developments.

The Ochoco Pointe subdivision expansion (Phases 5–9) received approval in 2022, spanning both private land acquired by Pahlisch and designated City property. Phases 5 and 6 are already platted; Phase 5 is largely developed, while Phase 6 infrastructure is complete. Phase 7 consists of a portion of the City-owned property currently awaiting sale.

**PROPOSAL:** Pahlisch Homes has a desire to sell the remaining development (phases 6-9) to LENNAR. They are requesting a re-assignment of the agreement from Pahlisch to LENNAR and the removal of the condition to incorporate the City property into the Ochoco Pointe HOA.

In return, Lennar will establish a separate HOA with CC&Rs similar to Ochoco Pointe. To aid in the transition between the two neighborhoods, street designs and fencing will remain the same and street-facing facades will maintain similar aesthetic elements. To improve affordability, front yard landscaping will not be maintained by the HOA and the homes designs are intended to meet a lower price point.

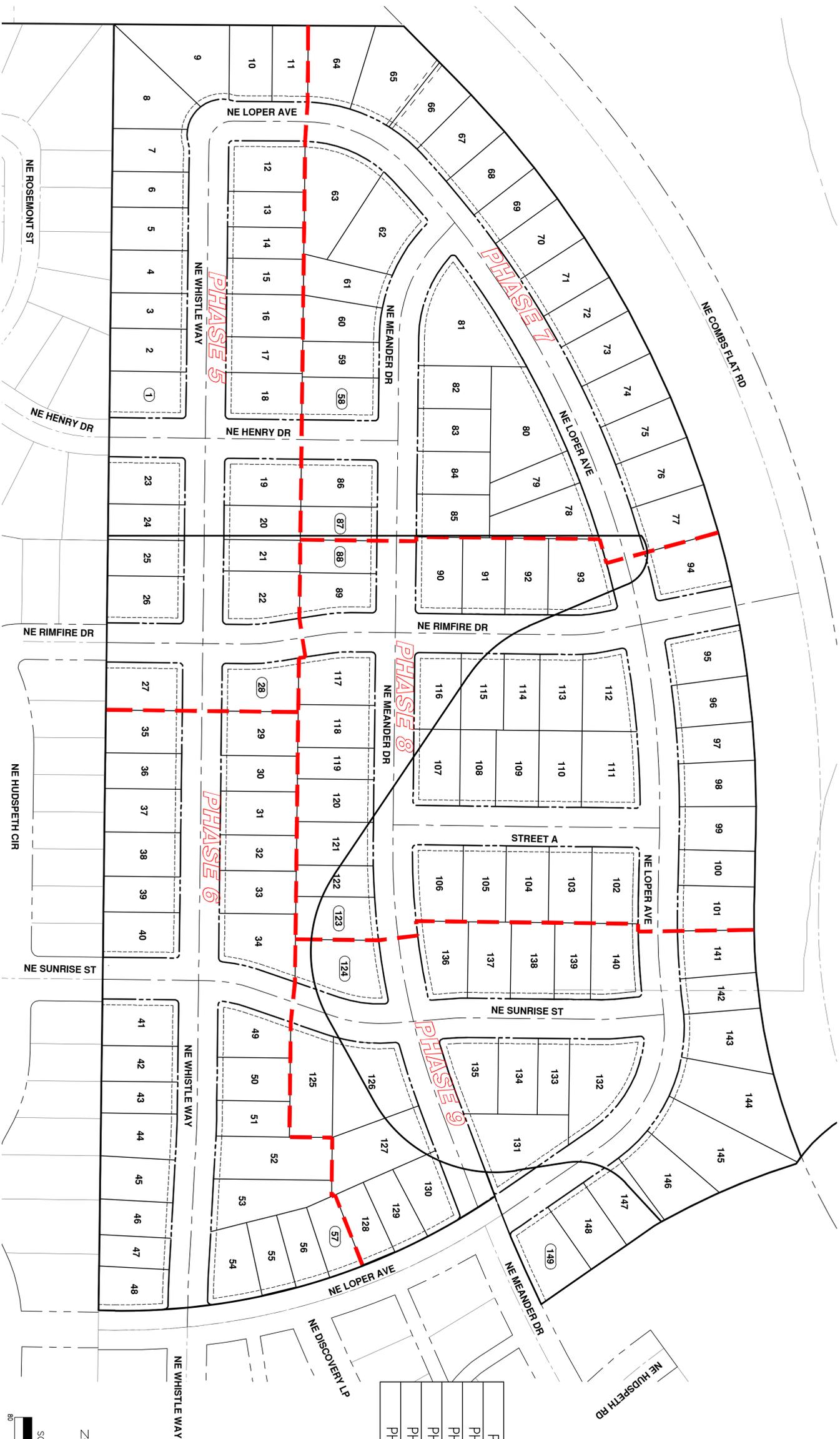
**REASON FOR CONSIDERATION:** The agreement re-assignment increases the likelihood of steady housing growth. This path enables the City to continue property sales to recover its Barnes Butte investment while establishing similar CC&Rs to maintain neighborhood consistency.

**FISCAL IMPACT:** There is no direct financial cost to the City. There is a direct benefit to the City of constructing more housing and continued sale of City property as intended.

**RECOMMENDATION:** To ensure the negotiated CC&Rs cover the full development, staff recommends Council approve the reassignment and authorize staff to amend the agreement with Lennar.

**RELATED DOCUMENT(S):**

1. Property Map
2. Phased development
3. CC&Rs (Article 4 only) & Home designs



PHASE	# OF LOTS
PHASE 5	28
PHASE 6	29
PHASE 7	30
PHASE 8	36
PHASE 9	26

JOB NUMBER: 6221-01  
 DATE: 07/06/2022  
 DESIGNED BY: AZV  
 DRAWN BY: AZV  
 CHECKED BY: AZV

**PHASING EXHIBIT**  
**OCHOCO POINTE EXPANSION**  
**PAHLISCH HOMES INC.**  
**PRINEVILLE, OR**

AKS ENGINEERING & FORESTRY, LLC  
 2777 NW LOLO DR, STE 150  
 BEND, OR 97703  
 541.317.8429  
 WWW.AKS-ENG.COM



ENGINEERING · SURVEYING · NATURAL RESOURCES  
 FORESTRY · PLANNING · LANDSCAPE ARCHITECTURE

# Current property map



-  Phase 5 to remain in Ochoco Pointe HOA.
-  Phase 6 and remaining Pahlisch property to be sold to LENNAR.
-  City property to be sold to LENNAR in phases 55 assignment approved.

**DECLARATION OF  
COVENANTS, CONDITIONS, AND RESTRICTIONS FOR  
LENNAR AT OCHOCO POINTE**

## ARTICLE 4

### LOTS AND HOMES

4.1 Residential Use. Lots shall be used for residential purposes only. Except with the consent of the Board, no trade, craft, business, profession, commercial, or similar activity of any kind shall be conducted on any Lot, nor shall any goods, equipment, vehicles, materials, or supplies used in connection with any trade, service, or business be kept or stored on any Lot. Nothing in this paragraph shall be deemed to prohibit:

- (a) activities relating to the sale of an individual Home or Lot;
- (b) the right of Declarant or any contractor or home builder to construct residences in any Lot, to store construction materials and equipment on such Lots in the normal course of construction, to use any residence as a sales office or model home for purposes of sales, and to maintain on-site a temporary construction office or trailer; and
- (c) the right of the Owner of a Lot to maintain the Owner's professional or personal library, keep the Owner's personal business or professional records or accounts, handle the Owner's personal business or professional telephone calls or confer with business or professional associates, clients, or customers, in the Owner's residence, so long as such activity is not observable outside of the residence, does not significantly increase parking or vehicular traffic, or is in violation of applicable local government ordinances.

The Board shall not approve commercial activities otherwise prohibited by this paragraph unless the Board determines that only normal residential activities would be observable outside of the residence and that the activities would not be in violation of applicable local government ordinances.

4.2 Construction. Except for construction performed by or contracted for by Declarant, no construction, reconstruction, or exterior alterations shall occur on any Lot unless the approval of the ARC is first obtained pursuant to Article 6.

- (a) No Owner, other than Declarant or their assigns, may partition or subdivide any Lot without the prior written approval of the Board, which approval may be granted or denied at the sole discretion of the Board. If any Lot is subdivided into two (2) or more Lots, then the subdivided Lots shall be deemed separate Lots for the purposes of this Declaration, including voting rights and allocation of Assessments. A permitted subdivision shall be affected by the recording of a supplemental declaration stating that the affected Lot(s) are subdivided, which declaration shall be executed at the sole cost of the Owner(s) of the affected Lot(s). Executed documents must include the signature of the Association President and Secretary. In addition to the foregoing, the partition or subdivision of any Lot is subject to the prior approval of the City of Prineville, and/or Crook County.

- (b) Consideration such as siting or location on the lot, shape, size, color, design, height, solar access, or material may be taken into account by the ARC in determining whether or not to consent to any proposed work. Such work includes but is not limited to, Homes, storage shelters, swimming pools, spas, landscaping, greenhouses, patios, fencing, basketball hoops, or remodeling. The intent of this covenant is to ensure the quality of workmanship and material and harmony of external design with the existing and planned structures as to location and visual compatibility and finish grade elevations.
- (c) All construction must comply with the City and/or County Development Code and Building Code Standards. Original construction designs, materials, and product specifications by Declarant may vary from any or all specified in this document. All construction performed by or contracted for by Declarant shall be presumed to have met these minimum requirements or have been granted a variance thereto.

4.3 Design Guidelines. All residential structures shall comply with the following exterior design standards to ensure architectural consistency and visual quality within the community. The following restrictions are minimum standards applicable to all Lots:

- (a) Height. No Home shall exceed two (2) stories, excluding basement and garage levels in height above the ground.
- (b) Garages. A garage must be constructed on each Lot. Garages may be used as a sales office by Declarant but must be converted to a garage before permanent occupancy. Garages are to be maintained primarily for the storage of automobiles or similar vehicles. No garage may be enclosed or otherwise used for habitation, nor may any garage door be removed except when necessary to repair or replace a garage door with the same type of garage door. Garage doors shall be enhanced by being painted a different color or have a pattern to allow them to stand out.
- (c) Security Doors/Windows and Screen Doors. No security doors and no exterior security bars or devices on windows and doors shall be installed without the prior written approval of the ARC. If the ARC approves any type of security door or window security, such approval shall encourage or require a single style for all Homes so they will maintain a uniform and aesthetic appearance. Windows facing the public street, (front or front and side if on a corner) shall have additional wrap/trim installed around the window.
- (d) Color Requirements  
Each dwelling shall be painted with a minimum of two exterior colors, which must provide a discernible contrast between primary surfaces and trim or accent elements.

- (e) Siding and Materials  
Plain vertical siding, including but not limited to T 111, is prohibited. Exterior wall materials shall be of a quality, texture, and appearance consistent with the architectural character of the community.
- (f) Architectural Articulation  
Dwellings shall incorporate articulation at entryways and porches to avoid flat or unbroken façades. Articulation may include recessed or projected elements, covered porches, enhanced trim, or other architectural features consistent with the home's design style.
- (g) Stone and Masonry Accents  
At minimum, rock cladding or cultured stone accents on front porch columns, or garage wainscoting are required up to three feet high from the base. Stone materials shall wrap corners in a manner consistent with standard construction practices and shall not appear as surface applied veneers.
- (h) Trim and Horizontal Definition  
Homes shall include band molding or belly bands to provide horizontal visual separation between stories or major wall planes.
- (i) Gable-End Enhancements  
Street facing gabled ends shall include architectural enhancements, which may include decorative vents, trim details, brackets, corbels, or similar features that provide visual interest and articulation.
- (j) Entry Door Accents  
The primary entry door shall include accent features, such as a contrasting color, decorative glazing, enhanced trim, or other design elements that distinguish the entry as a focal point of the façade.

4.4 Completion of Construction. The construction of any building on any Lot, including painting and all exterior finish, shall be completed within six (6) months from the beginning of the construction so as to present a finished appearance when viewed from any angle. In the event of undue hardship due to weather conditions, this provision may be extended for a reasonable length of time upon written approval from the ARC. The Lot and building area shall be kept reasonably clean and in workmanlike order, free of litter, during the construction period with a garbage disposal facility located on site during such construction period. If construction has not commenced within three (3) months after the project has been approved by the ARC, the approval shall be deemed revoked unless the Owner has applied for and received an extension of time from the ARC. All provisions of this Article 4 shall exclude any construction by Declarant.

4.5 Improvements and Landscaping. Except as otherwise provided in this Declaration, the Association shall pay for and maintain any improvements and landscaping associated with any maintenance easement held by the Association. Maintenance of all landscape on Lots, including street frontage landscaping, is the Owner's sole responsibility. Notwithstanding the foregoing:

- (a) All street trees shall be preserved and maintained in good condition at all times by the Lot Owner and replaced if necessary. Replacement of any street trees or rear yard trees shall be approved by the ARC and must be consistent with the City and/or County Development Code regarding size and type.
- (b) All landscaping and improvements on any Lot or Common Area shall be maintained and cared for in a manner consistent with the standard of design and quality as originally established by Declarant or the ARC. Maintenance of landscaped areas shall include, but not be limited to watering, weeding, pruning, fertilization, mowing and other forms of maintenance.
- (c) All Lots and Common Areas shall be kept free of weeds and diseased or dead lawn, trees, ground cover, or shrubs shall be promptly removed and replaced. All lawn areas shall be watered, fertilized, and neatly mowed. Trees and shrubs shall be fertilized and neatly trimmed on a regular basis.
- (d) Landscape installation on Lots by Owners are subject to approval by the ARC. All landscape on all Lots shall be completed no later than six (6) months after occupancy.
- (e) No Owner may connect to any Association owned and/or maintained irrigation system.
- (f) Except as otherwise provided herein, all landscaping on Lots shall be maintained by Owners in good condition, including watering, weeding, pruning, fertilization, mowing, and other forms of maintenance. If Owner fails to maintain or repair Owner-maintained areas, Declarant or the Board reserves the right to cause such maintenance or repair to be performed on behalf of Owner.
- (g) Declarant reserves the right to install and maintain landscape improvements on any Lots or Common Area as described in Section 3.8 above.
- (h) Street planter strips shall contain properly installed street trees with a root barrier and can be xeriscape with a weed barrier and drip system for drought tolerant plants.

4.6. Rental of Homes. An Owner shall be entitled to rent its residence if:

- (a) Written Rental Agreements Required. There is a written rental or lease agreement specifying that:
  - (i) the tenant shall be subject to all provisions of the Declaration, Bylaws, and Rules and Regulations;
  - (ii) failure to comply with any provision of the Declaration, Bylaws, and Rules and Regulations shall constitute a default under the rental agreement; and
  - (iii) a copy of the Rental Agreement is available upon request by the HOA.

- (b) Minimum Rental Period. The period of the rental or lease is not less than thirty (30) days.
- (c) Tenant Must Be Given Documents. The Owner gives each tenant a copy of the Declaration, Bylaws and Rules and Regulations.
- (d) Owner Responsibility. Owner shall be responsible for any violations by tenants and shall be solely responsible for either correcting or eliminating such violations either by enforcement of the Rental Agreement on the tenant or at their own expense.

4.7 Animals. No animals, livestock, or poultry of any kind shall be raised, bred, kept, or permitted within any Lot other than a reasonable number of domestic household pets which are not kept, bred, or raised for commercial purposes and which are reasonably controlled so as not to be a nuisance. Any inconvenience, damage, or unpleasantness caused by such pets, including noise, shall be the responsibility of the respective Owners thereof. No dogs shall be permitted to roam the Property unattended, and all dogs shall be kept on a leash while outside a Lot. It is the sole responsibility and requirement of any pet owner to immediately clean up any pet waste deposited upon any Lot, Common Area, or Association maintained easement area. An Owner may be required to remove a pet from the Property upon the receipt of the third notice in writing from the Board of violation any rule, regulation or restriction governing pets within the Property. A “reasonable number of domestic household pets” and the definition of “domestic household pets” shall be subject to rules adopted and approved by the Board in its sole discretion.

4.8 Nuisance. No noxious, harmful or offensive activities shall be carried on upon any Lot or Common Area, nor shall anything be done or placed on any Lot or Common Area which interferes with or jeopardizes the enjoyment, or which is a source of annoyance to the other Owners or Occupants.

4.9 Parking. Parking of boats, trailers, commercial vehicles, mobile homes, campers, other recreational vehicles or equipment regardless of weight shall not be allowed on any part of the Lot or Common Area except within a fenced area as approved by the ARC. All fencing must conform to Section 4.13. Parking shall only be in garages or driveways if no portion of the vehicle overhangs the street, sidewalks or pathways. Garages shall be primarily used for vehicular parking and not solely for storage. In addition, parking of vehicles is prohibited on any public street, private street or Common Area within the Property if designated as a “no parking” area and are subject to tow at the Vehicle Owner’s expense.

4.10 Vehicles in Disrepair. No Owner shall permit any vehicle, which is not currently licensed or is in a “state of disrepair” to be abandoned or to remain parked upon any Lot for a period in excess of forty-eight (48) hours, or on a Common Area for any length of time. A vehicle shall be deemed in a “state of disrepair” when the Board or its Agent reasonably determines that its presence offends the Owners and Occupants. Should any Owner fail to remove such vehicle within five (5) days following the date on which the notice is mailed to the Owner by the Association, the Association may have the vehicle removed from the Property and charge the expense of such removal to the Owner. All oil or grease on roadways and driveways shall be cleaned up immediately by Owner.

4.11 Signs. No signs shall be erected or maintained on any Lot except that not more than one “For Sale” sign placed by the Owner, Declarant, or by a licensed real estate agent, not exceeding twenty-four (24) inches high and thirty-six (36) inches long, may be temporarily displayed on any Lot, subject to the provisions of Section 9.2 below and applicable law. The restrictions contained in this paragraph shall not prohibit the temporary placement of “political” signs on any Lot by the Owner or Occupant, or construction and marketing-related signage by Declarant or its contractors, subject to compliance of the sign and its placement with applicable law. No signs of any kind, other than Declarant’s marketing signs or any Association signs for the common good of the Community, which have been previously approved by the Board, will be allowed on Common Areas. The foregoing restrictions shall not be deemed to prohibit the display of the flag of the United States by an Owner or occupant of a Lot if the flag is displayed on the Lot in a manner consistent with federal flag display law, 4 U.S.C. § 1 *et seq.* The Board may adopt reasonable rules and regulations consistent with federal flag display law regarding the placement and manner of display of such flag and the location and size of the flagpole.

4.12 Rubbish and Trash. No Lot or part of the Common Area shall be used as a dumping ground for trash or rubbish of any kind. All garbage and other waste shall be kept in appropriate containers for timely and proper disposal, out of public view. Yard debris, dirt, and other materials resulting from landscaping work shall not be dumped onto streets, the Common Areas or any other Lots. Should any Owner fail to remove any trash, rubbish, garbage, yard debris, or any such materials from any Lot, any roadways, or Common Area where deposited by the Owner within five (5) days following the date on which notice is provided to the Owner by the Board, the Association may have such materials removed and charge the expense of such removal to the Owner. Each Owner is responsible for trash disposal, placing trash and recycling containers at the curb no more than eighteen (18) hours before collection and twelve (12) hours post collection. No trash, recycling, or storage containers shall be visible from any adjacent street or neighboring Lot and shall not be allowed to emit any odors or attract insects or rodents.

4.13 Fences and Hedges.

- (a) Fences. All fences built within Lennar at Ochoco Pointe shall conform to the Design Guidelines adopted by the ARC. Rear and side yard fencing shall be constructed as a 6 (six) foot Cedar Good Neighbor Privacy Board fence with metal posts and a top cap as shown in the Appendix recorded with this document. The fence shall be stained with Sherwin Williams SW 3563 Redwood Superdeck Exterior Semi-Transparent. Black hardware shall be used on the gates. No fences shall be installed, painted, stained, or otherwise modified without approval of the ARC and all fences must meet the standards and permitting requirements of the local jurisdiction’s development code standards.
- (b) Fence Maintenance by Owner. Except as otherwise provided in this Declaration, any fencing installed on Owner’s Lots either by Owner or Declarant, is the Owner’s maintenance responsibility.
- (c) Side Yard Fencing. Side yard fencing on any lot shall maintain a minimum five (5) foot-setback from the front of the home.
- (d) Boundary Hedges. No boundary hedges shall be installed without prior written approval of the ARC.

4.14 Basketball Equipment, Service Facilities; Utilities. All basketball hoops and backboards shall be portable and shall not be affixed to a garage, residence, stationary post or other structure on a Home. When not in use, basketball hoops and backboards shall be stored out of sight of neighboring Homes. Service facilities (e.g. garbage containers, clotheslines, air conditioning compressors, etc.) shall be screened such that the elements screened are not visible at any time from the street or a neighboring Home. All utility lines shall be maintained, repaired and replaced by the Owner of each Lot, or all Owners collectively at their sole expense. The Association is not responsible for the maintenance of any utility, cable TV, or phone service facilities. The exterior location of any heating and air conditioning compressors or heat pumps shall be approved in advance by the ARC. Said locations must take into consideration the noise and view from adjacent Homes.

4.15 Antennas, Satellite Dishes and Solar Collectors. No Owner may erect or maintain a television or radio receiving or transmitting antenna, or similar implement or apparatus, or solar collector panels or equipment upon any Lot unless such apparatus is erected and maintained in such a way that it is screened from public view along the public street right-of-way directly in front (and side, in the case of a corner Lot) of the house erected on such Lot; and no such apparatus shall be erected without the prior written consent of the ARC. Exterior satellite dishes with a surface diameter of eighteen (18) inches or less may be placed on any Lot, subject to ARC approval, so long as they are installed above the first story (at least eight feet off the ground) and fully below the highest peak of the roof, in the least noticeable location as possible, such as at the eaves or other break in the natural lines of the residence. The ARC shall have the absolute authority to determine whether the placement of the satellite dish fits these standards. The authority of the ARC in this matter shall be subject to any regulations issued by the Federal Communications Commission ("FCC") or any other applicable governmental authority.

4.16 Exterior Lighting or Noisemaking Devices. Except with the consent of the ARC, no exterior lighting or noisemaking devices shall be installed or maintained on any Lot, other than security and fire alarms. Area, flood, and ornamental lighting must be of a subdued nature. False alarms of security and fire systems will not be allowed to repeatedly occur. Seasonal holiday lighting and decorations are permissible if consistent with any applicable rules and regulations and if removed within thirty (30) days after the celebrated holiday.

4.17 Grades, Slopes, and Drainage. There shall be no modification to or interference with the established grading and drainage patterns or other systems over or through any Lot or Common Area on the Property unless properly engineered and permitted by the governing jurisdiction, if required, and as approved by the ARC. Notwithstanding the foregoing, however, any permitted modifications to the established grading and drainage patterns may not affect other Lots, Common Areas, or real property on or outside of the Property. The term "established grading and drainage patterns" shall mean any Declarant installed walls, grading, drainage systems, conduits, inlets, and outlets, designed and constructed on the Property.

4.18 Damage or Destruction to Home or Lot. If all or any portion of a Lot or Home is damaged by fire or other casualty, the Owner shall either:

- (a) restore the damaged improvements; or
- (b) remove all damaged improvements, including foundations, and leave the Lot in a clean and safe condition.

Any restoration proceeding under (a) in the immediately preceding sentence must be performed so that the improvements are in substantially the same condition in which they existed prior to the damage, subject to current governmental regulations and building codes. The Owner must commence such work within sixty (60) days after the damage occurs and must complete the work within six (6) months thereafter. In the event the Owner fails to commence such work within the six (6)-month period, the Association shall have the right, but not the obligation, to commence such work on behalf of and at the expense of the Owner.

4.19 Detached Building. No permanent or removable detached accessory buildings, including, but not limited to, storage buildings, pre-fabricated patio covers, custom patio covers, pergolas, gazebos, greenhouses, children's playhouses, and similar structures, shall be built without the prior written consent of the ARC and may not be built in any front or side yards adjacent to a street. All such detached buildings must meet the City and/or County Development Code and Building Code Standards. No detached buildings shall be used as additional living space and none shall contain any plumbing. Permanent outbuildings shall be of a one (1) story design and shall not exceed nine (9) feet above the existing grade of the Lot. They shall be constructed of materials considered complimentary to the exterior of the home and the neighborhood at the ARC's discretion. Metal sheds are prohibited. Heavy-duty rubber or unbreakable plastic or composite storage sheds that are portable and temporary in nature may be approved providing that they are:

- (a) screened or hidden from the view of neighboring Lots and Common Areas;
- (b) aesthetically harmonious with the home in terms of color and texture/finish (e.g. pebbled/muted/dull).

4.20 Owner's Maintenance Obligations. Each Owner shall maintain their Lot and improvements in a clean and attractive condition, in good repair, and in such a fashion as not to create a hazard of any kind. Such maintenance shall include, without limitation, painting or staining, repair, replacement, and care of roofs, gutters, downspouts, surface water drainage, walks, and other exterior improvements and glass surfaces. In addition, each Owner shall keep shrubs, trees, grass, and plantings of every kind neatly trimmed, fertilized, properly cultivated, and free of trash, weeds, and other unsightly materials. The provisions of this Article include all areas on Lots, except as provided in Section 4.5 above.

4.21 Right of Maintenance and Entry by Association. If an Owner fails to perform maintenance or repair which the Owner is obligated to perform pursuant to this Declaration for buildings or landscaping, and if the Board determines, after notice and a hearing (given pursuant to the provisions of the Bylaws), that such maintenance or repair is necessary to preserve the

attractiveness, quality, nature or value of the Property, the Board may cause such maintenance or repair in connection therewith to be performed and may enter any such Lot whenever entry is necessary in connection with the performance of any maintenance or construction which the Boards authorized to undertake. Entry shall be made with as little inconvenience to an Owner as practicable and only after advance written notice of not less than forty-eight (48) hours, except in emergency situations. Such right of maintenance shall include, but not be limited to, buildings, street trees and front and side yard landscape. All maintenance or repairs performed on behalf of Lot Owners shall be at the Owner's sole expense.

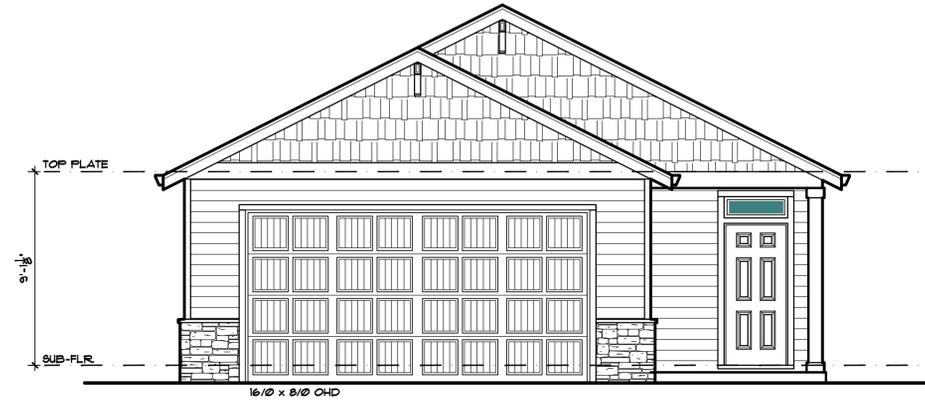
4.22 Association Rules and Regulations. The Board, from time to time, may adopt, modify, or revoke Rules and Regulations governing the conduct of persons and the operation or use of Lots and Common Areas, as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the Property. A copy of any Rules and Regulations, upon adoption, amendment, modification or revocation thereof shall be delivered by the Board promptly to each Owner and shall be binding upon all Owners and Occupants of all Lots upon the date of delivery or actual notice thereof. The method of adoption of such Rules and Regulations shall be provided in the Bylaws of the Association.

4.23 City and County Ordinances and Regulations. The standards and restrictions of this Article 4 shall be the minimum required. To the extent the ordinances and regulations of the City of Prineville, State of Oregon or Crook County are more restrictive or provide for a higher or different standard, the ordinances and regulations of the City of Prineville, State of Oregon, Crook County, or any jurisdiction the Property may be annexed into, shall prevail.

4.24 Violation. The Association may impose a fine, charge, or penalty for any violation of this Declaration, the Bylaws, and Rules and Regulations after reasonable notice of the violation and a reasonable opportunity for a hearing. Additionally, the Association may seek injunctions or other equitable relief or may file an action for money damages owing from such violations.

4.25 Security. The Association is not responsible for the security of the neighborhood or any Homes. The Owners are exclusively responsible for the security of their Home and Property.

4.26 Environmental Issues. Each Owner acknowledges that Ochoco Pointe, Phase 6 includes environmentally sensitive areas and that there are common stormwater drainage systems within Ochoco Pointe, Phase 6. The stormwater drainage systems shall be kept free from debris. Each Owner and the Association shall comply with all applicable laws and ordinances regarding the storage, disposal or release of hazardous materials. No dumping, spilling, releasing, or washing of hazardous materials, waste, or debris shall be done or permitted by any Owner or the Association within Ochoco Pointe, Phase 6. All Owners and the Association shall dispose of any hazardous materials off-site.

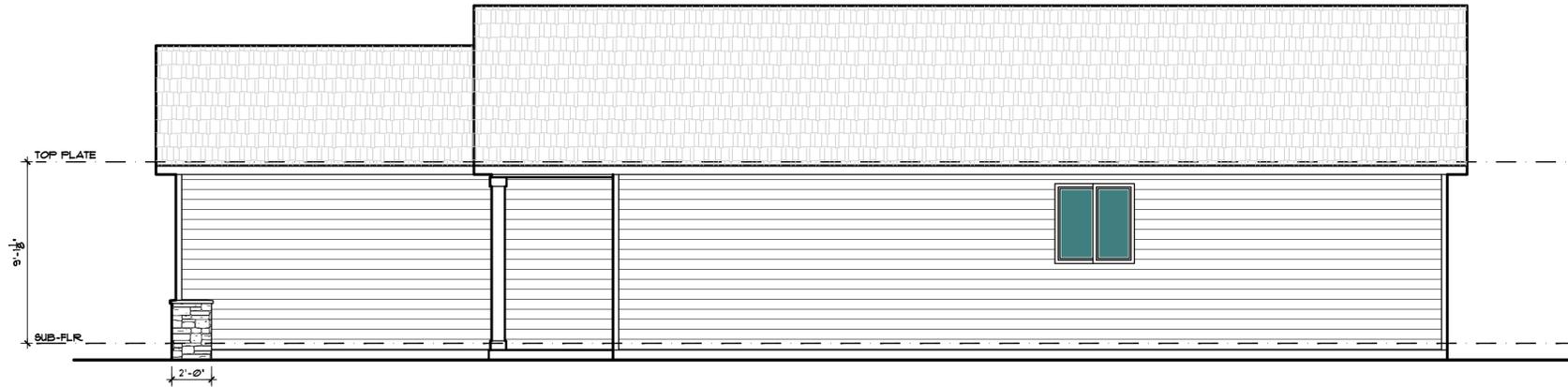


FRONT ELEVATION

1/4" = 1'-0"

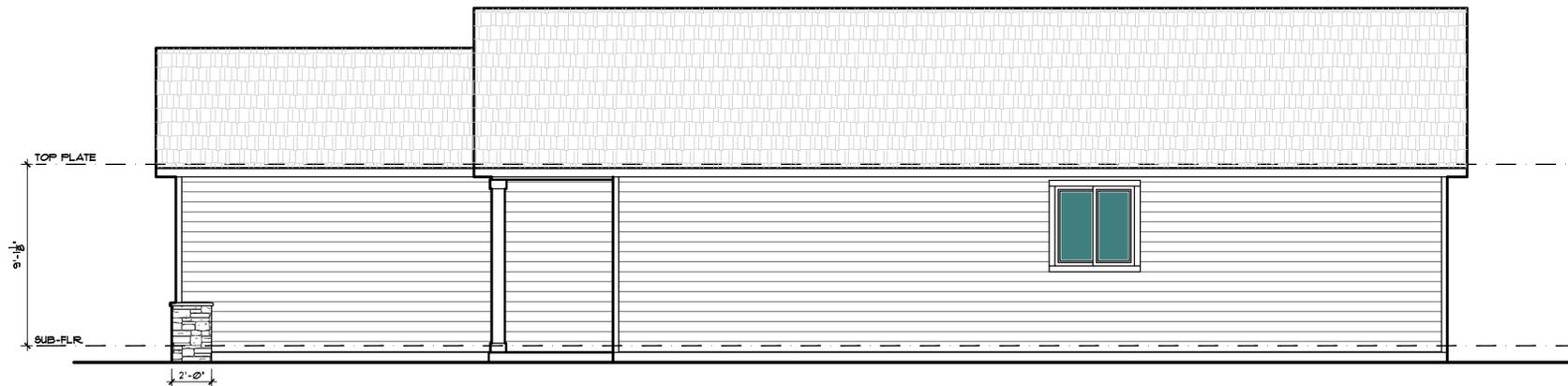
DATE	DESCRIPTION	INITIALS

**NOTE:**  
 FOR ALL STRUCTURAL  
 INFORMATION REFER  
 TO THE (S) SHEETS



RIGHT SIDE ELEVATION

1/4" = 1'-0"



RIGHT SIDE ELEVATION (STREET FACING)

1/4" = 1'-0"

**LENNAR**<sup>®</sup>  
 OCHOCO  
 PRINEVILLE, OREGON

PLAN L019  
 ARCHER  
 AMERICAN  
 GARAGE LEFT

SPEC LEVEL: 200

MAIN LEVEL: XXXX SQ FT

GRAND TOTAL: XXXX SQ FT

GARAGE: XXXX SQ FT

**1A**



REAR ELEVATION

1/4" = 1'-0"

DATE	DESCRIPTION	INITIALS

**NOTE:**

FOR ALL STRUCTURAL INFORMATION REFER TO THE (S) SHEETS



LEFT SIDE ELEVATION

1/4" = 1'-0"

**LENNAR**<sup>®</sup>  
 OCHOCO  
 PRINEVILLE, OREGON

PLAN L019  
 ARCHER  
 AMERICAN  
 GARAGE LEFT

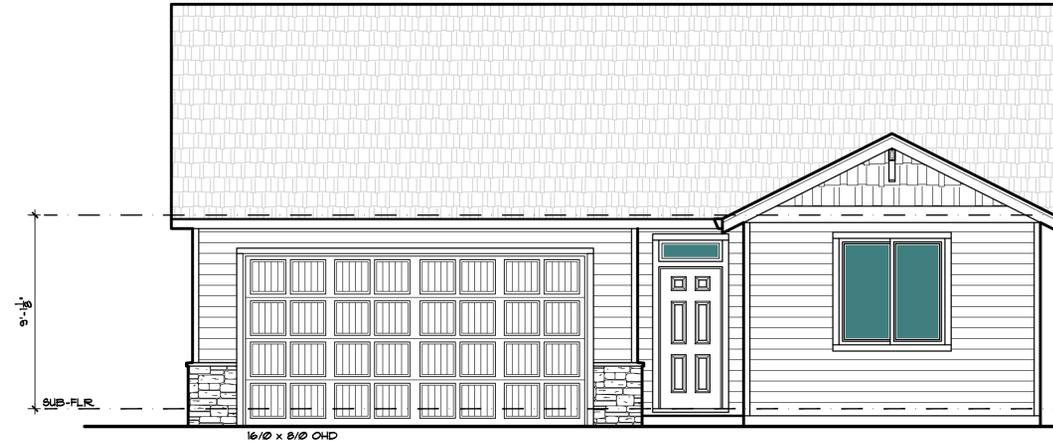
SPEC LEVEL: 200

MAIN LEVEL: XXXX SQ FT

GRAND TOTAL: XXXX SQ FT

GARAGE: XXXX SQ FT

**1B**



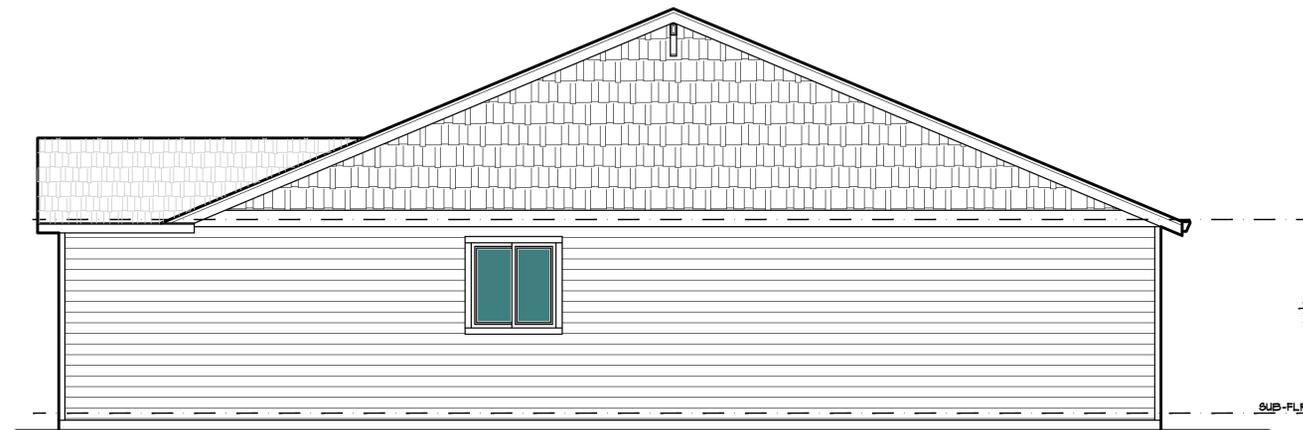
FRONT ELEVATION

1/4" = 1'-0"



RIGHT SIDE ELEVATION

1/4" = 1'-0"



RIGHT SIDE ELEVATION (STREET FACING)

1/4" = 1'-0"

DATE	DESCRIPTION	INITIALS

**NOTE :**

FOR ALL STRUCTURAL  
 INFORMATION REFER  
 TO THE (S) SHEETS

**LENNAR**<sup>®</sup>  
 OCHOCO  
 PRINEVILLE, OREGON

PLAN N009  
 BRAVO  
 AMERICAN  
 GARAGE LEFT

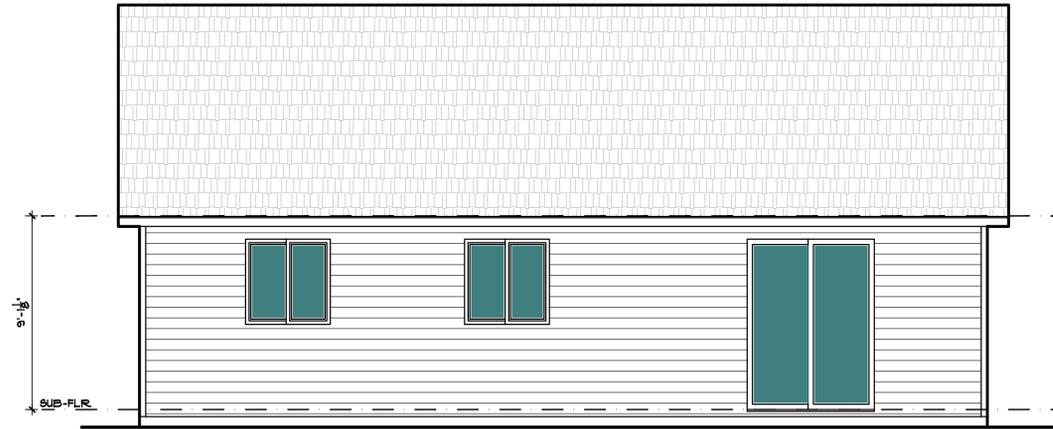
SPEC LEVEL: 200

MAIN LEVEL: XXXX SQ FT

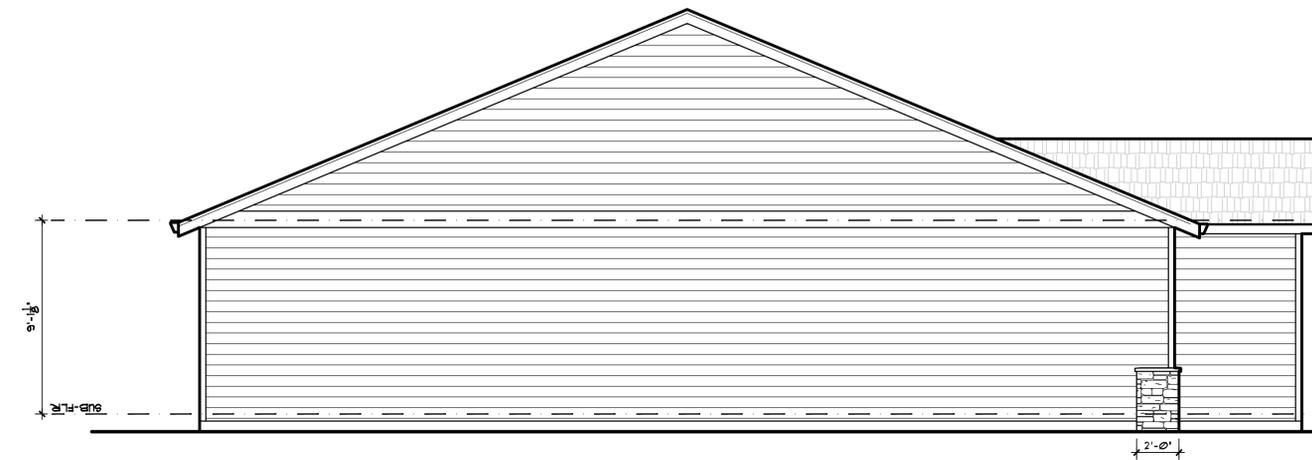
GRAND TOTAL: XXXX SQ FT

GARAGE: XXXX SQ FT

**1A**



REAR ELEVATION 1/4" = 1'-0"



LEFT SIDE ELEVATION 1/4" = 1'-0"

DATE	DESCRIPTION	INITIALS

**NOTE:**  
 FOR ALL STRUCTURAL  
 INFORMATION REFER  
 TO THE (S) SHEETS

**LENNAR**<sup>®</sup>  
 OCHOCO  
 PRINEVILLE, OREGON

PLAN N009  
 BRAVO  
 AMERICAN  
 GARAGE LEFT

SPEC LEVEL: 200  
 MAIN LEVEL: XXXX SQ FT  
 GRAND TOTAL: XXXX SQ FT  
 GARAGE: XXXX SQ FT

**1B**

03/17/2016 OCHOCO PLAN 1A-R

**NOTE:**  
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 INFORMATION REFER  
 TO THE (S) SHEETS

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 OCHOCO  
 PRINEVILLE, OREGON

**PLAN 2285F3C  
 CAMERON  
 FARMHOUSE 3-CAR  
 GARAGE LEFT**

**SPEC LEVEL - 300**

OWNER MAIN LEVEL: 1853 SQ FT  
 NEXT-GEN LIVING: 464 SQ FT  
 TOTAL: 2,317 SQ FT  
 GARAGE: 699 SQ FT  
 FRONT COVERED PORCH: 48 SQ FT  
 REAR COVERED PORCH: 59 SQ FT

**1A**



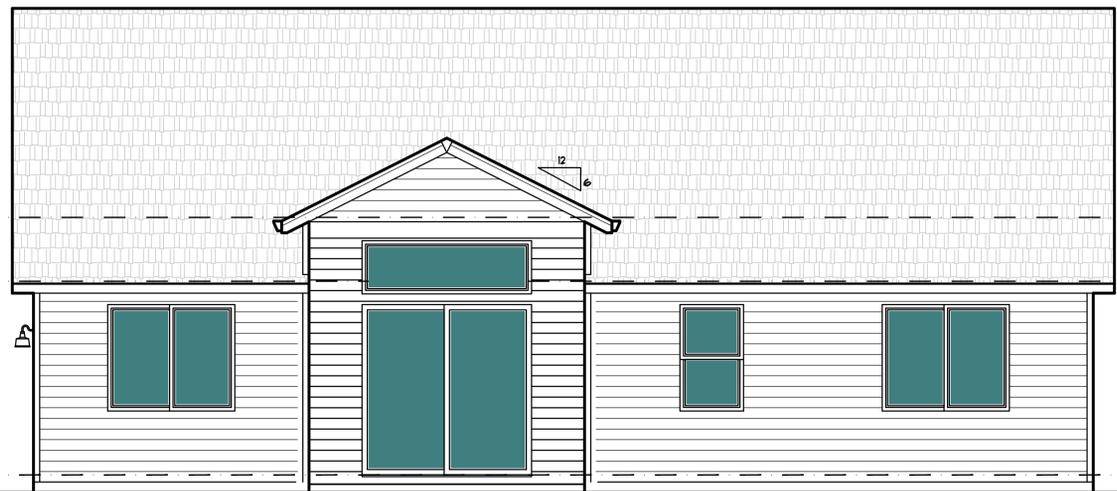
FRONT ELEVATION

1/4" = 1'-0"



RIGHT SIDE ELEVATION

1/4" = 1'-0"



REAR ELEVATION

1/4" = 1'-0"



LEFT SIDE ELEVATION

1/4" = 1'-0"



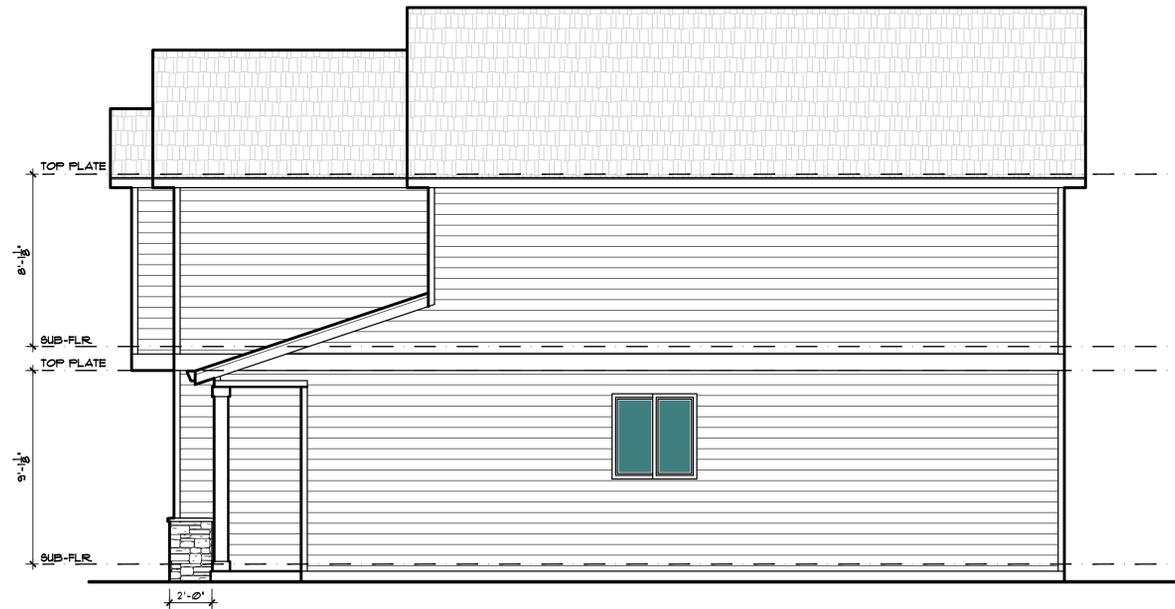
RIGHT SIDE ELEVATION (STREET FACING)

1/4" = 1'-0"



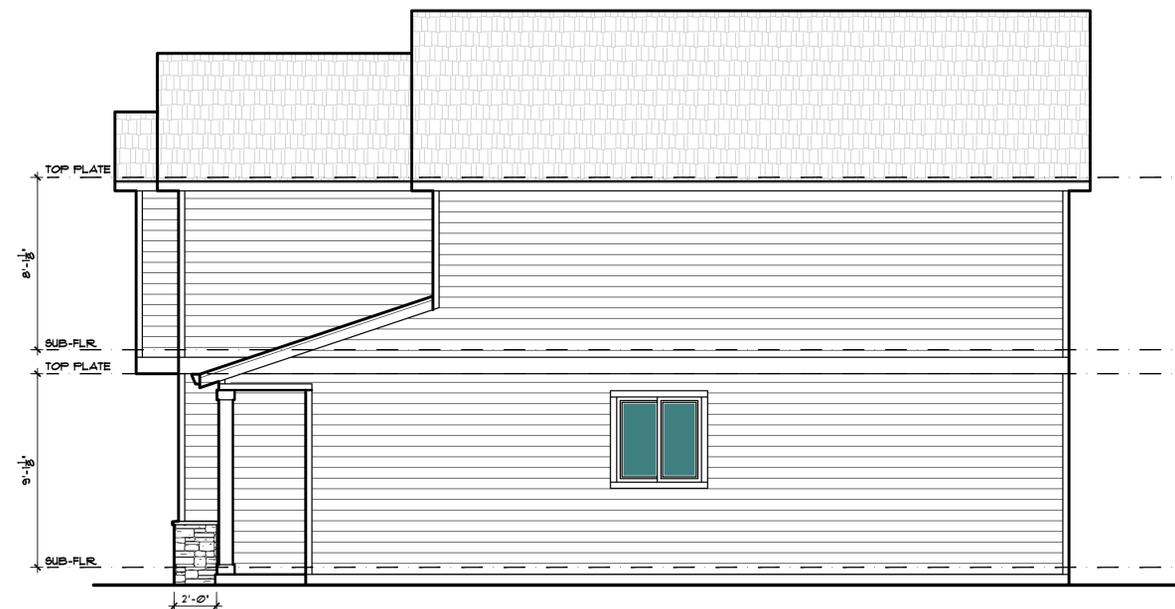
FRONT ELEVATION

1/4" = 1'-0"



RIGHT SIDE ELEVATION

1/4" = 1'-0"



RIGHT SIDE ELEVATION (STREET FACING)

1/4" = 1'-0"

DATE	DESCRIPTION	INITIALS

**NOTE:**  
 FOR ALL STRUCTURAL  
 INFORMATION REFER  
 TO THE (S) SHEETS

**LENNAR**<sup>®</sup>  
 OCHOCO  
 PRINEVILLE, OREGON

PLAN L021  
 CLARK  
 AMERICAN  
 GARAGE LEFT

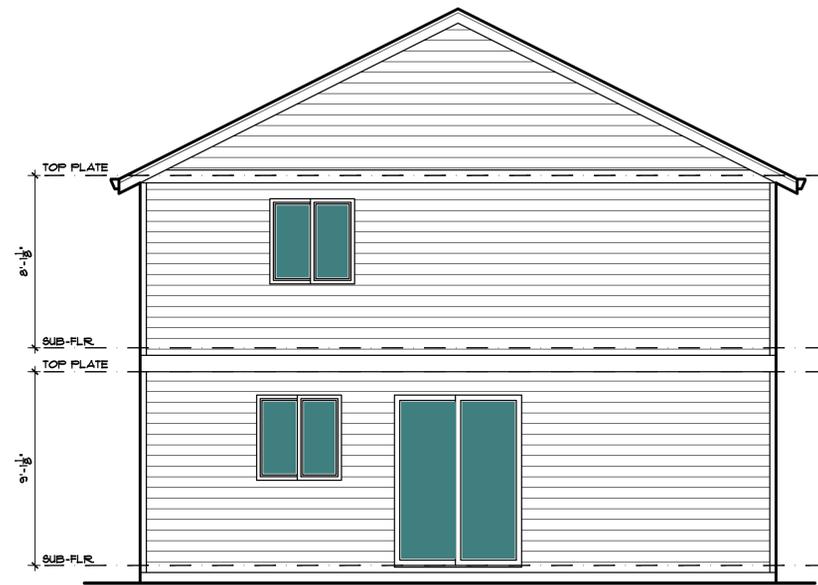
SPEC LEVEL: 200

MAIN LEVEL:	XXXX SQ FT
GRAND TOTAL:	XXXX SQ FT
GARAGE:	XXXX SQ FT

**1A**

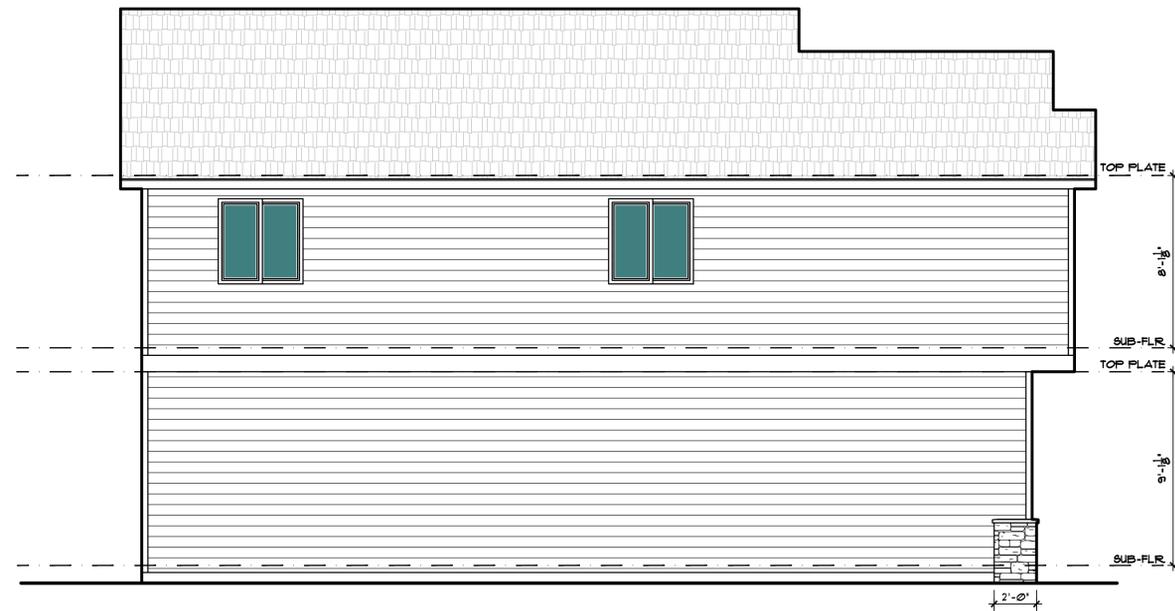
DATE	DESCRIPTION	INITIALS

**NOTE:**  
 FOR ALL STRUCTURAL  
 INFORMATION REFER  
 TO THE (S) SHEETS



REAR ELEVATION

1/4" = 1'-0"



LEFT SIDE ELEVATION

1/4" = 1'-0"

**LENNAR**<sup>®</sup>  
 OCHOCO  
 PRINEVILLE, OREGON

PLAN L021  
 CLARK  
 AMERICAN  
 GARAGE LEFT

SPEC LEVEL: 200

MAIN LEVEL: XXXX SQ FT

GRAND TOTAL: XXXX SQ FT

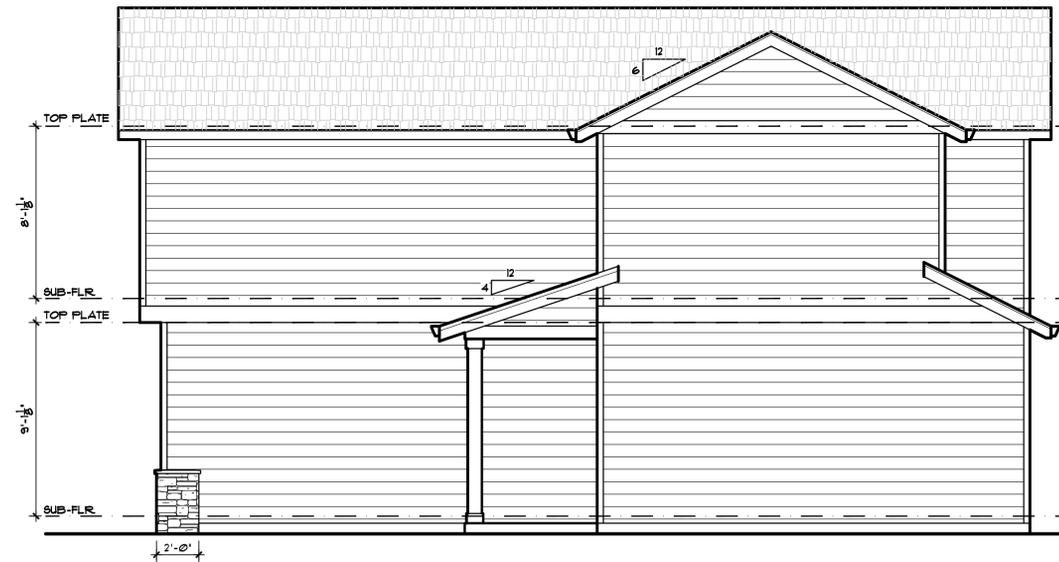
GARAGE: XXXX SQ FT

**1B**



FRONT ELEVATION

1/4" = 1'-0"



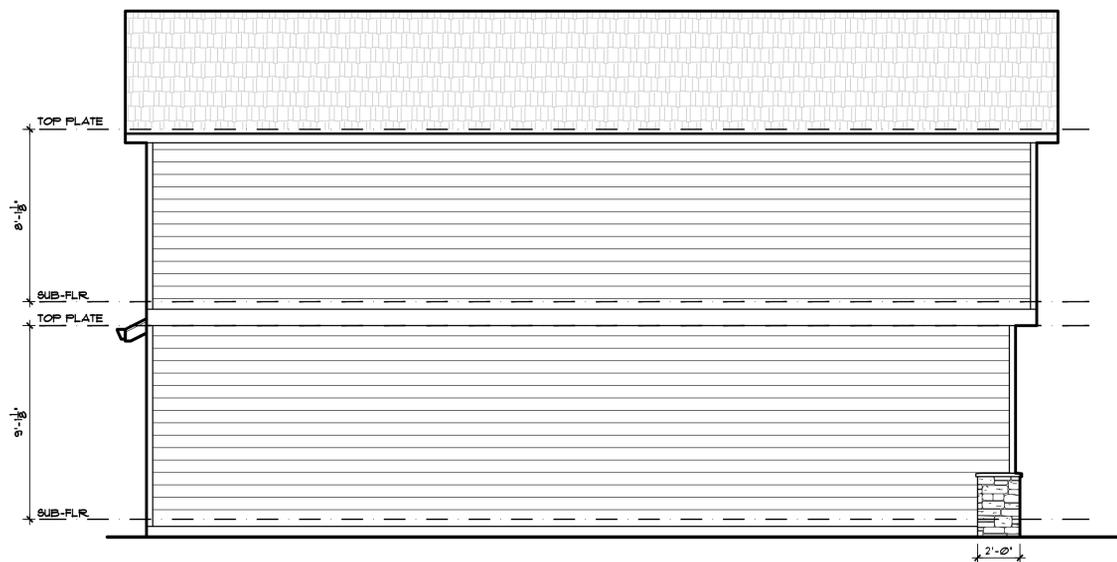
RIGHT SIDE ELEVATION

1/4" = 1'-0"



REAR ELEVATION

1/4" = 1'-0"



LEFT SIDE ELEVATION

1/4" = 1'-0"

DATE	DESCRIPTION	INITIALS

**NOTE:**  
 FOR ALL STRUCTURAL  
 INFORMATION REFER  
 TO THE (S) SHEETS

**LENNAR**  
 OCHOCO  
 PRINEVILLE, OREGON

**EMERALD  
 VERSION  
 GARAGE LEFT**

**SPEC LEVEL: 200**

MAIN LEVEL:	583 SQ FT
UPPER LEVEL:	383 SQ FT
<b>GRAND TOTAL:</b>	<b>1512 SQ FT</b>
GARAGE:	454 SQ FT
ENTRY:	61 SQ FT

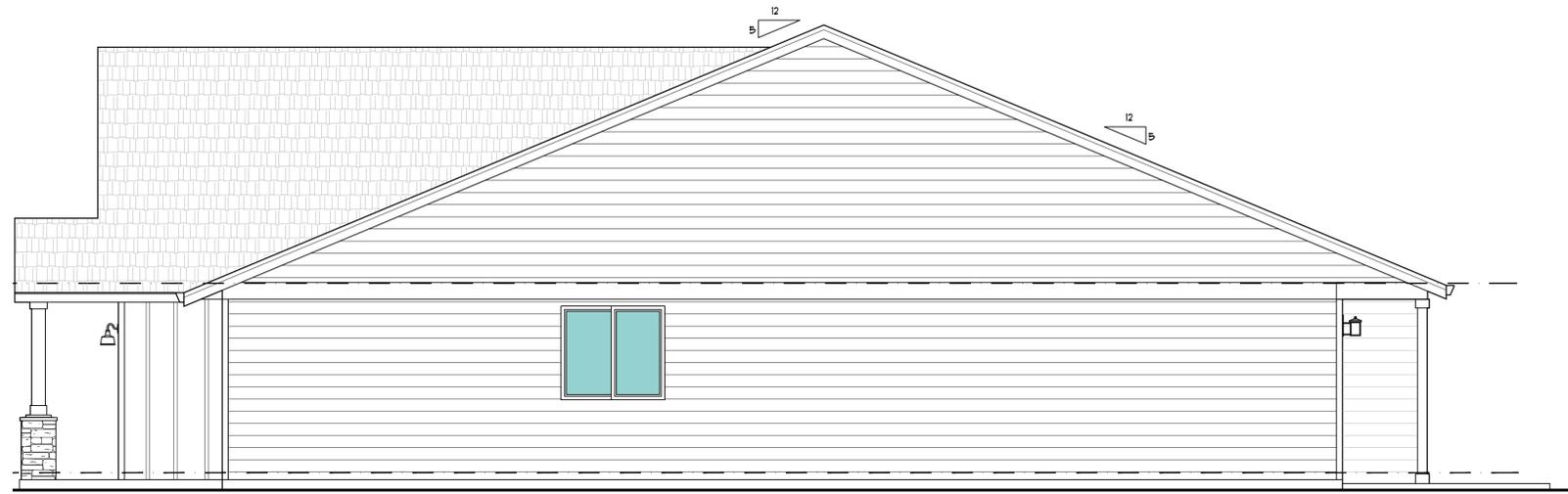
**1A**





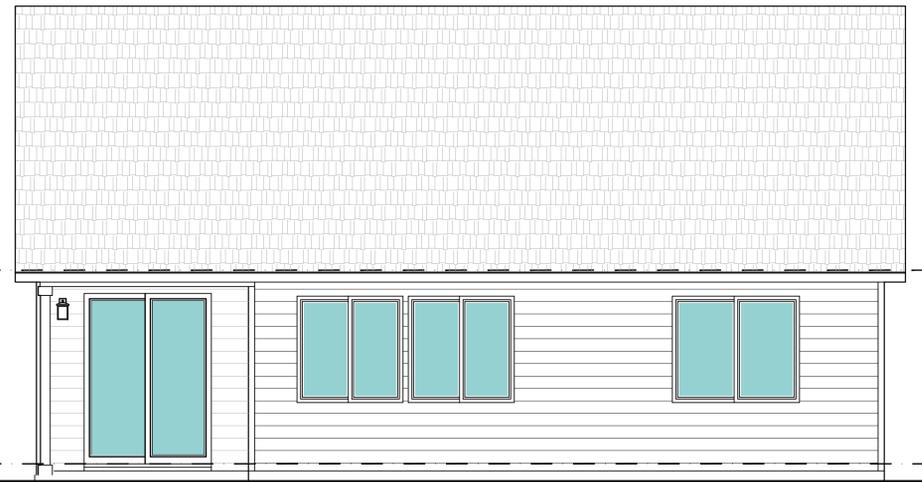
FRONT ELEVATION

1/4" = 1'-0"



RIGHT SIDE ELEVATION

1/4" = 1'-0"



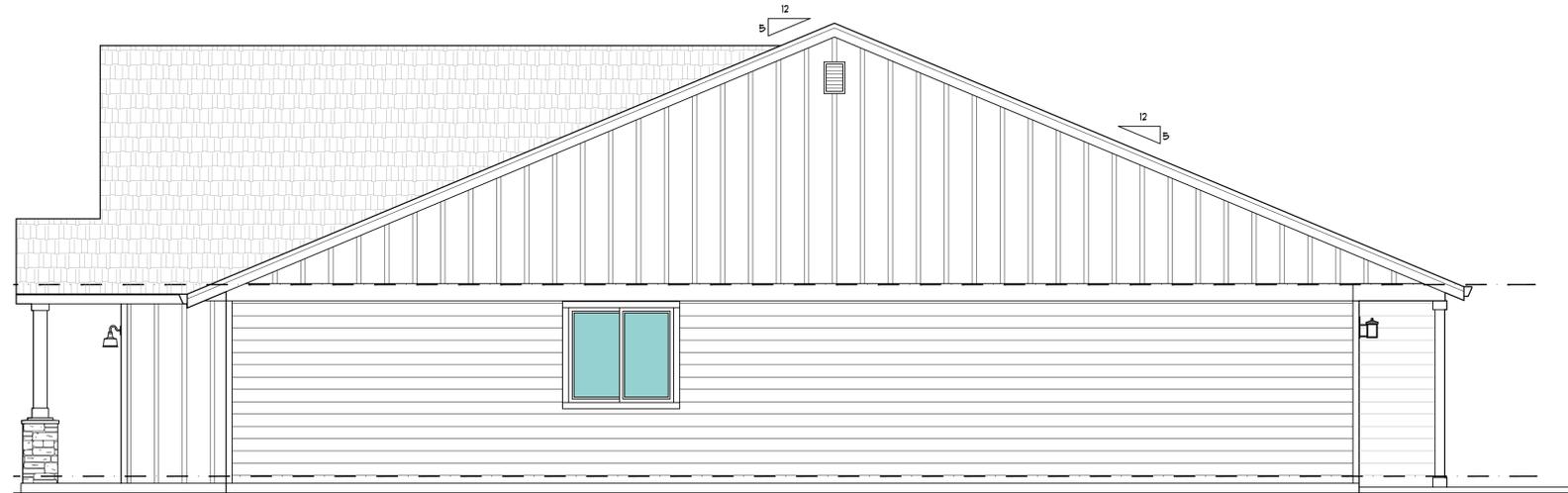
REAR ELEVATION

1/4" = 1'-0"



LEFT SIDE ELEVATION

1/4" = 1'-0"



RIGHT SIDE ELEVATION (STREET FACING)

1/4" = 1'-0"

03/16/2016 OCHOCO PLAN MHR

**NOTE:**  
 FOR ALL STRUCTURAL  
 INFORMATION REFER  
 TO THE (S) SHEETS

**LENNAR**  
 OCHOCO  
 PRINEVILLE, OREGON

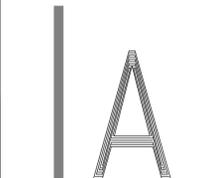
**1958F**  
**ENDICOTT**  
**FARMHOUSE**  
**GARAGE LEFT**

SPEC LEVEL 300

MAIN LEVEL: 1346 SQ FT

GRAND TOTAL: 1346 SQ FT

GARAGE: 415 SQ FT  
 FRONT ENTRY SLAB: 32 SQ FT  
 REAR COVERED PORCH: 40 SQ FT









**RESOLUTION NO. 1641  
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION AUTHORIZING THE ASSIGNMENT OF THE PURCHASE AGREEMENT**

**Whereas**, the City of Prineville (“City”) and Pahlisch Homes, Inc., (“Pahlisch”) entered into a Real Property Purchase and Sale Agreement dated October 23, 2020 (“Agreement”) for real property located within the City of Prineville, Oregon, known as the Ochoco Pointe Subdivision, Phases 6-9.

**Whereas**, the Agreement was amended on February 26, 2021, March 21, 2021, May 17, 2021, and March 25, 2022. The Agreement and all amendments thereto are attached hereto and incorporated herein.

**Whereas**, the Agreement contemplates the sale of 21.13 acres of real property within the City of Prineville to be purchased in phases.

**Whereas**, Pahlisch has already purchased some of the land from the City.

**Whereas**, Pahlisch wishes to assign its rights of the Agreement to Lennar Northwest, LLC (“Lennar”).

**Whereas**, per the Agreement, any properties that are sold by the City must be within the Ochoco Pointe Owners’ Association.

**Whereas**, the City Planning Director has reviewed the proposed Covenants, Conditions, and Restrictions (“CCRs”) and design guidelines of Lennar and has found them acceptable for an Assignment.

**Whereas** the Agreement will require additional amendments based on the new community.

NOW, THEREFORE, the City of Prineville resolves as follows:

1. The City of Prineville approves the Assignment of Purchase Agreement from Pahlisch to Lennar subject to the City Planning Director’s approval of the Lennar CCRs for the proposed community.
2. The Mayor and City Manager shall execute the necessary documents to complete the Assignment and make any necessary amendments to the Agreement thereto.

Approved by the City Council this \_\_\_\_ day of March, 2026.

\_\_\_\_\_  
Rodney J. Beebe, Mayor

ATTEST:

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

## REAL PROPERTY PURCHASE AND SALE AGREEMENT

This Real Property Purchase and Sale Agreement (the "**Agreement**") dated October 23, 2020 is entered into by and between City of Prineville (the "**Seller**") and Pahlisch Homes, Inc., an Oregon corporation or its assigns (the "**Buyer**"). The effective date (the "**Effective Date**") of this Agreement shall be the last date that this Agreement is signed by the Buyer and Seller below.

### RECITALS:

- A. WHEREAS, Seller owns approximately 396 acres of real property in Crook County, Oregon commonly known as Tax Lot 141600 1600, Prineville, Oregon (the "**Seller Property**"). Buyer and Seller intend to create two legal parcels from Seller's Property depicted on the map attached hereto as Exhibit A, the first parcel consisting of approximately 7.79 acres identified as Area 1 ("**Area 1**") and the second parcel consisting of approximately 13.34 acres identified as Area 2 ("**Area 2**" and, together with Area 1, the "**Property**"). The remainder of the Seller Property following the creation of Area 1 and Area 2 shall NOT be part of the Property. The legal description of the Property will be added to Exhibit A upon final determination of its boundaries in accordance with Section 10.5 hereof. The Property includes all rights, benefits, privileges, easements, tenements, hereditaments, and appurtenances belonging or appertaining to the Property, and Seller's rights, easements or other interests, if any, in and to adjacent streets, alleys and rights-of-way, or other property abutting the Property, any and all entitlements, applications, licenses and permits with respect to the Property, any and all minerals and mineral rights, water and water rights, wells, well rights and well permits, water and sewer taps, sanitary or storm sewer capacity, reservations and rights under utility agreements with any applicable governmental or quasi-governmental entities or agencies with respect to providing utility services to the Property ("**Rights**").
- B. WHEREAS, Seller desires to sell the Property to Buyer, and Buyer desires to purchase the Property from Seller, on the terms and conditions set forth in this Agreement.

### AGREEMENTS:

1. **Purchase Price.** The total Purchase Price for the Property is estimated to be \$1,201,500, but in no circumstance shall be under \$1,000,000 (in the aggregate, including the Purchase Price for both Area 1 and Area 2). The Purchase Price for Area 1 will be determined prior to the 1<sup>st</sup> Closing and the Purchase Price for Area 2 will be determined prior to the 2<sup>nd</sup> Closing, based on the number of buildable lots approved thereon, in each case multiplied by \$13,500. For example, if the final, non-appealable land use approval with respect to Area 1 results in a total 37 buildable lots, the Purchase Price for Area 1 will be  $37 \times \$13,500 = \$499,500$ .
2. **Earnest Money Deposit.** Within five (5) business days following the Effective Date of this Agreement, Buyer will open escrow with AmeriTitle, (the "**Title Company**") located at 150 NE Court Street, Prineville, OR, 97754 and deliver a promissory note to the Title Company to hold in escrow for earnest money in the amount of Fifty Thousand Dollars (**\$50,000.00**) (the "**Promissory Note**"). Within five (5) business days of delivery of the Suitability Notice in accordance with Section 3.1 below, the Promissory Note shall be exchanged for \$50,000 cash deposited with the Title Company (the "**Earnest Money Deposit**"). The Earnest Money Deposit shall be applicable to the Purchase Price, \$25,000 at the 1<sup>st</sup> Closing and \$25,000 at the 2<sup>nd</sup> Closing.

3. **Buyer's Contingency Period.** Buyer shall have one hundred twenty (120) calendar days following the Effective Date of this Agreement (the "**Contingency Period**") to satisfy itself concerning the suitability of the Property and the feasibility of developing the Property for Buyer's intended use. The Contingency Period may be extended in accordance with Section 3.2. Buyer shall have the right, at Buyer's sole expense, to perform reasonable tests, inspections and feasibility studies on the Property as Buyer may deem necessary, subject to Buyer's obligation to indemnify Seller pursuant to Section 3.2.
- 3.1 **Termination.** Unless Buyer, in Buyer's sole discretion, determines that the Property is suitable and development is feasible, and gives notice of such suitability to Seller (the "**Suitability Notice**") prior to expiration of the Contingency Period, this Agreement shall terminate and the Promissory Note shall be returned to Buyer. This Agreement thereafter shall be null and void and neither party shall have any obligation to the other, except that the obligations of Buyer to indemnify, hold harmless and defend Seller as described in Section 3.2 below, shall survive and continue in full force and effect.
- 3.2 **Buyer's Right to Enter and Inspect.** Prior to the 2<sup>nd</sup> Closing, Buyer may perform reasonable tests, engineering studies, surveys, environmental analysis or studies, soil tests, and other inspections, studies and tests on the Property as Buyer may deem necessary, at Buyer's expense. Buyer shall defend, indemnify and hold Seller and Seller's agents, independent contractors, and invitees (collectively, "**Seller's Agents**") harmless for, from and against any claim, loss, liability, lien or damage arising from any entry on the Property by Buyer or any activities on the Property by Buyer and its agents, employees and independent contractors (collectively, "**Buyer's Agents**"), provided, however, that Buyer shall have no obligation to indemnify, defend or hold harmless Seller or Seller's Agents for any: (i) claim, loss, liability, lien or damage to the extent caused by the acts or omissions of Seller or Seller's Agents; (ii) condition of the Property discovered by Buyer during its tests and inspections; or (iii) loss of marketability of the Property as a consequence of such discovery. Seller agrees to cooperate fully with Buyer and Buyer's Agents during the Contingency Period and to answer all questions that Buyer or Buyer's Agents ask about the Property in good faith and to the best of Seller's ability. If the results of a Phase 1 Environmental Site Assessment ("**ESA**") are such that a Phase 2 ESA is recommended, Seller agrees that the Contingency Period will automatically be extended for thirty (30) days to allow sufficient time for the Phase 2 ESA results to be obtained. If any of Buyer's due diligence activities materially disturb or alter the Property, Buyer shall, at its sole expense, restore the Property to its prior condition.
- 3.3 **Materials.** Within three (3) business days after the Effective Date, Seller shall provide to Buyer the following (the "**Property Information**") to the extent in the possession of, or readily obtainable by, Seller or its agents: (i) the latest property tax bills and value renditions from all taxing authorities; (ii) any environmental reports and a schedule listing any such reports; (iii) all existing plans, specifications, permits, approvals (and any applications for permits or approvals), maps and surveys (including, without limitation, archaeological, boundary, topographic and tree surveys); (iv) any subdivision reports; (v) any unrecorded covenants, conditions, restrictions, easements or other potential encumbrances known to Seller; (vi) any soils and engineering reports; (vii) any written notices, reports, citations, orders, decisions, correspondence, or memoranda from any governmental authority (including, but not limited to, copies of any zoning letters); (viii) all agreements with or applications to any governmental authority with respect to any zoning modification, variance, exception, platting or other matter relating to the zoning,

use, development, subdivision or platting of the Property; (ix) copies of all agreements, studies, reports, correspondence and other documents relating to the presence or absence of any endangered species or environmentally sensitive areas on the Property; (x) any contracts or agreements relating to the Property or services being provided or to be provided to the Property; and (xi) any other agreements, instruments or documents in Seller's possession or control that mention, concern or relate to the Property. Seller shall provide to Buyer any documents described above and coming into Seller's possession or produced by Seller after the initial delivery above and shall continue to provide same during the pendency of this Agreement. Seller shall have no obligation to prepare or to commission the preparation of Property Information which does not exist or which is otherwise outside of the possession of Sellers or its agents.

4. **Preliminary Title Report.** Within ten (10) days after the Effective Date, Seller, at its expense, shall furnish to Buyer a preliminary title report from the Title Company showing its willingness to issue title insurance on the Property in the amount of the Purchase Price, together with full copies of all exceptions shown in such report. Buyer shall have sixty (60) days after receipt of the preliminary title report and exceptions within which to notify Seller in writing of the title exceptions shown in the report which are unacceptable to Buyer. Exceptions not identified by Buyer as unacceptable will be deemed permitted exceptions ("**Permitted Exceptions**"). Seller shall have fifteen (15) days after receipt of Buyer's notice to identify, in writing, which, if any, unacceptable exceptions that Seller will not remove by the time of the applicable Closing. Seller's failure to timely give such written notice shall be deemed Seller's agreement to remove the identified exceptions by the applicable Closing Date. Buyer shall have fifteen (15) days from the date of receipt of Seller's notice of refusal to give written notice that Buyer will accept the identified exceptions Seller refused to remove as Permitted Exceptions. Buyer's failure to timely give such written notice shall be deemed Buyer's termination of this Agreement, in which case this Agreement shall be of no further force and effect and the Promissory Note shall be released to Buyer.

Notwithstanding anything to the contrary herein: (i) at or before Closing Seller shall cause to be released all monetary liens; and (ii) standard exceptions that are part of the title insurance form will be Permitted Exceptions for purposes of this Section only (but not for purposes of the Deed).

If Buyer will require an ALTA extended title insurance policy, Buyer will notify Seller at least fifteen (15) days prior to the applicable Closing, and Buyer will pay the additional premium associated with such extended policy.

5. **Closing Deliverables and Conditions.**

- 5.1 **Seller's Deliverables.** At least two business days prior to the applicable Closing Date, Seller shall deliver in escrow to the Title Company the following with respect to Area 1 on the 1<sup>st</sup> Closing Date and Area 2 on the 2<sup>nd</sup> Closing Date:

- 5.1.1 A statutory warranty deed or Boundary Line Adjustment Deed (which, for avoidance of doubt, shall include the covenants and warranties of Seller as a statutory warranty deed), as the case may be, executed and acknowledged by Seller, conveying to Buyer marketable fee simple title to Area 1 or Area 2, as applicable, subject only to the Permitted Exceptions (the "**Deed**").
- 5.1.2 Such assignments and other documents and certificates as Buyer may reasonably require in order to fully and completely transfer and assign to Buyer all of

Seller's right, title, and interest, in and to the Rights, Property Information and any Project Approvals with respect to Area 1 or Area 2, as applicable.

5.1.3 A Foreign Investment in Property Tax Act (FIRPTA) affidavit executed by Seller. If Seller fails to provide the necessary affidavit and/or documentation of exemption on the Closing Date, Buyer and the Title Company may proceed with withholding provisions as provided by law.

5.1.4 Evidence of existence, organization, and authority of Seller and the authority of the person executing documents on behalf of Seller reasonably satisfactory to Buyer and the Title Company.

5.1.5 Any additional documents that Buyer or the Title Company may reasonably require for the proper consummation of the transactions contemplated by this Agreement.

5.2 **Buyer's Deliverables.** Except as specified below, at least one business day prior to the applicable Closing Date, Buyer shall deliver in escrow to the Title Company the following:

5.2.1 The Purchase Price for Area 1 or Area 2, as applicable, less the portion of the Earnest Money Deposit that is applied to the Purchase Price, plus or minus applicable closing costs and prorations, in immediately available funds.

5.2.2 Any additional documents that Seller or the Title Company may reasonably require for the proper consummation of the transactions contemplated by this Agreement.

5.3 **Seller's Conditions.** In addition to all other conditions set forth herein, the obligation of Seller to consummate the transactions contemplated under this Agreement shall be contingent upon the following:

5.3.1 Buyer's representations and warranties set forth herein shall be true and correct in all material respects as of the applicable Closing Date.

5.3.2 Buyer shall have performed all of its obligations under this Agreement, including in accordance with Section 5.2 above, with respect to the applicable Closing.

5.3.3 **Buyer shall incorporate Area 1 and Area 2 within the Ochoco Pointe Owners' Association.**

5.4 **Buyer's Conditions.** In addition to all other conditions set forth herein, the obligation of Buyer to consummate the transactions contemplated under this Agreement shall be contingent upon the following:

5.4.1 Seller shall have performed all of its obligations under this Agreement, including in accordance with Section 5.1 above, with respect to the applicable Closing.

5.4.2 Seller's representations and warranties set forth herein shall be true and correct in all material respects as of the applicable Closing Date. For purposes of this clause

only, a representation shall be false if the factual matter that is the subject of the representation is false notwithstanding any lack of knowledge or notice to Seller.

- 5.4.3 Buyer shall have obtained Master Plan Approval and construction permits for the development of Area 1 or Area 2, as applicable, and there shall exist no pending or threatened review or appeal thereof or right to review or appeal by any governmental authority or person (other than Buyer).
- 5.4.4 Solely with respect to the 2<sup>nd</sup> Closing, the Realignment of Combs Flat Road and relocation of Ochoco Irrigation District Main Canal in accordance with Section 10.5 shall be completed by Seller, estimated to be completed by October 31, 2022.

So long as a party is not in default hereunder, if any condition to such party's obligation to proceed with a Closing hereunder has not been satisfied as of the applicable Closing Date absent such non-satisfaction of a closing condition, such party may, in its sole discretion, elect to: (i) postpone the Closing up to 14 days or until the condition has been satisfied by delivering written notice to the other party on or before the applicable Closing Date; (ii) terminate this Agreement; or (iii) proceed to close, notwithstanding the non-satisfaction of such condition, in which event such party shall be deemed to have waived any such condition with respect to the applicable Closing; provided that any such waiver of a condition shall NOT relieve a party from any liability it would otherwise have if the failure of a party to satisfy a condition also constitutes a default hereunder or breach of any other provision hereof by such party. In the event that Seller is not in default hereunder and Buyer elects to terminate this Agreement pursuant to this paragraph, the balance of the Earnest Money Deposit will be promptly returned to Buyer, this Agreement will terminate and the parties will have no further obligation hereunder except for: (i) Buyer's obligation to indemnify Seller under Section 3.2; and (ii) any surviving obligations related to a Closing that occurred prior to such termination.

- 6. **Closing.** Subject to the conditions in Sections 5.3 and 5.4 being met or waived, the closing of the purchase and sale of Area 1 (the "1<sup>st</sup> Closing") shall occur within 5 business days following approval of construction plans for development of Area 1, estimated to be on or about October 2021. The closing of the purchase and sale of Area 2 (the "2<sup>nd</sup> Closing") shall occur within 5 business days following approval of construction plans for development of Area 2, or sooner if requested by Buyer. The date on which the 1<sup>st</sup> Closing actually occurs is referred to herein as the "1<sup>st</sup> Closing Date" and the date on which the 2<sup>nd</sup> Closing actually occurs is referred to herein as the "2<sup>nd</sup> Closing Date".

6.1. **Manner and Place of Closing.** The transactions shall be closed by the Title Company, or at such other place as the parties may mutually select. Each Closing shall take place in the manner and in accordance with the provisions set forth in this Agreement.

6.2. **Closing Costs.**

- 6.2.1 Seller shall be responsible for the following closing costs: (i) the cost of a standard form owner's title insurance premium; (ii) special assessments and tax deferral assessments (if any), including "rollback" or "catch-up" taxes, whether or not due and owing at the time of Closing; (iii) state and county transfer taxes and excise taxes, if any; (iv) any broker commissions or fees arising from the

transaction; and (v) one half (1 /2) of all escrow/closing fees and costs. Seller's costs can be paid by the proceeds of the transaction.

6.2.2 Buyer shall be responsible for the following closing costs: (i) the difference in cost between an ALTA extended coverage form title policy, if requested by Buyer, and a standard form owner's title insurance premium, (ii) recording fees, and (iii) one half (1/2) of all escrow/closing fees and costs.

6.2.3 Seller shall bear its own real estate broker commissions and attorneys' fees associated with the transaction contemplated by this Agreement. Buyer is not represented by a real estate broker; however, for purposes of disclosure only, certain officers, directors and employees of Buyer are licensed realtors. The parties represent and warrant to each other that except for Seller's broker, if any, no party is entitled to any finders, brokers, or similar fee or charge.

6.2.4 Except as otherwise provided herein, real property taxes and other like items will be prorated as of the applicable Closing Date as customary for like transactions in Crook County, Oregon.

6.3. **Events of Closing.** Provided the contingencies contained within this Agreement are satisfied or waived, and the Title Company is in a position to cause the title insurance policy to be issued as described below, each transaction shall be closed on the applicable Closing Date as follows:

6.3.1 Any liens required to be paid by Seller at Closing shall be paid and satisfied of record at Seller's expense.

6.3.2 The Title Company shall record the Deed.

6.3.3 The Title Company shall release the balance of the Purchase Price with respect to Area 1 or Area 2, as applicable, less amounts paid under Section 6.3.1 and closing costs that are the responsibility of Seller.

6.3.4 Seller shall deliver possession of Area 1 or Area 2, as applicable, to Buyer.

6.3.5 The Title Company shall deliver its commitment letter committing to issue a standard Seller's policy of title insurance to Buyer in the amount of the Purchase Price, insuring Buyer as the owner of Area 1 or Area2, as applicable, subject only to the Permitted Exceptions.

## 7. **Default; Remedies; Failure to Close.**

7.1. **Buyer Default.** Buyer shall not be in default under this Agreement, and Seller shall not be entitled to terminate this Agreement for any asserted nonperformance by Buyer, unless Seller has given Buyer notice specifying the asserted nonperformance, Buyer has in fact not performed, and Buyer has failed to remedy such non-performance within fifteen (15) days after receipt of such notice.

7.2. **Seller Default.** Seller shall not be in default under this Agreement, and Buyer shall not be entitled to terminate this Agreement for any asserted nonperformance by Seller, unless Buyer has given Seller notice specifying the asserted nonperformance, Seller has in fact

not performed, and Seller has failed to remedy such non-performance within fifteen (15) days after receipt of such notice.

- 7.3. **Buyer's Remedies.** In the event that one or both transactions fail to Close due to Seller's breach or default, Buyer may elect as its exclusive remedy to either: (1) terminate this Agreement, receive a refund of the balance of the Earnest Money Deposit and recover its actual out-of-pocket costs incurred in connection with this Agreement including, without limitation, costs and expenses incurred in connection with the performance of Buyer's due diligence activities, reviewing the title report and materials, or otherwise, with respect to the parcel or parcels (Area 1, Area 2 or both) that Buyer did not purchase; or (2) sue for specific performance and recover damages, if any, arising from Seller's breach or default (including recovery of costs and attorneys' fees incurred in the lawsuit).
- 7.4. **Seller's Remedies.** In the event that one or both transactions fail to Close due to Buyer's default, the balance of the Earnest Money Deposit shall be forfeited by Buyer and retained by Seller as liquidated damages and Seller's exclusive remedy. Such amount has been agreed by the parties to be reasonable estimate of Seller's damages because the precise amount of such compensation would be difficult to determine. BUYER AND SELLER HEREBY AGREE THAT A REASONABLE ESTIMATE OF THE TOTAL DAMAGES THAT SELLER WOULD SUFFER IN THE EVENT THAT BUYER DEFAULTS AND FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY IS AN AMOUNT EQUAL TO ALL OF THE EARNEST MONEY DEPOSIT. SUCH AMOUNT WILL BE THE FULL, AGREED AND LIQUIDATED DAMAGES FOR THE BREACH OF THIS AGREEMENT BY BUYER, AND AFTER PAYMENT THEREOF TO SELLER, NEITHER PARTY SHALL HAVE ANY FURTHER OBLIGATION TO OR RIGHTS AGAINST THE OTHER.
- 7.5. **Material Condemnation.** In the event all or a material part of the Property is taken by eminent domain prior to the applicable Closing Date, either party may elect to rescind this Agreement prior to the applicable Closing Date by written notice to the other; provided, however, that Seller's notice shall not be effective if, within fifteen (15) days after receipt of such notice, Buyer elects to accept the condemnation proceeds attributable to such taking in lieu of the portion of the Property that has been, or will be taken. If Buyer so elects, Buyer shall have the sole right during the pendency of this Agreement to negotiate and otherwise deal with the condemning authority in respect of such matter and at the applicable Closing Seller shall assign to Buyer its entire right, title and interest in and to any condemnation award.
8. **Seller's Representations and Warranties.** Seller represents and warrants to Buyer as follows:
- 8.1. Seller has the full right and authority and has obtained any and all consents required to enter into this Agreement, perform all covenants of Seller contained in this Agreement in accordance with its terms, and consummate or cause to be consummated the sale. This Agreement and all of the documents to be delivered by Seller at the applicable Closing have been and will be duly authorized and properly executed and will constitute the valid and binding obligations of Seller, enforceable in accordance with their terms.
- 8.2. To Seller's knowledge, each item of information furnished by Seller to Buyer in connection with this Agreement is accurate and complete in all material respects, unless otherwise disclosed to Buyer in writing prior to the expiration of the Contingency Period.

- 8.3. To Seller's knowledge, there exists no pending or threatened condemnation or other legal actions materially affecting the Property or the sale thereof to Buyer. Seller has received no written notice of and has no knowledge of any material violations or investigations of violations of any applicable laws or ordinances affecting the Property that have not been corrected or resolved. There are no actions, suits, arbitrations, claims, assignments for the benefit of creditors, or insolvency, bankruptcy, reorganization or other proceedings, pending or threatened against Seller or the Property that could materially and adversely affect the operation or value of the Property or Seller's ability to perform its obligations under this Agreement.
- 8.4. There are no leases affecting all or any part of the Property, and there are no written or oral promises, understandings or agreements between Seller and any tenant or other person affecting the Property. There are no outstanding agreements of sale, options or other rights of third parties to acquire the Property or any interest therein. There is no agreement to which Seller is a party or, to Seller's knowledge, that is binding on Seller which is in conflict with this Agreement. There is no action or proceeding pending or, to Seller's knowledge, threatened against or relating to the Property, which challenges or impairs Seller's ability to execute or perform its obligations under this Agreement or which seeks to restrain or prohibit this Agreement or the consummation of the transactions contemplated hereby.
- 8.5. Seller is not aware of any facts nor has Seller misrepresented any facts, which would prevent Buyer from developing the Property for Buyer's intended purpose as previously disclosed to Seller.
- 8.6. To Seller's knowledge, there has been no production, discharge, disposal or storage on or from or onto the Property, or any property adjacent thereto, of any hazardous or toxic substance, and there is no proceeding or inquiry by any governmental body with respect thereto. Seller has not manufactured, introduced, released or discharged from or onto the Property any hazardous or toxic substance (including, without limitation, asbestos or PCBs), and Seller has not used the Property or any part thereof for the generation, treatment, storage, handling or disposal of any hazardous or toxic substance, in violation of any Environmental Laws. To Seller's knowledge, the Property does not contain hazardous or toxic substances, including without limitation asbestos or PCBs, and there are no underground storage tanks on the Property. The term "**Environmental Laws**" includes without limitation the Resource Conservation and Recovery Act and the Comprehensive Environmental Response Compensation and Liability Act and other federal laws governing the environment as in effect on the Effective Date together with their implementing regulations and guidelines as of the Effective Date, and all state, regional, county, municipal and other local laws, regulations and ordinances that are equivalent or similar to the federal laws recited above or that purport to regulate hazardous or toxic substances. In the event that, prior to the Closing Date, any such substances or tanks are discovered on, in, under the Property or on property adjacent thereto such that they may affect the Property, Buyer may elect to cancel and terminate this Agreement by written notice to Seller.
- 8.7. All references to "Seller's knowledge" in this Section shall refer to the actual knowledge of Seller's employees.

**9. Buyer's Representations and Warranties.**

- 9.1. Buyer has been duly organized and is validly existing as an Oregon corporation, limited partnership or limited liability company, as applicable. Buyer has the full right and authority and has obtained any and all consents required to enter into this Agreement, consummate or cause to be consummated the purchase. This Agreement and all of the documents to be delivered by Buyer at Closing have been and will be authorized and properly executed and will constitute the valid and binding obligations of Buyer, enforceable in accordance with their terms.
- 9.2. Buyer acknowledges and agrees that, prior to Closing, Buyer will have made Buyer's independent investigation and examination of the Property. Buyer expressly acknowledges and agrees that, upon Closing, Seller shall sell and convey to Buyer and Buyer shall accept the Property "AS IS, WHERE IS, WITH ALL FAULTS," except for such representations, warranties and covenants expressly made by Seller in this Agreement and the Deed. Buyer has not relied and will not rely on, and Seller is not liable for or bound by, any express or implied warranties, guaranties or representations pertaining to the Property made or furnished by Seller, any agent representing or purporting to represent Seller, to whomever made or given, directly or indirectly, orally or in writing, unless such warranty, guaranty or representation is specifically set forth in this Agreement or the Deed.
10. **Covenants of Seller.** Seller acknowledges that the covenants of Seller contained in this Agreement, including the covenants contained in this Section, are material inducements to Buyer to enter into this Agreement.
- 10.1. **Timely Payments/No Further Encumbrances.** Seller shall make timely payments of all mortgages, lines of credit and any other obligations in order to prevent the Property from going into default. Seller shall not further encumber the Property beyond the Permitted Exceptions without the prior written consent of Buyer in Buyer's sole discretion.
- 10.2. **Maintenance/Waste.** Seller shall maintain the buildings and all other improvements on the Property in good repair and condition and shall not cause or permit any waste on the Property.
- 10.3. **Sellership.** Seller shall not sell, contract to sell, assign, lease or otherwise transfer the Property or any part of it or any interest in it, nor grant an option to any third party to acquire all or any portion of it.
- 10.4. **Project Approvals.** Seller authorizes Buyer to serve as Seller's authorized representative for purposes of signing and submitting applications and any other documents associated with the Property as may be required by any applicable governing agency. Seller further agrees to cooperate in good faith with Buyer and to join in executing any and all documents required by Buyer in connection with its attempts to obtain any Project Approvals. "Project Approvals" means all applications, improvement plans, boundary adjustments or subdivision of existing parcels, drawings and specifications, site plans, permits, building permits, license, entitlements approvals, agreements, documents and other instruments necessary or appropriate to obtain from any governmental or quasi-governmental entities or agencies for Buyer's intended development of the Property. Seller hereby authorizes Buyer to pursue and acquire the Project Approvals and to contact governmental agencies directly in connection therewith. The provisions of this Section shall survive Closing.

**10.5 Creation of Legal Parcels.** The map attached hereto as Exhibit A depicts the currently anticipated boundaries of Area 1 and Area 2. Following the Effective Date and continuing after 1<sup>st</sup> Closing: (i) Seller will use commercially reasonable efforts to realign Coombs Flat Road and relocate the Ochoco Irrigation District Main Canal (the “**Realignment**”) so that the boundaries of Area 2 may be finally determined; and (ii) Buyer will use commercially reasonable efforts to prepare and submit land use applications and any other documents as may be required by any applicable governing agency to create Area 1 and Area 2 as separate legal parcels and obtain final approval of the master plan with respect to Area 1 and Area 2 (“**Master Plan Approval**”). To the extent there will be any material variation from the boundaries shown on Exhibit A, the parties agree to work together in good faith to determine the final boundary lines for Area 1 and Area 2.

## **11. General Provisions.**

- 11.1. Survival.** All representations and warranties contained in this Agreement shall be true on and as of each Closing Date with the same force and effect as though made on and as of the Effective Date, and shall survive Closing and not be merged into any documents delivered at Closing. Any covenants and agreements which this Agreement does not require to be fully performed prior to the applicable Closing shall survive such Closing and shall be fully enforceable thereafter in accordance with their terms.
- 11.2. Time of Essence; Force Majeure.** Except as otherwise specifically provided in this Agreement, time is of the essence of each provision of this Agreement. Notwithstanding the foregoing, no party shall be deemed in default or be liable for any failure or delay in performance of its obligations under this Agreement arising out of or caused by circumstances beyond its reasonable control, including, without limitation, acts of God, earthquakes, fires, floods, wars, civil disturbances, acts of terrorism, sabotage, epidemics, changes to laws or regulations, accidents, strikes, labor disputes, acts or closures of civil or military authority, closures of businesses, inability to obtain labor, material, equipment or transportation, or any other cause which could not have been prevented by such party with reasonable care. The time for performance of a party’s obligations, and all related dates and deadlines herein, shall be extended for a period equal to the time lost by reason of the delay.
- 11.3. Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties, and their respective heirs, personal representatives, successors, and assigns. Buyer may assign this Agreement to any affiliate of Buyer without consent of the Seller.
- 11.4. Notices.** All notices shall (i) be in writing; (ii) be personally delivered or sent by mail, courier, email or facsimile transmission; and (iii) be effective on the date it is officially recorded as delivered. The address of each party to this Agreement for purposes of notice shall be as follows:

**BUYER:**  
**Pahlisch Homes, Inc.**  
Attn: Matt Nelson  
210 SW Wilson Ave. Suite 100  
Bend, OR 97702  
Email: mattn@pahlisch.com

**SELLER:**  
**City of Prineville**  
Attn: City Manager  
387 NE Third Street  
Prineville, OR 97754  
Email: sforrester@cityofprineville.com

Each party may change its address for notice by giving not less than fifteen (15) days prior notice of such change to the other party in the manner set forth above.

- 11.5 Waiver.** Failure of either party at any time to require performance of any provision of this Agreement shall not limit the party's right to enforce the provision. Waiver of any breach of any provision shall not be a waiver of any succeeding breach of the provision or a waiver of the provision itself or any other provision.
- 11.6. Mediation.** Buyer and Seller acknowledge that the use of mediation is the preferable method of resolving controversies and disputes. Seller and Buyer each agree that all claims, controversies and disputes, between either of them, which arise out of or are related to this Agreement or which relate to the interpretation of breach of this Agreement (hereinafter collectively referred to as "**Claims**") may first be submitted to a mutually acceptable private mediation provider. The cost and expense of the mediators shall be shared equally by Seller and Buyer. Failure to reach an accord through mediation shall not preclude the parties from pursuing their legal remedies thereafter. Both parties acknowledge that in the event of a dispute, time is of the essence. Submittal to a mediation provider and the mediation process shall take place within thirty (30) days of notification of the disputed issues should the parties elect to use mediation.
- 11.7. Arbitration.** Except as to actions, suits, or proceedings commenced or maintained by persons not parties hereto, any party may elect to have any Claim be determined by binding arbitration. The election shall be made by written notice. Unless the parties otherwise agree in writing, the arbitration shall be conducted in Deschutes County, Oregon before a single arbitrator and in accordance with the commercial arbitration rules of the Arbitration Service of Portland, Inc. If the parties are unable to agree on an arbitrator within fourteen (14) days of an election to arbitrate, the arbitrator shall be appointed in accordance with the procedures set forth in ORS 36.320. The arbitrator shall issue an award within thirty (30) days of conclusion of the hearing. The award of the arbitrator shall be final and binding. Judgment on any arbitration award may be entered in any court with jurisdiction.
- 11.8. Equitable Remedies.** Notwithstanding Sections 11.6 and 11.7, any party may apply to any court having jurisdiction for the issuance of any provisional process or other equitable remedy described in the Oregon Rules of Civil Procedure or corresponding federal remedies, including but not limited to specific performance, injunction, restraining order, attachment or appointment of receiver.
- 11.9. Attorneys' Fees.** In the event suit, arbitration, action or appeal is instituted to interpret or enforce the terms of this Agreement or to rescind this Agreement, the prevailing party will be entitled to recover reasonable attorneys' fees and costs.
- 11.10. Applicable Law; Venue.** This Agreement shall be construed, applied and enforced in accordance with the laws of the State of Oregon. All actions or suits by a party shall be

brought and maintained in Deschutes County, Oregon. Each party consents to personal jurisdiction in Oregon and waives any right to seek a change of venue.

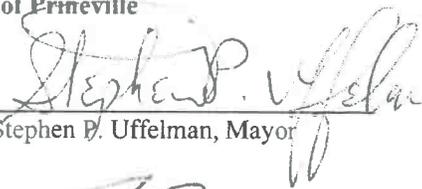
- 11.11. Integration; Changes in Writing.** This Agreement supersedes and replaces all written and oral agreements previously made or existing between the parties and states the entire agreement of the parties. This Agreement and any of its terms may only be changed, waived, discharged or terminated by a written instrument signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.
- 11.12. Counterparts; Electronic Signatures.** Buyer or Seller may execute this Agreement by electronic means or deliver executed signature pages to this Agreement by electronic means to the other party, and the electronic signature and/or copy will be deemed to be effective as an original. This Agreement may be executed in any number of counterparts, each of which will be deemed an original and all of which counterparts together will constitute one agreement with the same effect as if the parties had signed the same signature page.
- 11.13. Invalidity of Provisions.** In the event any provision of this Agreement, or any instrument to be delivered by a party at either Closing pursuant to this Agreement, is declared invalid or is unenforceable for any reason, such provision shall be deleted from such document and shall not invalidate any other provision contained in the document.
- 11.14. Saturday, Sunday and Legal Holidays.** If the time for performance of any of the terms, conditions and provisions of this Agreement shall fall on a Saturday, Sunday or legal holiday, then the time of such performance shall be extended to the next business day thereafter.
- 11.15. Waiver of Jury Trial.** Each party waives the right to trial by jury in connection with any dispute, claim or action arising from or in connection with this Agreement.
- 11.16. Statutory Disclosure.** THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER

ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11,  
CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855,  
OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS  
2010.

IN WITNESS WHEREOF, the parties have signed this Agreement below.

**SELLER:**

City of Prineville

By: 

Stephen P. Uffelman, Mayor

October 26, 2020

Date

By: 

Steve Forrester, City Manager

October 26, 2020

Date

**BUYER:**

Pahlisch Homes, Inc.

By: 

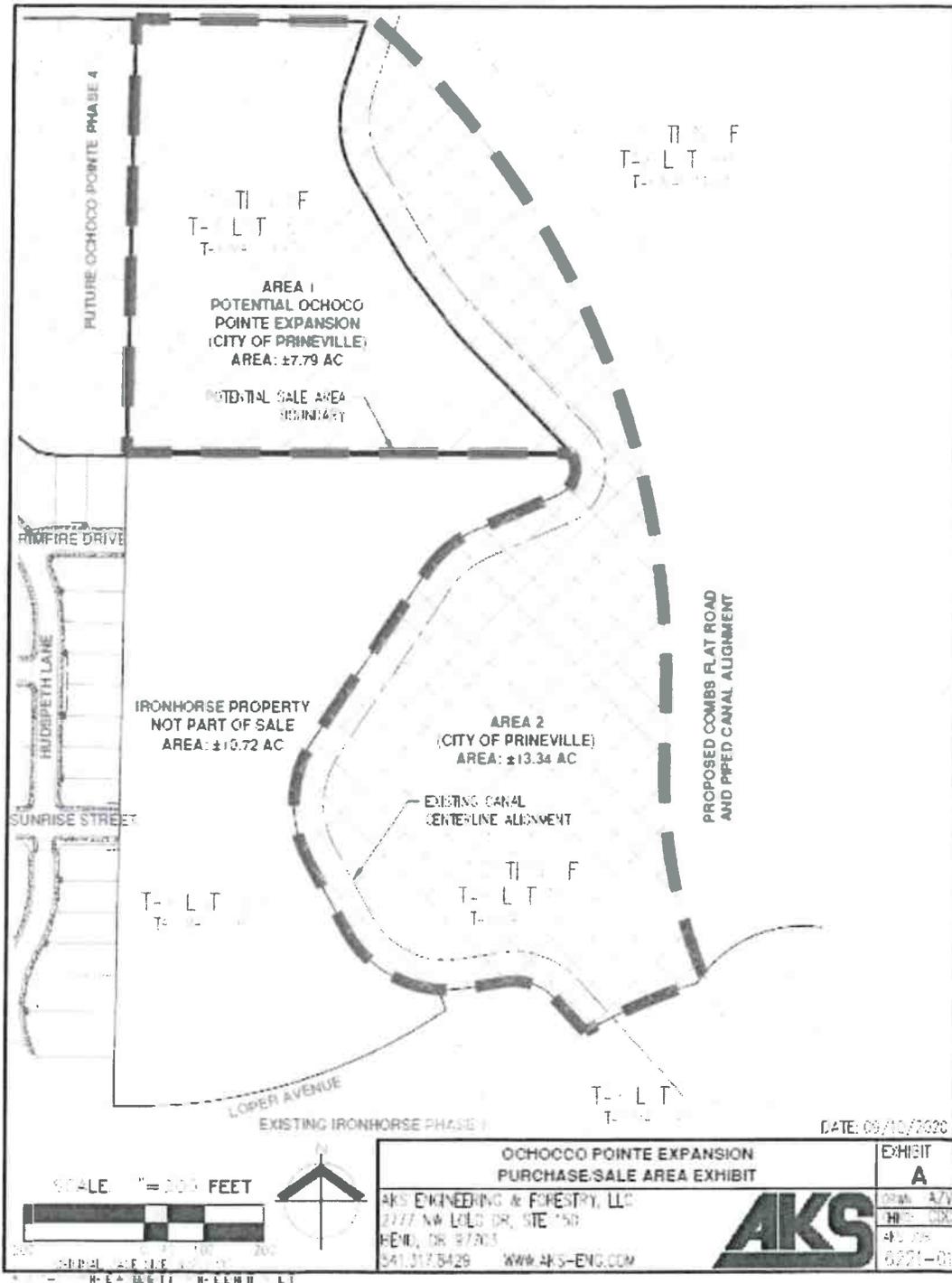
Matt Nelson, Chief Executive Officer

10/26/20

Date

EXHIBIT A

Map of the Property (attached) and Legal Description (to be added)



## FIRST AMENDMENT TO REAL PROPERTY PURCHASE AND SALE AGREEMENT

This First Amendment to Real Property Purchase and Sale Agreement (this "Amendment") is entered into effective February 26, 2021, by and between City of Prineville ("Seller") and Pahlisch Homes, Inc., an Oregon corporation or its assigns ("Buyer"). This Amendment modifies that certain Real Property Purchase and Sale Agreement, dated October 23, 2020, by and between Buyer and Seller, as amended (as amended, the "Purchase Agreement"). In consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendment. Section 3 of the Purchase Agreement is hereby deleted and replaced in its entirety to read as follows:

3. **Buyer's Contingency Period.** Buyer shall have until June 23, 2021 (the "**Contingency Period**") to satisfy itself concerning the suitability of the Property and the feasibility of developing the Property for Buyer's intended use. The Contingency Period may be extended in accordance with Section 3.2. Buyer shall have the right, at Buyer's sole expense, to perform reasonable tests, inspections and feasibility studies on the Property as Buyer may deem necessary, subject to Buyer's obligation to indemnify Seller pursuant to Section 3.2.

2. Continuation of Purchase Agreement; Conflicts; Defined Terms. Except as expressly modified hereby, the Purchase Agreement will remain in full force and effect. In the event of any conflict between this Amendment and the Purchase Agreement, the provisions of this Amendment will govern. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement.

3. Counterparts; Electronic Signatures. Buyer and Seller may execute this Amendment by electronic means or deliver executed signature pages to this Amendment by electronic means to the other party, and the electronic signature and/or copy will be deemed to be effective as an original. This Amendment may be executed in any number of counterparts, each of which will be deemed an original and all of which counterparts together will constitute one agreement with the same effect as if the parties had signed the same signature page.

*[signature page to follow]*

The parties hereto have caused this Amendment to be executed as of the date first written above.

**SELLER:**

**City of Prineville**

By:   
Stephen P. Uffelman, Mayor  
Rodney J. Beebe

By:   
Steve Forrester, City Manager

**BUYER:**

**Pahlisch Homes, Inc.**

By:   
Matt Nelson, Chief Executive Officer

**SECOND AMENDMENT TO  
REAL PROPERTY PURCHASE AND SALE AGREEMENT**

This Second Amendment to Real Property Purchase and Sale Agreement (this "Amendment") is entered into effective March 24, 2021, by and between City of Prineville ("Seller") and Pahlisch Homes, Inc., an Oregon corporation or its assigns ("Buyer"). This Amendment modifies that certain Real Property Purchase and Sale Agreement, dated October 23, 2020, by and between Buyer and Seller, as amended by that certain First Amendment to Real Property Purchase and Sale Agreement, dated February 26, 2021 (as amended, the "Purchase Agreement"). In consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendment.

a. Section 2 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

**2. Earnest Money Deposit.** Within five (5) business days following the date hereof, Buyer will open escrow with Western Title and Escrow (the "**Title Company**"), located at 360 SW Bond Street, Suite 100, Bend, OR 97702 c/o Diane Ingersoll- Thorp, and deliver a promissory note to the Title Company to hold in escrow for earnest money in the amount of Fifty Thousand Dollars (\$50,000.00) (the "**Promissory Note**"). Within five (5) business days of delivery of the Suitability Notice in accordance with Section 3.1 below, the Promissory Note shall be exchanged for \$50,000 cash deposited with the Title Company (the "**Earnest Money Deposit**"). The Earnest Money Deposit shall be applicable to the Purchase Price, \$25,000 at the 1st Closing and \$25,000 at the 2nd Closing. The parties hereto agree (i) to terminate all escrows related to this transaction established prior to the date hereof and (ii) that any promissory note made by Buyer prior to the date hereof related to this transaction is hereby terminated and cancelled and of no effect, and to cause such note to be returned to Buyer.

b. Section 4 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

**4. Preliminary Title Report.** Within ten (10) days after the date hereof, Seller, at its expense, shall furnish to Buyer a preliminary title report from the Title Company showing its willingness to issue title insurance on the Property in the amount of the Purchase Price, together with full copies of all exceptions shown in such report. Buyer shall have sixty (60) days after receipt of the preliminary title report and exceptions within which to notify Seller in writing of the title exceptions shown in the report which are unacceptable to Buyer. Exceptions not identified by Buyer as unacceptable will be deemed permitted exceptions ("**Permitted Exceptions**"). Seller

shall have fifteen (15) days after receipt of Buyer's notice to identify, in writing, which, if any, unacceptable exceptions that Seller will not remove by the time of the applicable Closing. Seller's failure to timely give such written notice shall be deemed Seller's agreement to remove the identified exceptions by the applicable Closing Date. Buyer shall have fifteen (15) days from the date of receipt of Seller's notice of refusal to give written notice that Buyer will accept the identified exceptions Seller refused to remove as Permitted Exceptions. Buyer's failure to timely give such written notice shall be deemed Buyer's termination of this Agreement, in which case this Agreement shall be of no further force and effect and the Promissory Note or Earnest Money Deposit, as applicable, shall be released to Buyer.

Notwithstanding anything to the contrary herein: (i) at or before Closing, Seller shall cause to be released all monetary liens; and (ii) standard exceptions that are part of the title insurance form will be Permitted Exceptions for purposes of this Section only (but not for purposes of the Deed).

If Buyer will require an ALTA extended title insurance policy, Buyer will notify Seller at least fifteen (15) days prior to the applicable Closing, and Buyer will pay the additional premium associated with such extended policy.

2. Continuation of Purchase Agreement; Conflicts; Defined Terms. Except as expressly modified hereby, the Purchase Agreement will remain in full force and effect. In the event of any conflict between this Amendment and the Purchase Agreement, the provisions of this Amendment will govern. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement.

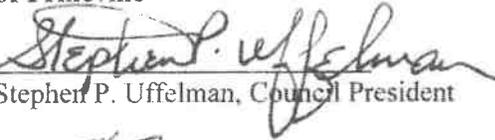
3. Counterparts; Electronic Signatures. Buyer and Seller may execute this Amendment by electronic means or deliver executed signature pages to this Amendment by electronic means to the other party, and the electronic signature and/or copy will be deemed to be effective as an original. This Amendment may be executed in any number of counterparts, each of which will be deemed an original and all of which counterparts together will constitute one agreement with the same effect as if the parties had signed the same signature page.

*[signature page to follow]*

The parties hereto have caused this Amendment to be executed as of the date first written above.

**SELLER:**

**City of Prineville**

By:   
Stephen P. Uffelman, Council President

By:   
Steve Forrester, City Manager

**BUYER:**

**Pahlisch Homes, Inc.**

By: \_\_\_\_\_  
Matt Nelson, Chief Executive Officer

### THIRD AMENDMENT TO REAL PROPERTY PURCHASE AND SALE AGREEMENT

This Third Amendment to Real Property Purchase and Sale Agreement (this "Amendment") is entered into effective May 17, 2021, by and between City of Prineville ("Seller") and Pahlisch Homes, Inc., an Oregon corporation or its assigns ("Buyer"). This Amendment modifies that certain Real Property Purchase and Sale Agreement, dated October 23, 2020, by and between Buyer and Seller, as amended by that certain First Amendment to Real Property Purchase and Sale Agreement, dated February 26, 2021, as amended by that certain Second Amendment to Real Property Purchase and Sale Agreement, dated March 24, 2021, (as amended, the "Purchase Agreement"). In consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendment. Section 3 of the Purchase Agreement is hereby deleted and replaced in its entirety to read as follows:

3. **Buyer's Contingency Period.** Buyer shall have until July 13, 2021 (the "**Contingency Period**") to satisfy itself concerning the suitability of the Property and the feasibility of developing the Property for Buyer's intended use. The Contingency Period may be extended in accordance with Section 3.2. Buyer shall have the right, at Buyer's sole expense, to perform reasonable tests, inspections and feasibility studies on the Property as Buyer may deem necessary, subject to Buyer's obligation to indemnify Seller pursuant to Section 3.2.

2. Continuation of Purchase Agreement; Conflicts; Defined Terms. Except as expressly modified hereby, the Purchase Agreement will remain in full force and effect. In the event of any conflict between this Amendment and the Purchase Agreement, the provisions of this Amendment will govern. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement.

3. Counterparts; Electronic Signatures. Buyer and Seller may execute this Amendment by electronic means or deliver executed signature pages to this Amendment by electronic means to the other party, and the electronic signature and/or copy will be deemed to be effective as an original. This Amendment may be executed in any number of counterparts, each of which will be deemed an original and all of which counterparts together will constitute one agreement with the same effect as if the parties had signed the same signature page.

*[signature page to follow]*

The parties hereto have caused this Amendment to be executed as of the date first written above.

**SELLER:**

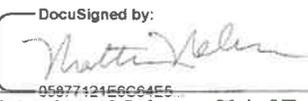
**City of Prineville**

By:   
Rodney Jason Beebe, Mayor

By:   
Steve Forrester, City Manager

**BUYER:**

**Pahlisch Homes, Inc.**

By:   
Matthew Nelson, Chief Executive Officer

**FOURTH AMENDMENT TO  
REAL PROPERTY PURCHASE AND SALE AGREEMENT**

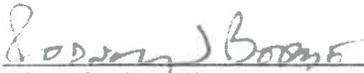
This Fourth Amendment to Real Property Purchase and Sale Agreement (“Amendment”) effective as of March 25, 2022, by and between City of Prineville, an Oregon municipal corporation (“Seller”) and Pahlisch Homes, Inc, an Oregon corporation or its assigns (“Buyer”). This Amendment modifies that certain Real Property Purchase and Sale Agreement, dated October 23, 2020, by and between Buyer and Seller, as amended by that certain First Amendment to Real Property Purchase and Sale Agreement, dated February 26, 2021, as amended by that certain Second Amendment to Real property Purchase and Sale Agreement, dated March 24, 2021, as amended by that certain Third Amendment to Real Property Purchase and Sale Agreement, dated May 17, 2021, (collectively “Purchase Agreement”). In consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiently of which are hereby acknowledged, Seller and Buyer agree as follows:

1. “Area 1” shall be defined as the property located on Exhibit A, which is attached hereto and inspired herein, which is Phase 5 of the Ochoco Pointe Subdivision.
2. Area 1 shall consist of twenty-five (25) buildable lots and therefore the Purchase Price for Area 1 shall be THREE-HUNDRED THIRTY-SEVEN THOUSAND AND 00/100 dollars (\$337,000.00).
3. Area 1 shall be conveyed to Buyer through a Boundary Line Adjustment Deed. Buyer shall be responsible for all costs and fees associated with the Boundary Line Adjustment and Seller shall cooperate with Buyer in Buyer’s Boundary Line Adjustment Application.
4. Except as expressly modified hereby, the Purchase Agreement will remain in full force and effect. In the event of any conflict between this Amendment and the Purchase Agreement, the provisions of this Amendment will govern. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement.
5. Buyer and Seller may execute this Amendment by electronic means or deliver executed signature pages to this Amendment by electronic means to the other party, and the electronic signature and/or copy will be deemed to be effective as an original. This Amendment may be executed in any number of counterparts, each of which will be deemed an original and all of which counterparts together will constitute one agreement with the same effect as if the parties had signed the same signature page.

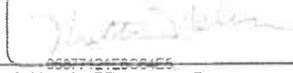
[Signature page to Follow]

Buyer and Seller have executed this Land Sale Contract, as evidence by their signatures below, as of the Effective Date.

**SELLER:**

  
\_\_\_\_\_  
City of Prineville  
By: Rodney J. Beebe  
Its Mayor

**BUYER:**

DocuSigned by:  
  
\_\_\_\_\_  
Pahlisch Homes, Inc.  
By: Matthew Nelson  
Its Chief Executive Officer

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