



Location: City Hall – Council Chambers
Date: December 13, 2022
Time: 6:00 PM

City Council Meeting Agenda

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

Call to Order

Flag Salute

Additions to Agenda

Consent Agenda

- [1.](#) Regular Meeting Brief 11-08-2022
- [2.](#) Re-Appointment of Planning Commissioners
3. Second Hand License Renewal - Terry's Jewelry

Visitors, Appearances and Requests

Council Presentations

4. Recognition Award for Elm Street Bridge - Scott Smith

Council Business

5. Consideration of Second Council Meeting December 27th - Steve Forrester
- [6.](#) Abstract of Votes - City General Election Results - Lisa Morgan

Staff Reports and Requests

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

Committee Reports

Ordinances

Resolutions

- [8.](#) Resolution No. 1542 - Authorizing Amendment 4 to IGA Between Crook County & City Regarding Airport - Jered Reid



- [9.](#) Resolution 1543 - Approval and Authorization of the Direct Award Contract for Pump and Motor Upgrades to Heliport and Airport 2 Wells **(PUBLIC HEARING)** - Casey Kaiser

- [10.](#) Resolution No. 1544 - Establishing a Policy for City of Prineville Land Acquisition - Jered Reid

Visitors, Appearances and Requests

11. Executive Session Pursuant to ORS 192.660(2) (i) & 192.660 (8) - Evaluate Performance of an Officer, Employee or Staff Member

Adjourn

Agenda items maybe added or removed as necessary after publication deadline



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

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

City Council Meeting Brief
November 8, 2022

Council Members Present:

Steve Uffelman
Patricia Jungmann
Gail Merritt
Ray Law
Jeff Papke
Janet Hutchison

Council Members Absent

Jason Beebe

Additions to the Agenda

None.

Steve Forrester, City Manager announced that Sgt. Robert Gray was in attendance on behalf of Chief Seymour.

Consent Agenda

1. Regular Meeting Brief 10-25-2022

Councilor Jungmann stated there was a correction because she made a motion on she believes Resolution No. 1530 and it was reported that Janet made that motion and wanted to know if it was corrected. The motion was corrected and circulated.

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

Visitors, Appearances and Requests

No one came forward.

Council Presentations

There were no Council Presentations.

Council Business

2. November 22nd Council Meeting Discussion

Mr. Forrester explained that there is nothing urgent for second meeting in November and typically try not to have a second meeting in November. If something urgent does arise, a second meeting can be scheduled then.

Councilor Merritt made a motion to cancel the second Council meeting on November 22nd. Motion seconded. No discussion on motion. All in favor, motion carried.

Staff Reports and Requests:

3. City Manager’s Report– Steve Forrester

Mr. Forrester presented the Manager’s Report.

Mr. Forrester reported that Caroline Ervin and himself had a meeting with Central Electric and BPA regarding building out substations to meet future power demands and there are 30,000 acres of solar applications and continue to see interest in solar. Very large batteries are available now for solar power which is a game changer.

Railroad traffic has slowed down. There are some feed cars coming in and de-icer going out. Meadow Lakes had another record breaking month in October. Continued through Airport activity, Planning Department, and the rest of the departments.

Mr. Forrester invited Council to participate in the Lighted Christmas Parade on November 26th by riding in the dignitary float and to please let him know.

There were discussions regarding the 320 unit apartment complex and if it will have any impact on the Y at the west end of town. Mr. Smith explained anything developed will have an impact, but will not be something that has a massive impact overnight. Though the Y was not looked at specifically to this development, they are always looking at ways to get traffic going different directions to keep it moving.

4. Quarterly Financial Report – Lori Hooper

Mr. Forrester talked about not being complacent and always being open to changes when needed. Lori Hooper, Finance Director took initiative to make some changes to the format in the report.

The presentation included highlights all city funds, general fund, SDC collection trend, transportation fund and a budget adjustment will be needed in this fund, the Railroad fund, Airport fund, and golf course.

Ms. Hooper went through the slide that outlines possible budget adjustments and reasons on the horizon.

Committee Reports

There were no reports.

Ordinances:

5. Ordinance No. 1280 – Adopting Changes to Prineville Code Chapters 51 & 53 (SECOND PRESENTATION) – Josh Smith

Mr. Smith explained that this is the second presentation and nothing has changed since the first presentation.

There were no questions.

Councilor Law made a motion to approve Ordinance No. 1280 for its second presentation. Motion seconded. No discussion on motion. All in favor, motion carried.

6. Ordinance No. 1281 – Adding Chapter 54 to Prineville City Code (SECOND PRESENTATION) – Josh Smith

Mr. Smith stated that there are no changes since the first presentation.

Councilor Merritt made a motion to approve Ordinance No. 1281 for its second presentation. Motion seconded. No discussion on motion. All in favor, motion carried.

Resolutions

7. Resolution No. 1541 – Approving A Revocable License for the Use of Real Property– Mike Kasberger

Mike Kasberger, Assistant City Engineer presented the staff report explaining this is needed to access the property for geotechnical boring in regards to a sewer line project.

Discussions continued regarding the difference between a revocable license and an easement. Once the geotechnical boring is completed it will expire and a permanent easement will eventually come through for the sewer line.

Councilor Law made a motion to approve Resolution No. 1541. Motion seconded. No discussion on motion. All in favor, motion carried.

Visitors, Appearances and Requests:

No one came forward.

Adjourn

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

Meeting adjourned at 6:42 P.M.

Motions and Outcomes:

Motion:	Outcome	Beebe	Hutchison	Jungmann	Law	Merritt	Papke	Uffelman
Consent Agenda	PASSED	-	Y	Y	Y	Y	Y	Y
Motion to cancel the second Council meeting on November 22 nd	PASSED	-	Y	Y	Y	Y	Y	Y
Ordinance No. 1280 – Adopting Changes to Prineville Code Chapters 51 & 53 (SECOND PRESENTATION)	PASSED	-	Y	Y	Y	Y	Y	Y
Ordinance No. 1281 – Adding Chapter 54 to Prineville City Code (SECOND PRESENTATION)	PASSED	-	Y	Y	Y	Y	Y	Y
Resolution No. 1541 – Approving A Revocable License for the Use of Real Property	PASSED	-	Y	Y	Y	Y	Y	Y
Adjourn Meeting	PASSED	-	Y	Y	Y	Y	Y	Y

Public Records Disclosure

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

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



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

DATE: December 13th, 2022

PURPOSE: Recommendation to Reappoint Planning Commissioners

BACKGROUND:

The term of two of our current Planning Commissioners, Jason York and Priscilla Smith will expire on December 31, 2022. Both Commissioners have expressed the desire to continue their service on the Commission. The remaining Planning Commissioners have no objections to recommending the re-appointments.

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

RECOMMENDATION:

The Planning Commission formally recommends the City Council reappoint Jason York and Priscilla Smith to four-year terms as Planning Commissioners, which would expire on December 31, 2026.



Marty Bailey, Planning Commission Chair



STAFF REPORT

MEETING DATE: 12/13/2022

PREPARED BY: Lisa Morgan

SECTION: Council Business

DEPARTMENT: Administration

CITY GOAL: N/A

SUBJECT: Abstract of Votes – City Election Results

REASON FOR CONSIDERATION: The city received the Crook County General Election Results for the city election on November 8, 2022.

BACKGROUND: There were three council positions and one mayor with terms ending December 31, 2022. There was one candidate for the mayor position and four candidates for the three councilor positions. The certified results were as follows:

Mayor Position: Rodney Jason Beebe with 3,341 votes at 96.31%
Council Positions:

Shane Howard with 2,380 votes at 27.48%
Scott Smith with 2,360 votes at 27.25%
Janet Hutchison with 2,259 votes at 26.08%
Patricia Jungmann with 1,521 votes at 17.56%

The top three highest votes will fill the three vacancies.

The Ceremonial Oaths of Office will take place at the January 13, 2023 Council Meeting.

FISCAL IMPACT: None

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

Statement of Votes Cast by Geography
 Crook County, Oregon, OR_Crook_2022GeneralElection, Nov 08, 2022
 All Precincts, All Districts, All Counter Groups, All ScanStations, All Contests, All Boxes
 Official FINAL Results
 Total Ballots Cast: 14163
 17 precincts reported out of 17 total

Choice	Votes	Vote %
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All Precincts

US Senator (Vote for 1)

14163 ballots (1 over voted ballots, 1 overvotes, 260 undervotes)

Jo Rae Perkins	9899	71.21%
Ron Wyden	3730	26.83%
Chris Henry	144	1.04%
Dan Pulju	110	0.79%
Write-in	19	0.14%
Total	13902	100.00%
Overvotes	1	
Undervotes	260	

US Representative, 2nd District (Vote for 1)

14163 ballots (0 over voted ballots, 0 overvotes, 450 undervotes)

Cliff S Bentz	10847	79.10%
Joe Yetter	2849	20.78%
Write-in	17	0.12%
Total	13713	100.00%
Overvotes	0	
Undervotes	450	

Governor (Vote for 1)

14158 ballots (0 over voted ballots, 0 overvotes, 93 undervotes)

Christine Drazan	10362	73.67%
Tina Kotek	2209	15.71%
Betsy Johnson	1361	9.68%
Donice Noelle Smith	68	0.48%
R Leon Noble	50	0.36%
Write-in	15	0.11%
Total	14065	100.00%
Overvotes	0	
Undervotes	93	

State Representative, 59th District (Vote for 1)

14158 ballots (1 over voted ballots, 1 overvotes, 383 undervotes)

Vikki Breese-Iverson	11020	80.01%
Lawrence Jones	2731	19.83%
Write-in	23	0.17%
Total	13774	100.00%
Overvotes	1	
Undervotes	383	

Commissioner of the Bureau of Labor and Industries (Vote for 1)

14158 ballots (1 over voted ballots, 1 overvotes, 3204 undervotes)

Cheri Helt	6935	63.32%
Christina E Stephenson	3902	35.62%
Write-in	116	1.06%
Total	10953	100.00%
Overvotes	1	
Undervotes	3204	

Judge of the Court of Appeals, Position 10 (Vote for 1)

14158 ballots (0 over voted ballots, 0 overvotes, 5566 undervotes)

Kristina Hellman	8376	97.49%
Write-in	216	2.51%
Total	8592	100.00%
Overvotes	0	
Undervotes	5566	

Statement of Votes Cast by Geography
 Crook County, Oregon, OR_Crook_2022GeneralElection, Nov 08, 2022
 All Precincts, All Districts, All Counter Groups, All ScanStations, All Contests, All Boxes
 Official FINAL Results
 Total Ballots Cast: 14163
 17 precincts reported out of 17 total

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Choice	Votes	Vote %
Judge of the Court of Appeals, Position 11 (Vote for 1)		
14158 ballots (0 over voted ballots, 0 overvotes, 5895 undervotes)		
Anna M Joyce	8071	97.68%
Write-in	192	2.32%
Total	8263	100.00%
Overvotes	0	
Undervotes	5895	

Judge of the Circuit Court, 22nd District, Position 2 (Vote for 1)		
14158 ballots (0 over voted ballots, 0 overvotes, 5600 undervotes)		
Wade L Whiting	8373	97.84%
Write-in	185	2.16%
Total	8558	100.00%
Overvotes	0	
Undervotes	5600	

Crook County Clerk (Vote for 1)		
14158 ballots (0 over voted ballots, 0 overvotes, 4730 undervotes)		
Cheryl Seely	9315	98.80%
Write-in	113	1.20%
Total	9428	100.00%
Overvotes	0	
Undervotes	4730	

Crook County Treasurer (Vote for 1)		
14158 ballots (0 over voted ballots, 0 overvotes, 3582 undervotes)		
Galan Carter	5924	56.01%
Monty Kurtz	4566	43.17%
Write-in	86	0.81%
Total	10576	100.00%
Overvotes	0	
Undervotes	3582	

Mayor (Vote for 1)		
4811 ballots (1 over voted ballots, 1 overvotes, 1341 undervotes)		
Jason Beebe	3341	96.31%
Write-in	128	3.69%
Total	3469	100.00%
Overvotes	1	
Undervotes	1341	

City Council Member (Vote for 3)		
4811 ballots (2 over voted ballots, 6 overvotes, 5766 undervotes)		
Shane Howard	2380	27.48%
Scott Smith	2360	27.25%
Janet Hutchison	2259	26.08%
Patricia Jungmann	1521	17.56%
Write-in	87	1.00%
Write-in	29	0.33%
Write-in	25	0.29%
Total	8661	100.00%
Overvotes	6	
Undervotes	5766	

Crook County Soil Water District, Director 3 (Vote for 1)		
14158 ballots (0 over voted ballots, 0 overvotes, 5569 undervotes)		
Marcus Rossi	8470	98.61%
Write-in	119	1.39%

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 All Precincts, All Districts, All Counter Groups, All ScanStations, All Contests, All Boxes
 Official FINAL Results
 Total Ballots Cast: 14163
 17 precincts reported out of 17 total

Choice	Votes	Vote %
Total	8589	100.00%
Overvotes	0	
Undervotes	5569	

Crook County Soil Water District, Director 2 (Vote for 1)
14158 ballots (0 over voted ballots, 0 overvotes, 5230 undervotes)

Zachary Flegel	8823	98.82%
Write-in	105	1.18%
Total	8928	100.00%
Overvotes	0	
Undervotes	5230	

Question 7-111 (Vote for 1)
14158 ballots (2 over voted ballots, 2 overvotes, 661 undervotes)

No	9602	71.15%
Yes	3893	28.85%
Total	13495	100.00%
Overvotes	2	
Undervotes	661	

Question 7-112 (Vote for 1)
14158 ballots (4 over voted ballots, 4 overvotes, 653 undervotes)

No	9756	72.26%
Yes	3745	27.74%
Total	13501	100.00%
Overvotes	4	
Undervotes	653	

Question 7-113 (Vote for 1)
14158 ballots (0 over voted ballots, 0 overvotes, 496 undervotes)

Yes	7450	54.53%
No	6212	45.47%
Total	13662	100.00%
Overvotes	0	
Undervotes	496	

Question 7-114 (Vote for 1)
14158 ballots (1 over voted ballots, 1 overvotes, 176 undervotes)

No	11249	80.46%
Yes	2732	19.54%
Total	13981	100.00%
Overvotes	1	
Undervotes	176	

Question 7-82 (Vote for 1)
14158 ballots (1 over voted ballots, 1 overvotes, 574 undervotes)

No	7382	54.35%
Yes	6201	45.65%
Total	13583	100.00%
Overvotes	1	
Undervotes	574	

Question 7-84 (Vote for 1)
14158 ballots (9 over voted ballots, 9 overvotes, 581 undervotes)

Yes	8847	65.20%
No	4721	34.80%

Statement of Votes Cast by Geography
Crook County, Oregon, OR_Crook_2022GeneralElection, Nov 08, 2022
All Precincts, All Districts, All Counter Groups, All ScanStations, All Contests, All Boxes
Official FINAL Results
Total Ballots Cast: 14163
17 precincts reported out of 17 total

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Choice	Votes	Vote %
Total	13568	100.00%
Overvotes	9	
Undervotes	581	


Question 7-83 (Vote for 1)

4811 ballots (2 over voted ballots, 2 overvotes, 239 undervotes)

Yes	2871	62.82%
No	1699	37.18%
Total	4570	100.00%
Overvotes	2	
Undervotes	239	

I, Cheryl W Seely, Crook County Clerk, do hereby certify that the votes recorded on this report correctly summarize the tally of votes cast at the November 2022 General Election.

Dated this 30th day of November, 2022.


Cheryl W Seely
Crook County Clerk



City Manager Update to Council

Council Meeting December 13, 2022

Public Safety / Dispatch

One of our new officers Hunter Trueax graduated from the academy last week and our new lateral officer Jacob Gentry from Toledo also started last week. Please welcome them to the team if you get a chance! Last Friday was the annual Shop with a Cop event, more details to follow. This week PD started their Random Acts of Kindness campaign.

Public Works

PW Update

- Working through an upgrade with IT to our SCADA system that we use to monitor and control pumps, reservoirs, and other aspects of our water and wastewater systems. The upgrade will bring us up to date with the most current software version
- Secured funding to replace sidewalks and upgrade streetscape along Main Street between 3rd and 4th Streets. This will further enhance that key area of our downtown near the newly installed downtown overhead “arch”. (The Prineville Downtown Association strongly supports this project)
- Received our new (used) 5 yard dump truck complete with plow and sanding unit.

Streets

- We finally (after 3 months) received our 1200 C permit from DEQ that will allow us to move forward with the next phase of our Barnes Butte Paved Loop Trail project. We will continue doing base and grading work as weather permits through the winter with plans to pave early spring.
- The update to our pavement condition assessment is in progress and we are anticipating having a final report in January.

WWTP

- Beginning work on a project replacing a section of the irrigation pipe out at our irrigated fields adjacent to the Wastewater Treatment Plant. As a reminder this irrigation is one of our methods for disposing of our treated effluent and a critical part of our wastewater treatment system.

Water

- Completed saw dusting (insulating) our meters for the winter.

- Placed Pat Goehring in charge of managing the in town water/sewer department (replacing Orrin) allowing us to continue operating as normal while minimizing our personnel expense.

Rail Road

Matt Wiederholt was successful in putting together a lease agreement with a company that is targeting Prineville for its hub for operations which would give the railroad another anchor tenant. Movement of forest products has slowed significantly.

Meadow Lakes Golf

Golfing is slowing down as expected with the winter months upon us. Holiday sales are going good with gift certificate sales and merchandise, though we expect it might be better with golfing traffic. Ron's Comfort Food had a large Christmas banquet week before last, with two more scheduled with over 200 guests each.

Airport

Airport traffic has slowed with colder weather also. This has led to a decline in fuel sales. Interest in development at the airport continues which could lead to more fixed base operator activity, and building of more hangars.

Planning

Planning continues to see steady trickle of building activity. Single family homes development has slowed, but all other areas of development continue. You may have noticed that the old Pizza Building by Ray's is being renovated for its new tenant Arby's.

Human Resources –

Human Resources continues to remain busy with recruitment for various positions across police, dispatch, public works and IT.

Information Technology

IT continues upgrading the SCADA system to newer equipment which is a large project. The SCADA system controls the telemetry at various public works facility locations that monitors real time conditions of the city's infrastructure.

Finance

Finance is near the end of the annual audit exercise. Year-end estimate worksheets will be going out soon along with the upcoming budget cycle calendar for the next biennial budget process. The city is still seeking applications to serve on the Budget Committee.

City Recorder/Risk Management – No Update

City Legal – No Update

EDCO

There are a couple of serious manufacturing business inquiries for developing in Prineville.

Public Relations

The city has experienced some positive coverage on partnering with other community members for the ADA accessible wagons, there was a nice article in the Bulletin on Laser, a company located at Prineville/Crook County Airport. The Redmond Spokesman featured a good article on the Redmond Wetlands project which mentioned being positively influenced by the Crooked River Wetland facility.

Mayor/Council

This is a good time to express our sincere appreciation to our outgoing Council members, Jeff Papke and Patricia Jungmann. We have accomplished many amazing things together for the betterment of our community. Thank you for all the time you have volunteered to the city, community partners and regional partners.

Other – No Update

**RESOLUTION NO. 1542
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION AUTHORIZING THE CITY OF PRINEVILLE TO APPROVE
AMENDMENT 4 TO INTERGOVERNMENTAL AGREEMENT BETWEEN CROOK
COUNTY AD THE CITY OF PRINEVILLE FOR MANAGEMENT OF CROOK
COUNTY/PRINEVILLE AIRPORT**

Whereas, City of Prineville (“City”) and Crook County (“County”) executed an Intergovernmental Agreement effective September 23, 2011 (“Agreement”), for City to provide services with respect to the management of the Crook County/Prineville Airport (“Airport”); and

Whereas, the Agreement has been modified and extended pursuant to Intergovernmental Agreement Extension with Respect to Management of the Crook County/Prineville Airport and Amendment 2 to Intergovernmental Agreement for Management of the Crook County/Prineville Airport; and Amendment 3 to Intergovernmental Agreement for Management of the Crook County/Prineville Airport; and

Whereas, the City and County are negotiating a new Intergovernmental Agreement and require an extension to the Agreement;

Whereas, County has prepared an Amendment to Intergovernmental Agreement (“Amendment”) for City’s consideration; and

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

Now, Therefore, the City of Prineville resolves that the Amendment 4 to Intergovernmental Agreement Between Crook County and the City of Prineville attached to this Resolution between the City and County is hereby approved and that the Mayor and the City Manager are authorized and instructed to sign such Agreement on behalf of the City.

Approved by the City Council this ____ day of December, 2022.

Rodney J. Beebe, Mayor

ATTEST:

Lisa Morgan, City Recorder

**AMENDMENT 4 TO
INTERGOVERNMENTAL AGREEMENT BETWEEN
CROOK COUNTY AND THE CITY OF PRINEVILLE**

This Amendment 4 to Intergovernmental Agreement between Crook County and the City of Prineville (“Amendment 4”) is made and entered into the date last signed below and effective January 1, 2023, by and between the City of Prineville, a municipal corporation in the State of Oregon, hereinafter referred to as “City,” and Crook County, a political subdivision of the State of Oregon, hereinafter referred to as “County.”

WITNESSETH

WHEREAS, the parties hereto executed Intergovernmental Agreement between Crook County and the City of Prineville effective September 23, 2011 (“Agreement”), for City to provide services with respect to management of the Crook County/Prineville Airport; and

WHEREAS, the Agreement has been modified and extended pursuant to Intergovernmental Agreement Extension with Respect to Management of the Crook County/Prineville Airport; Amendment 2 to Intergovernmental Agreement for Management of the Crook County/Prineville Airport; and Amendment 3 to Intergovernmental Agreement for Management of the Crook County/Prineville Airport; and

WHEREAS, the Agreement, as modified, terminates on December 31, 2022; and

WHEREAS, the parties hereto desire to extend the term of the Agreement.

AMENDMENT TERMS

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

1. Extended Term.

The term of the Agreement shall be extended through June 30, 2023, unless sooner terminated in accordance with Section 2 of the Agreement.

2. Reaffirmation of Intergovernmental Agreement.

Except as modified by this Amendment 4, all terms and conditions of the Agreement and any prior amendments are reaffirmed and remain unmodified and in full force and effect.

3. Counterparts.

This Amendment 4 may be executed in one or more counterparts, including electronically transmitted counterparts, which when taken together, shall constitute one in the same original. Facsimiles and electronic transmittals of signed documents shall be binding as though they were an original as such signed document.

The parties have executed this Amendment 4 as of the dates below, effective January 1, 2023, and agree that this Amendment 4 shall be attached to the Agreement.

CROOK COUNTY COURT

CITY OF PRINEVILLE

Seth Crawford, County Judge

Jason Beebe, Mayor

Jerry Brummer, County Commissioner

Date

Brian Barney, County Commissioner

Steve Forrester, City Manager

Date

Date



STAFF REPORT

MEETING DATE:	12/13/2022	PREPARED BY:	Casey Kaiser
SECTION:	Resolutions	DEPARTMENT:	Public Works
CITY GOAL(S):	Position the City for the Future, Provide Quality Municipal Services		
SUBJECT:	Resolution 1543 - Approval and authorization of the direct award contract for pump and motor upgrades to Heliport and Airport 2 wells		

REASON FOR CONSIDERATION: To add needed additional production capacity to both the Airport 2 and Heliport wells. The combination of improvements to both wells is anticipated to add approximately 1300 GPM additional production capacity to the City water system. This additional capacity is needed to serve existing and future demands as well as provide increased resiliency to the system.

BACKGROUND: Growth in the City has necessitated continued expansion of the city water system. Serving that growth includes expanding the water transmission system and developing additional source water. Increasing source water is typically accomplished by constructing additional wells. A new production well with associated pump, motor, and control systems that produces 1300 GPM is estimated to cost 2 – 3 million dollars at today's pricing. The proposed improvement project will add 1300 GPM of production to (2) existing wells for approximately \$575,000 making it an extremely cost effective way to expand the capacity of our water system.

We are able to provide the upgrades at a greatly reduced price by utilizing the existing motor on the Heliport well in the upgrade of the Airport 2 well. We will thusly be able to significantly upgrade the capacity of both wells with the purchase of only one new motor.

The proposed direct award contract will include the installation of the pumps, motors, electrical systems, and control systems.

FISCAL IMPACT: \$575,000 from the 1.5 million Congressionally Directed Spending funds awarded to the City.

RECOMMENDATION: Staff recommends approving resolution 1543 exempting the replacement and installation of city wells from competitive bidding and authorizing city officials to sign a contract with Sky's the Limit for the 4 of US, Inc. dba Abbas Well Drilling for the replacement and installation for city wells.

RELATED DOCUMENT(S): Resolution 1543, COP Abbas Findings

RESOLUTION NO. 1543

A RESOLUTION EXEMPTING FROM COMPETITION A CONTRACT FOR THE REPLACEMENT AND INSTALLATION OF CITY WELLS

RECITALS:

A. City of Prineville Resolution No. 1266 authorizes the City Council acting as the Contract Review Board for the City to exempt from competition the award of a specific contract or class of contracts based upon a record before the Council making specific findings regarding exempting the Contract from competitive bidding.

B. A public notice was published in the November 28, 2022 edition of the Daily Journal of Commerce setting the December 13, 2022 Prineville City Council meeting as the time and place to comment on the City’s draft findings for exempting a contract from competition for a contract for the replacement and installation of City Wells and directly contracting with Sky’s the Limit for the 4 of US, Inc., dba Abbas Well Drilling (“Abbas”) for such project.

C. A public notice was published in the December 6, 2022 edition of the Central Oregonian setting the December 13, 2022 Prineville City Council meeting as the time and place to comment on the City’s draft findings for exempting a contract from competition for a contract for the replacement and installation of City Wells and directly contracting with Sky’s the Limit for the 4 of US, Inc., dba Abbas Well Drilling (“Abbas”) for such project.

D. A public hearing was held December 13, 2022, at the Prineville City Council meeting to allow an opportunity for any interested person to appear and present comment.

E. Pursuant to City Resolution No. 1266, the City Council makes the following findings as their basis for exemption from City’s competitive bidding requirements the award of a contract for the replacement and installation of City Wells:

1. The nature of the contract for which the exemption is requested:

- Public Improvement Contract.

2. The estimated contract price is \$575,000.00.

3. Findings to support the substantial costs savings, enhancement in quality or performance, or other public benefit anticipated by the exemption from competitive solicitation:

- The quality of Abbas’s previous work product has been excellent. They have completed their work in a timely manner and at a reasonable cost to the City.
- Abbas is in good standing with regulatory agencies which should make it easier to complete the project without delays.
- Abbas was selected by the City pursuant to a Request for Proposals issued July 12, 2022 for the routine well and booster pump maintenance and repair services.

- The City Engineer has estimated it would take approximately two months to prepare the scope of work and other documents necessary to issue an invitation to bid, allow other contractors to prepare their bid, and to select the lowest bidder.
- Additional costs to the City for preparing the documents to issue an invitation of bid would be eliminated.

4. Findings to support the reason that approval of the request would be unlikely to encourage favoritism or diminish competition for the public contract or would otherwise substantially promote the public interest in a manner that could not practically be realized by complying with the solicitation requirements that would otherwise be applicable:

- In addition to findings in Section 3 above, Abbas was previously selected for well and booster pump maintenance and repair services; however, that agreement is for annual services in the amount not to exceed \$150,000.00.

5. A description of the proposed alternative contracting methods to be employed:

- Directly contracting with Abbas for the replacement and installation of City Wells.

6. The estimated date by which it would be necessary to let the contract is December 31, 2022.

NOW, THEREFORE, based on the above Recitals and findings of fact, the Prineville City Council, sitting as the Contract Review Board for the City of Prineville, hereby resolves as follows:

1. The contract for the replacement and installation of City Wells is hereby exempt from competitive bidding.

2. Appropriate City officials are authorized to sign the contract with Sky's the Limit for the 4 of US, Inc., dba Abbas Well Drilling for the replacement and installation of City Wells.

Passed by the City Council this ____ day of December, 2022.

Rodney J. Beebe, Mayor

ATTEST:

Lisa Morgan, City Recorder

**RESOLUTION NO. 1544
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION ESTABLISHING A POLICY FOR CITY OF PRINEVILLE LAND
ACQUISITION**

Whereas, the City Council wishes to establish policies and procedures for when the City of Prineville (“City”) conducts land acquisition.

Whereas, the City Council recognizes the importance to establish a policy that encourages uniformity, fairness to property owners, and to the City.

Whereas, City legal has created the attached City of Prineville Land Acquisition Policy Statement.

Now, Therefore, the City of Prineville Resolves as follows:

1. The attached City of Prineville Land Acquisition Policy Statement is hereby approved and adopted as the official policy of the City.

Approved by the City Council this ____ day of December, 2022.

Rodney J. Beebe, Mayor

ATTEST:

Lisa Morgan, City Recorder

CITY OF PRINEVILLE LAND ACQUISITION POLICY STATEMENT

I. Administrative Organization for Land Acquisition Operations

A. All land acquisition functions, including negotiations and closings, will be performed by the City of Prineville (“City”), or its agents. The conduction of condemnations will be performed by the Legal Counsel for the City. The staff is experienced and capable in the conduct of acquisition programs.

B. The City approved land acquisition policies and procedures within the limits prescribed by the statutes of the State of Oregon. Each individual property purchase, and the disbursement of payment, therefore, is approved by the Mayor and City Manager. Condemnation proceedings are instituted by City Attorney staff only after all efforts to reach a negotiated settlement have failed. Legal services will be performed by the Legal Counsel for the City.

II. Policies

A. Real Estate appraisals and reviews are made by staff or selected fee appraisers. Second real estate appraisals and reviews, if required, may also be by fee appraisers. The City’s Realtor of Record may also provide an opinion regarding the fair market value and said opinion may be used in lieu of an appraisal.

The following are policies for Real Property Acquisition:

1. Every reasonable effort will be made to expeditiously acquire real property by negotiation.
2. Before initiation of negotiations for real property, the City’s Realtor of Record will establish an amount considered to be just compensation and the City shall make prompt effort to acquire the property for that amount. In the event of an appraisal prior to the initiation of negotiations, the owner, or the owner’s representative, will be given the opportunity to accompany the appraisers on their inspection tour of the property. Any owner may request the City to provide a formal appraisal rather than the City’s Realtor of Record’s opinion if the purchase exceeds \$25,000.00.
3. In establishing a purchase price, the City’s Agent is authorized and directed as follows:
 - a. The established amount shall not be less than the approved appraisal of fair market value for the property.
 - b. Any decrease or increase in the fair market value of the property, prior to the date of valuation, caused by public improvement; by physical deterioration within reasonable control of the owner, has been disregarded by the City and by the Appraisers in making the determination of fair market value.

c. The City's negotiator shall provide the owner with a written statement summarizing the basis for the amount established as just compensation. Where appropriate, compensation for property acquired and for damages to any remaining real property shall be separately stated.

d. The City's negotiator may establish an amount that exceeds the value of approved appraisal of fair market value for the property in the event the City negotiator believes that the value of the property to the City in particular, exceeds the value of the fair market value, and the City negotiator has obtained approval from the Prineville City Council.

4. The following policies shall apply in any Property Acquisition:

a. No owner shall be required to surrender possession until the City pays the agreed purchase price, or deposits with a Court of competent jurisdiction the amount of award determined by the Condemnation Appraisers.

b. Improvements will be scheduled so the owner or tenants shall receive a minimum 90 days written notice before having to move. Every effort will be made by the City to provide such notice as is required without undue hardship to the owner or tenant. (This is applicable to total acquisition of property).

c. If Owner or tenant is permitted to rent property, the amount of rent shall not exceed fair rental value of subject property.

d. The City shall not take any action coercive in nature to compel an agreement on price for property.

e. If acquisition must be by eminent domain, the City shall institute formal condemnation proceedings. The City shall not intentionally make it necessary for the owner to institute legal proceedings to provide fact of taking of the real property.

f. If the owner feels the City's offer does not represent the true value of the property, the owner may refuse to accept it. The owner should then provide evidence concerning value, or damage, that warrants a change in the City's determination of just compensation. Should the City determine the additional information is valid, the price will be adjusted accordingly.

g. If as a result of the real estate acquisition there is a portion of property which is considered by the City to be an uneconomic remnant, the property owner has the right to request an offer from the City to acquire the remnant.

B. An Owner will be reimbursed for the following expenses incidental to conveyance of real property:

1. Recording fee, transfer taxes, and similar expenses.

2. Penalty costs for repayment of any pre-existing recorded mortgage encumbering real property, provided the mortgage was entered into in good faith.
 3. Pro-rate portion of real property taxes paid which are allocable to a period subsequent to date of vesting title, or effective date of possession, whichever is earlier.
 4. The cost of abstract continuation and/or evidence of assurance of title.
 5. Litigation expenses such as legal, appraisal, engineering fees, etc., when:
 - a. Court determines that condemnation was unauthorized.
 - b. City abandons a condemnation.
 - c. Property owner brings inverse condemnation action and obtains award of compensation.
- C. If a separate fixture appraisal is obtained it shall contain the following immovable fixtures and personal property:
1. Determination of division of appraisal coverage, enumerating and classifying improvements in-place.
 2. Appraisal of improvable fixtures, correlating their findings with any real estate appraisals.
- D. All appraisal contracts shall provide terms and conditions and fix the compensation for expert witnesses. These services will be utilized by the City to the extent necessary.
- E. Both real estate acquisition appraisals and immovable fixture appraisals will be reviewed by City staff. All appraisals will be reasonably free of error and conferences with appraisers will ascertain that methods of approach and documentation are compatible, with no elements of value being omitted from consideration. City staff or relocation agents will conduct relocation interviews to verify ownership of certain fixtures and personal property claimed. Said claims will then be checked against existing leases and through interviews with fee owners.
- F. Preparation for acquisition includes:
1. Preliminary title information supplied by local title companies; contents reviewed and entered in individual parcel files.
 2. Individual parcel files prepared; chronological activity indexed, and all pertinent historical information entered.
 3. Basic forms of Real Estate Agreement (real estate, personal property and fixtures) reflecting policy for negotiations to acquire all classifications of property.

4. Closing methods and policy determined.
 5. Policy for possession, property management, salvage and demolition, timetable of activities prepared.
 6. Closing statement form prepared, together with such internal administration forms, for notice to various units of inspection, accounting, property management, finance and legal counsel, as may be required.
 7. Information letters prepared for distribution to all owners and tenants.
 8. Deed forms for conveyance of real estate, bill of sale forms for personal property, and condemnation forms for eminent domain procedure prepared.
- G. The “single offer” system for acquisition will be utilized in all negotiations. The City will establish fair market value and be prepared to justify and substantiate the determination in the event it is challenged. Staff will present and explain forms, terms and conditions of purchase in personal interviews with each property owner and tenants. The date of this interview will establish the beginning of negotiations which regulates many relocation payments.

For the purpose of all negotiated transactions, the City will require conveyance of real estate by Warranty Deed or deed instrument sufficient to place marketable title in the City of Prineville. Standard forms of such instruments conforming to Oregon Law are on hand and will be used in every case. After each Owner executes a Real Estate Agreement, City staff will order a title policy for review and City staff or Legal Counsel for the City will render an opinion of the condition of said title, and upon determination that said title appears merchantable, will assist with the closing process. Title to all property will be vested in the City of Prineville on the date of closing, which will also be the date of payment of the purchase price and the date of conveyance instruments. The City of Prineville shall have the right to possession within 90 days of closing date, (or 90 days from date of written notice if later than closing date), or as provided in the Real Estate Agreement. A statement by a responsible City Official, resulting from an inspection of the property acquired, will be contained in each acquisition file. This statement will precede payment and closing and must determine that all property purchased is present and in place in substantially the condition as of the date appraised.

H. Immovable items attached to the Real Property that would incur substantial economic damage if removed, will be negotiated for and acquired at the appraised value-in-place for continued use in the present location. A "Single Offer" at the maximum price will be offered the owner of such property, but if the owner elects to move any such appraised item it will be relocated rather than acquired and the appraised amount deducted. Until the business to be displaced has definitely located a relocation site, it is almost impossible to determine whether certain process fixtures can be relocated or should be acquired by the City of Prineville. When such fixtures have been acquired, paid for, and a bill of sale conveyed, and the seller then finds it would have been desirable to have relocated them, it shall be the City's policy to reconvey such items to the original owner in return for the exact amount of value-in-place price paid for them, and then pay for their relocation. Under no circumstances will fixtures sold back to the original owner by the City be at salvage value, or any amount less than that paid for them. Generally, the

terms and conditions of existing leases and pre-acquisition conferences with owners and tenants by all appraisers and City Staff will have clarified ownership.

Process utilities that are service entrances and concealed utilities are ineligible for compensation as relocation expense and will be treated as immovable fixtures. The utilities listed by the fixture appraiser as “Eligible for Relocation” formerly would have been compensated in relocation for those items. Therefore, process utilities are appraised even though eligible for relocation compensation. However, the claimant may still enter a claim for payment for replacement of those eligible utilities at the new location providing the appraised value-in-place of the claimed utilities is deducted from the claim.

Immovable fixtures and process utilities not appraised will be handled through the direct loss of property process. It is expected that claims for severance damages caused by partial taking will be minimal.

All fixtures and improvements appraised and acquired become the property of the City of Prineville as clarified in the Real Estate Agreement and may not be removed by any other than authorized personnel or the demolition contractor.

Upon thoroughly exhausting every avenue of negotiation available, the City of Prineville will direct their Legal Counsel to prepare for the appropriation of all property to be acquired through eminent domain proceedings. Such petitions will be drafted by the Legal Counsel clearly defining the property to be acquired and the ownership thereof, land, improvements, immovable and movable property (if any) located therein, with such particularity that the petitions and the resulting action of the condemnation appraisers, or district court appeals, will clearly establish such ownership and rights to compensation. Owner-Occupants of dwelling units that may be eligible for the Replacement Housing Payment will be made aware that the award received through eminent domain proceedings (excluding interest thereon, or consequential damages), determined by the condemnation appraisers, or by Circuit Court will become the basis for any Replacement Housing Payment to be claimed. Immediately preceding preparation of petitions, preliminary title information will be updated. Fee appraisals and fixture appraisals will be reviewed.

To the extent necessary, a reinspection of each property to be condemned will be conducted by the appraisers to determine that the property, on the date of taking, is in substantially the same condition as it was on the date of their original appraisal and that their opinions of value, therefore, hold true as of the date of taking. Each appraiser's testimony may then be presented to the condemnation appraisers and, in case an appeal is filed, to the Circuit Court.

The City will not require any owner to surrender the right to possession of their property until the City pays or causes to be paid, to the Crook County Circuit Court the amount due each interest acquired for the taking thereof as determined by the condemnation. Immediately following the determination of the amount of the condemnation award for the property, or each separate interest therein taken, the City will direct that payment to be made in an amount equal to the City's offer by the issuance of warrants drawn in favor of those entitled thereto to the Circuit Court of Crook County, Oregon, for payment of the condemnation appraiser's fees connected with the taking. Upon approval of the City's Legal Counsel, such warrants shall be deposited with the Circuit Court and will represent full compensation for the property taken, subject to appeal. In any event, title to the

property rests with the City of Prineville as of the date of payment of the condemnation award, as does the right to possession there within 90 days of said date, provided compensation due has been paid as prescribed and property notice given.

Oregon statutes provide a 30-day period from the award of condemnation during which an appeal can be filed by either party. Acceptance of the award deposited with the Circuit Court extinguishes the right of appeal as to that particular party. In the event an award is not claimed and no appeal is filed during the statutory period, the right to appeal is barred and Legal Counsel shall immediately cause the condemnation papers to be recorded in the records and transfer books of Crook County, Oregon.

In case an appeal is filed, the City, with or without the consent of condemnee, may petition the Court of Appeals to order payment immediately of the award appealed from, thereby reducing interest costs on the award while the case is being prepared and subjected to trial.

Although title and right to possession is vested in the City as of the date of payment of the condemnation award, no lawful occupant of property taken will be required to surrender possession without at least 90 days written notice (a separate notice in addition to the notice of condemnation) from the City stating the date on which possession will be required. City staff will notify owner-occupants and tenants of the terms and conditions for temporary rental of condemned property.

All condemnation awards appealed will be defended by the City of Prineville's Legal Counsel utilizing the services of contract appraisers as expert witnesses for the City. Compensation for witness services is provided for in existing appraisal contracts or by separate agreement. After condemnation suits, awards, and appeals therefrom have been filed, agreements as to value may be entered into by stipulation. Appeal cases will be diligently prosecuted to bring the case to trial and judgment in the shortest time possible and necessary for the preparation of an adequate defense. In this manner, and with the court directed partial payments of awards outlined previously, interest and court costs will be held to a minimum level.

In most instances, the sale of privately-owned property to the City of Prineville for public purposes is considered "involuntary conversion" by the Internal Revenue Service, and the owner may not have to pay capital gains tax on any profit from the sale of the property to the City of Prineville, if the money is reinvested in similar property within two years. Internal Revenue Service Publication 549, entitled "Condemnations of Private Property for Public Use", is available from the IRS. It explains how the federal income tax applies to gains or losses resulting from the condemnation of property, or its sale under the threat of condemnation, for public purposes. IRS Publication 17, "Your Federal Income Tax," available from the IRS contains similar guidance. The owner is advised to discuss particular circumstances with his or her personal tax advisor or local IRS office. State income tax considerations should also be discussed as appropriate.