

CITY OF PRINEVILLE

MINUTES

February 12, 2008

The meeting of the Prineville City Council was called to order on February 12, 2008 at 6:30 PM in the Council Chambers at City Hall by Mayor Wendel. Present were Council Members Dean Noyes, Betty Roppe, Jack Seley, Steve Ilk, Gordon Gillespie, Steve Uffelman and City Manager Robb Corbett.

Present representing the press media were Don Wood of Hometown Radio, Kevin Gaboury of the Central Oregonian and Erin Golden of the Bulletin.

The meeting was opened with the flag salute.

PROCLAMATION: Mayor Wendel read proclamations recognizing the Girl's Volleyball State Championship and State 5A Championship Cross Country. He presented copies of the proclamations to each participant as well as the coaches.

PUBLIC SAFETY OFFICER PROMOTION: Police Chief Eric Bush announced that Joann Bauer was being promoted to Sergeant. Chief Bush administered the Oath of Office and pinned Sgt. Joann Bauer.

CONSENT AGENDA:

- A. Minutes of January 22, 2008 regular meeting.
- B. Request to dispose of found or unclaimed property.

Council Member Roppe moved to approve the consent agenda. Council Member Uffelman seconded and the motion passed unanimously.

VISITORS, APPEARANCES AND REQUESTS:

Mike Warren from Crook County Properties and the City's Real Estate Agent of Record read a proposal that was provided to the Council via their mailboxes at City Hall. He stated his hope is that the City Council would give a conceptual approval to this idea and then sit down and hammer out the details, so it can be beneficial and workable for everyone. He has very strong feelings about this proposal and feels this kind of stimulus package would encourage development and create jobs in the community.

The proposal presented was:

- A) \$10,000 rebate on the system development charges
- B) Paid on final inspection
- C) Final inspection must be completed prior to December 31, 2008
- D) Only two rebates per builder
- E) 1 to 4 residential construction only
- F) Limit the amount of rebates initially to 15. If the program is successful add as necessary. This will be a good marketing strategy and possibly create a demand

Mike Warren requested the Council to give this proposal consideration and perhaps have a committee research this further.

Council Member Gillespie asked if the SDC fees are causing the builders not to build?

Mike Warren stated the previous slumps were due to high unemployment and high interest rates, but that is not so now. He really does not know why the housing slump. He is in hopes his suggestion would kick-start some building.

It was stated the approximate SDC fees per house are presently \$15,400.

Council Member Seley asked if the City's SDC fund can take that kind of discount and still be able to keep up with the infrastructure?

City Manager Robb Corbett stated he would like to have some time to review the affects further.

Council Member Uffelman stated he likes the idea, but is hesitant on the funding.

Council Member Roppe stated she is in favor, but wants to do more work on what affects it will have on the City, but feels it is a good concept.

Council Member Seley stated he also feels we need to do more research before making a decision.

Council Member Noyes stated he feels the same as Council Member Roppe.

Council Member Uffelman stated he likes the idea, but he is not sure that the finances of the SDCs can tolerate the proposal. We put the SDC prices where they are because we need the resources because of our expenses. Yes, he understands that the builders are hurting also, but the reality is that we have some pretty hefty bills that we are facing as well.

Mike Warren stated he realizes that too, but what he was hoping you would say, "can we afford to pay the \$15,000", if we don't have anyone build here, the funds are not coming in any how. He was hoping that would induce those builders to come to Prineville that might not otherwise come. He understands what the Council is up against. If it can be worked out, you can count on him to help out in any way he can.

Council Member Gillespie asked Mike Warren if he has discussed this with City Manager Robb Corbett?

Mike Warren stated he did talk to Mr. Corbett just briefly. He thought that it was a good idea that he present this to the Council to consider.

Council Member Seley stated he feels we ought to study the whole thing and have staff give the Council a report.

Don Wood of 395 NE Elm Street gave his comments regarding the SDCs. He was on the original committee that studied this concept. At that time, if he remembers correctly, they were

right around 5% of the construction costs. He was just looking through the construction SDC's on the appeal that is scheduled for tonight and he was shocked to find out that we are now at 20% of construction costs for the SDCs. He was still thinking we were down around 10%. He would like the Council to seriously consider whether or not based on the show down, if there is a way of bringing these SDC fees down. You are adding \$20,000-\$15,000 to the price of a house and any construction that is occurring, that all has to be paid up front and that is carried through construction and interest is paid on that during the whole construction process. That is a serious cost to the builder. He would suggest the Council go back and really study where we are going with this.

Mayor Wendel stated he would be interested in forming a committee to review the SDCs and what will work for the City in hopes of eliminating the SDC appeals. He would like to take suggestions from citizens and builders and what would work for them. He would like to set up a group with staff, Council and open it up to the public and try and go over this SDC thing one more time and see if there are any changes that we can make to it and also do a little bit more education for everyone involved.

The Council was in agreement to study the SDCs. Council Member Roppe and Noyes volunteered to serve on this committee.

PUBLIC HEARING ON PLANNING CODE REVISIONS: Senior Planner Scott Edelman gave a staff report. He pointed out several typos and simple changes in the proposed ordinance.

Scott reported staff held two workshops with the City Planning Commission as well as held a Public Hearing. Two workshops were also held with the City Council and tonight is the Public Hearing.

Mayor Wendel opened the Public Hearing.

There was no testimony given, so Mayor Wendel closed the Public Hearing.

REVIEW SIX MONTH FINANCIALS: Finance Director Liz Schutte reported the Finance Committee met on January 22<sup>nd</sup> to review this report. She briefly reviewed the report and answered questions from the Council.

Council Member Uffleman stated he had requested a list of consultants that the City is using and their fees. He is aware that staff is looking at cutting back on the use of consultants.

Council Member Uffelman asked if we are still using ACE Consulting, since he does not see them on the list that he was given? Staff replied they believe we are still using ACE Consulting, but they will check on this further.

APPEAL OF SDC FEES BY SIMMONS BROTHERS LLC: Council Members Gillespie and Noyes both declared a conflict and excused themselves from the Council and sat in the audience during this appeal.

Hank Simmons of 2600 NW Garden Lane stated he is here tonight to appeal the SDCs that were proposed. He would like to compare this to Mr. Wood's statement that given the situation that they

gave to perception of what they are looking to build and in figuring this out, they are between things. Maybe an SDC is determined by a resolution that the City has passed, but also with the understanding that we are in a state of flux and maybe looking at changing how we administer the SDC charges. That is basically what prompted them to appeal this. Given the framework that they have to operate in, it kind of boils down to is that their request is to be reviewed on a case by case basis more so that here is a use and it is a fairly large use and you fall under that use, so therefore that is what it is.

Hank asked the Council to take a minute and read the SDC proposal that he handed out to the Council and he would explain why this would be a reasonable way to go.

Hank stated they have three SDCs, transportation, water and sewer. It was quite a shock to see the proposed SDCs and the criteria used for their building, especially when they are not talking about establishing a new business but it is the relocation of a present business and they are trying to do it in a most cost effective way that they can and still be fair.

One of his biggest problems with the evaluation was that part of the commercial uses in the resolution. You could be a two-bay car wash and only be charged only 1 EDU and a car wash used quite a bit of water per day and they would also have quite a bit of traffic as opposed to a business office with a toilet and a sink and maybe make coffee. If you look at their actual usage over a years time and this is what he obtained from the City, they are operating at basically a quarter of an EDU and the estimation is that they would use 4 EDUs, where we used 27,000 gallons of water actually, but they say we are going to use 432,000 gallons. It doesn't represent what they are doing. Please look at this appeal as to what they are and what they are doing and establish a reasonable SDC charge that would closer reflect what they are doing and what they are building and uses on the system.

Mayor Wendel stated he feels he is trying to combine two things. One thing being you are trying to appeal the current SDCs but you are also saying the SDCs the way they are currently structured are not correct.

Hank stated what he is saying is the way the SDCs are structured, lumps them into a group of uses that are quite a bit different than what their use really is. You are talking about a business with 3 people, is the same use as a restaurant, bowling alley, theatre, a car wash, these are all considered commercial uses. To him he felt that was not accurate and again the appeal is to look at it individually in this particular case and try to come up with something, in his opinion, that would be more reasonable.

Hank explained that the proposed building is 2400 square feet on the ground level and an upper loft, but there is nothing in that, but you are looking at a two-story building. The business would actually be down stairs.

Council Member Ilk asked about the general configuration of the building.

Hank stated the general configuration of the building would be if you could envision where the Nature's Bounty is right now and

the Bug and Bell, this building is being situated between these two businesses. You would come into the business off of Third Street and when you come in there would be a counter and there would be three or four desks there and a conference room in the back when two toilets and a sink.

Community Development Director Ricky Sites stated the Simmons brothers came in with a pre-application review with the City and at that time they established what the fees were going to be approximately both for the building itself and the SDC fees. The SDC fees run very strictly by the current resolution that we have and these figures and how they were figured were included in the Council packet. She briefly explained these figures and how they were computed. Staff does not have any leeway to change this, it does have to go through appeal if there are going to be any changes. They are not saying this is correct, but this is what was established according to the SDC resolution and they hope they can work on a rational way of getting to SDC fees.

Mayor Wendel stated just for the record he wants to say that for both parties we need to look at we are not looking at changing the ordinance, we are looking at the appeal of this facility.

Council Member Roppe stated she would be upset if she got these SDC fees because it seems very high, so her question is since we are potentially looking at how we arrive at our SDCs, could we in the future change something with the people who are coming to us and have a reversal of that later?

City Attorney Carl Dutli stated unless you put it in the ordinance, probably not.

Hank Simmons stated he is well aware that this meeting is not to change the process but to listen to his appeal. He gets a little frustrated when he hears this is our resolution and this is how we do it and that is the way it goes. In doing his own little research and trying to figure out if he is out of line by appealing, he was looking at an industrial building by accident, the BTL and this particular building has 101,000 square feet of building and 12 employees. He does not know where those guys are drinking or going to the bathroom, but he would think that to have an SDC charge of \$20,000 for something that large is a mistake or something because that really shocked him as to how does a three person office get charged \$54,000 when you have a monster building being charged \$20,000? The idea is to say is their's too much and their's too little? The point is that obviously there had to be some negotiation or maybe some sort of something that went on to determine that particular SDC charge.

His other comment is that he believes this body has the opportunity to look at it and give a fair assessment as to what you believe is right and reasonable and he does not think that they would have a problem that way as long as it makes some sort of sense and it is something that is predictable and fair. He believes that the biggest thing that maybe people are complaining about SDC charges is because it is kind of a mystery until you get the bill and then you go straight up. That should be one of the criteria is something that is predictable.

Mayor Wendel asked Hank to explain his methodology for his suggested SDC fees for transportation.

Hank stated his methodology for the transportation was to determine without having a copy of the peak trip units between the peak trip hours of 4:00-6:00 PM, their office is generally closed at 5:00 PM, so if the business is closed, he would not expect to see a lot of trips in and out of there. They are also saying if we are looking at usage on the road systems, right now they access their building off of Third Street and because of what they are doing, they have to get rid of their access off of Third Street on the building that they are going to build and only access off of Beaver. They are actually giving up an access off of Third and making on street parking available there.

Hank further stated another thing that as part of their building currently, the Lucky Penny was a secondhand type of clothing store that had quite a bit of traffic in and out of their, which is part of their building, so he is saying there would be a reduction in usage and not an increase. Just to throw out a number, he cut it in half.

Council Member Uffelman stated what he understand is he is asking them to do is to look at your particular operation and tailor the SDCs to fit that particular structure, but being a real estate office could change. You might have a better opportunity to sell this building to some other folks because they want to use it for some other purpose and move down the street. Now they completely change the usage of the building and it is no longer closing at 5:00, it now closes at 11:00 at night and the peak usage is during peak traffic hours. His point is that you want the City to modify the commercial designation to fit your specific needs for the moment, whereas that building could be utilized for a completely different set of criteria, should the building be sold. In that respect, the City has to look at commercial as commercial whether you chose to close at 5:00 or you chose to close at 3:00 or you chose to be open late at night, really can't alter how we view commercial. It is a building that is potentially on the market that can be used for whatever, so it is fine to say you won't use that much, but the next owner might. We have to look at the total criteria.

Hank stated he believes that is a valid statement, but he would add to that again that they are moving their business as an old established business, not to say that some point down the road if something happened the usage could change and the peak hour trips could definitely change and that would be a potential problem. He would also throw out that they would be willing if you want, to put a time frame on that. There are more ways to skin this cat then to say if you went in there today and tomorrow it turned in to the next restaurant or bar or whatever, then there should be some penalty. They are not opposed to that, even through they do not foresee that so it doesn't see to bother them too much.

Mayor Wendel stated we have done this in the past that they have some property and they keep it for their animals, for their cows. They came to us and said they are never going to sell it, but at that point it is a sellable piece of property and they can put multi units on it, even though it was never in their vision to ever sell it. At some point we had to figure out how many EDUs that the lot would handle and that is how we do that. The reason he asks about transportation is he is trying to understand what is the amount of increase in proposed transportation that we would have by having a building on that

lot compared to not having a building on lot? Once again, you are saying that it should be half of what is proposed by City staff.

Hank agreed that is what was their suggestion. Again, to comment on what Council Member Uffelman was saying is what this SDC fee is trying to cover is all the future things that they could do to you if we don't get it from you now you might do this, so we better get your money now, so if you do chose to do this, then we got it. He feels that falls into the next meeting where you re-establish how you are calculate SDCs and how you go about administering them, so an easy solution to that is if you change the use of the building, you would need a building permit and have something, then you can charge another SDC. It doesn't have to be that you get it all from the guy up front, just because the next guy might really put it to you. There maybe a way of doing this administration that would be more predictable and a way that you would be able to keep getting SDC fees as uses change and people add impact to the systems, whereas you may not have an opportunity to do that under the current system.

Council Member Seley stated he feels we are missing a point, these are System Development Charges and these are the charges that we have studied that are necessary to provide the services for the entire City and it is based on the additional dollars that we are going to have to spend to build this infrastructure. In May 2007, there was a significant raise in the SDC fees and it was unavoidable because we were running out of money. In trying to tailor this to your specific needs, we have forgotten that these are development fees and they are to be applied equitably across the board. We have all been overlooking that particular point.

Council Member Ilk stated he was not on the Council when this was established and he understands what Council Member Seley is saying and he understands what Council Member Uffelman is saying and he doesn't believe that a current developer should be penalized for "what ifs" of the future. Perhaps the ordinance should be written so that if the future use changes, then we go back and re-evaluate that based on building permits or remodeling or whatever.

Council Member Ilk stated he is looking at \$54,000 and he is astounded because if you did an equivalent, basically what we are using is a 3,000 square foot house with 4 occupants and the SDC on that is approximately \$16,000. He can't get his head around some of these numbers or a 4 person office building and two bathrooms and no cooking facilities and parking that is not even on the main street any more.

Mayor Wendel stated he wanted to state this one more time for the record, this is an appeal on current SDCs the way they are written.

Council Member Ilk stated regarding how they are written, he feels that adjustments could be made here. It just seems like a huge number for what is going in there.

Mayor Wendel stated Hank has proposed half of what they currently are for transportation and 1 EDU for both the sewer and water.

Hank stated you could actually quadruple their usage and still only be one EDU.

Council Member Roppe asked when we have a building that has been built for a particular purpose and it changes into something dramatically different in the future, 15 years from now, do we not go back and review this?

Community Development Director Ricky Sites replied, "yes they do." Whenever there is an application for a building permit and that is basically the trigger point. One of the things that they have experienced in the community is that when there is an interior remodel, they do not necessarily get an application for a building permit and we do not currently have business licenses, so there is really not a tracking device at this point in time.

Council Member Roppe asked why with 3 people in the office and 3,000 square feet you came up with 4 EDUs instead of 1 EDU?

Ms. Sites stated the EDUs are figured strictly off of the fee structure out of our resolution and that is how they did come up with them and there wasn't any variables in that.

Council Member Roppe asked why are retail stores, etc., so much different than it would be with a home?

Community Development Director Ricky Sites stated she did not establish these fees, but as she understands it, there is just 1 EDU for any single dwelling unit. It is just a flat fee regardless if there is 1 person or 15 people in there because houses change ownership all the time and that would not be practicable. The commercial is figured differently and the industrial is figured even differently from that. There are criteria within resolution 1059 that were established at some point in time with some reasoning behind it.

Ms. Sites reported the transportation SDC is based on the national ITE graphs and charts, which is used pretty much across the nation. The commercial trips are based both on the suppliers, visitors, employees and any of the other business functions that take place on your commercial or industrial kind of service. They used the peak hours of 4 - 6 PM on an average week day, which is what they picked. Then you take how many trips to that building during that period of time per hour and this is figured at 1.49. In some cities they would pick 6.9, which is the high end and figure it from there.

Mayor Wendel asked what if we were to hold off on implementing these fees until we have gone through the restructure of the SDCs, would that be possible?

City Attorney Carl Dutli stated our resolution says that the Council has to make a decision on this within 21 days. Now, if the Simmons agree that they would not hold us to that, we are still not following the terms of our resolution and he is not sure who is going to object if they do not object.

Council Member Roppe asked when Resolution 1059 was approved. It was stated it was approved May 8, 2007.

City Manager Robb Corbett stated he wanted to clarify that he believes the changes that were made in May of 2007, that they



were not subsequent changes, just minor changes. The methodology that is used to assess SDCs is something that he believes dates back to 2000.

Ms. Sites stated she believes we are losing a little bit of the picture and she did not want to get too far away from the appeal, but since we are going in a new direction, she would like to make a comment. Basically she would like to talk a little bit about methodology in general for SDCs. SDCs are basically for future development. What we have as described in the resolution is a Water Master Plan, Storm Drain Master Plan, Sewer Master Plan and a Transportation Master Plan, all of which have been adopted except for the Storm Drain Master Plan. In those plans are the future development infrastructure clearly outlined as to what we have to do to meet those plans. Then we take those plans and figure out what that is going to cost and when we are going to have to put the money out to build those particular pieces of infrastructure. The ORS states that we cannot collect anything that isn't used specifically for that SDC development. What we do collect must be used for that. It doesn't go anywhere else. It only goes to the approved master plan, the schedule of infrastructure development and how much we predicted that would cost. That is basically what it is all about.

Ms. Sites continued that it is also based on the Urban Growth Boundary and taking what we are going to need in the future for our Urban Growth Boundary as well and saying that we will build those out to the densities that are planned for those particular areas. Then that whole formula is taken and divided up by the density and by the type of use that will be going into those densities and saying that is how we come to an EDU development charge. That is what they base it on.

Ms. Sites reported we are not building to the maximum density of our plan. However, there are trigger points when we hit a critical mat in our development, when we have to do the development anyway for the infrastructure and we may not even have enough EDUs in the future to pay for that.

The way we currently have our fees structured may not make a lot of logic. It would behoove all of us as a group and as a committee to get together and talk about logic behind our SDC fees. The only thing she cautions is if we say in the future we will assess this fee for so and so, whoever it may be, any appeal or anybody who comes before you, the fee could be higher. She wants people to recognize that it is not necessarily be a reduction in the fee, it may be a redistribution of how those fees are defined, but we still have a predetermined amount of money through our master plans that we must provide to take care of for reliable infrastructure.

Council Member Uffelman stated if you will think back to Liz's presentation on the financials, you will see that at this point we are not even taking in enough money in SDCs to cover the interest on the loans for the indebtedness we are paying for covering that infrastructure. We need to be extremely cautious about how generously we chose to give away our resources. Whereas, he wholeheartedly agrees these are large charges.

Council Member Seley stated there is another point that he would like to address to Mr. Dutli. If we start making variances for specific cases, what kind of precedent are we setting?

City Attorney Carl Dutli stated if you had an appeal where there were exactly the same facts, that certainly could be argued and probably would be argued by someone who is appealing. This is the third appeal. First on the airport hangers by the Airport Commission, second one of the person who wanted to rent a hanger for a business, the business was denied, the Airport Commission was allowed and third one is tonight. It certainly could have an affect if it was exactly the same facts, but he believes what we are seeing is really a pretty same percentage of appeals, but yes it could happen.

Council Member Roppe stated if she is reading the appeal procedure under Resolution 1059 correctly, it says that we have 21 days to give a written results, so we do not have to have an opinion tonight, is that correct?

City Attorney Carl Dutli stated that is correct but 14 days from now, will be our next Council Meeting. So unless you want to have a special Council Meeting, that would probably be the time that you would have to approve a written decision. It is 21 days from the date of the hearing.

Council Member Roppe stated she is still having difficulty with the amount of these SDCs and she would like to get more information. She does not feel she is ready to vote on it tonight.

Council Member Seley stated the numbers are undoubtedly high, but he wouldn't be basing his vote on the dollar amount, but be basing it on following our own resolution, so he could do it tonight.

Council Member Ilk stated he has a problem with the numbers for what is going in there, but he could make a decision either tonight or two weeks from now.

Council Member Uffelman stated he could also do it either way.

Council Member Roppe would like to do it at our next Council Meeting.

Mayor Wendel stated the only way that would be acceptable is, if we made sure that we did not have any communications, but that it would just be for clarification with staff.

Mr. Dutli stated that certainly would be a good procedure to follow.

Council Member Roppe stated what she would do with that time is go in and have a discussion with Ricky Sites.

Hank Simmons stated his only consideration, if you are talking to a person that is more in support of the resolution and not the appeal, sometimes he would feel that could be unfair. He feels if they discuss this with staff, he feels he should have an equal opportunity to at least respond to the information, if something new comes out.

Mayor Wendel stated that he why he stated clarification questions only, not general discussion about SDCs, the methodology or anything, it would be just for clarification only.

Hank stated he just hopes that everyone plays by the rules.

Mayor Wendel stated he has full believe that every City Council Member that sits on this board, will play by every rule and do the right thing.

Hank stated he just did not want something new to come out that they did not have a chance to respond to, that would be different than what they have already talked about.

Council Member Roppe stated Mr. Simmons would be allowed to speak at our next Council Meeting.

City Attorney Carl Dutli stated he feels that would be appropriate, especially if something new would be brought up.

The Council agreed to postpone making a decision until the next Council Meeting.

CONSIDER REQUEST FOR ADVERTISING IN THE CROOK COUNTY HIGH SCHOOL YEARBOOK: The Council felt it would show their support by placing an ad in the Crook County High School Yearbook.

Council Member Uffelman moved to place a half page ad in the Crook County Yearbook. Council Member Roppe seconded and the motion passed unanimously.

ORDINANCE NO. 1149, ALLOWING THE ESTABLISHMENT OF REIMBURSEMENT DISTRICTS: City Manager Robb Corbett reported staff had determined that it would be advantageous for us to amend the policy to provide for the reimbursements to occur consistent with other similar ordinances. Rather than require reimbursements to occur within 90 days of receipt, the new ordinance would allow an annual accounting and payment.

Council Member Roppe moved to read Ordinance No. 1149 by title only for the first reading. Council Member Gillespie seconded and the motion passed unanimously. City Manager Robb Corbett read Ordinance No. 1149 by title only for the first reading.

City Manager Robb Corbett gave a brief staff report stating he did some research and the City of Bend distributes reimbursements on an annual basis. The City of Redmond distributes reimbursements as the revenue comes into the city. While searching the League of Oregon Cities website, staff reviewed the policy in 10 cities and found that 5 cities reimburse immediately and 5 cities reimburse quarterly. If the Council chooses to go to a quarterly or semi-annual payment, they would actually bring back the SDC ordinance and amend it to coincide with this ordinance.

Council Member Roppe stated she is not in favor of an annual reimbursement. She feels it should be either quarterly or semi-annually.

Council Member Uffelman moved to amend proposed Ordinance No. 1149 in Section 14, Section (1) last sentence to read "Such payments shall be made by the City semi-annually." Council Member Roppe seconded the motion.

Mayor Wendel stated he would support a quarterly reimbursement. He would like to help the developers and going from 90 days to a 6 month reimbursement is a pretty large step.

Council Member Gillespie stated he believes we have two on the board already that are annually and now you are talking about the 90 day one, that we do not have any of.

City Manager Robb Corbett stated he would actually bring back that ordinance and ask that the Council reconsider amending that back to semi-annually. So what that does for staff is every 6 months a staff person will sit down and review all our reimbursement agreements and then will be able to issue reimbursements at the same time.

The motion to amend Ordinance No. 1149 passed with Mayor Wendel opposing.

Council Member Uffelman moved to approve the first reading of Ordinance No. 1149 as amended. Council Member Seley seconded and the motion passed unanimously.

ORDINANCE NO. 1150 - AMENDING CHAPTER 153 OF THE CITY OF PRINEVILLE CODE OF ORDINANCES (Planning Code Revisions): Council Member Roppe moved to approve Ordinance No. 1150 as corrected.

City Attorney Carl Dutli stated he did not realize until tonight that rest of Chapter 153 of the Code still remains the same and the only sections that are affected are the ones that are contained in this ordinance. He suggested to Scott Edelman that we probably need another section at the end that states that all other sections of Chapter 153 of the City Code of Prineville shall remain in full force and effect. We need to add that sentence to this ordinance.

Council Member Uffelman stated if that is a part of the original motion, then he will second the motion. The motion passed unanimously.

RESOLUTION NO. 1070 - CITY OF PRINEVILLE LOCAL GOVERNMENT PUBLIC CONTRACTING REGULATIONS: City Manager Robb Corbett gave a brief staff report. This issue is being brought back to the Council from the previous meeting and the issue was at what point during the informal solicitation process a staff person is required to provide a potential bidder or vendor a written scope of work. The Council has some concern about some scenarios that might come up that are high dollar amounts and how those would be handled. It was suggested by some of the Council that a threshold or dollar amount would make this more palpable and in talking with staff they agreed, rather than try to define the situation that was a simple one in which a staff person might not be required to issue a written description, they agreed the simplest thing would be to put a dollar threshold amount and that is what they have brought back to the Council as a recommendation.

A motion to approve Resolution No. 1070 was made and seconded at the last meeting and then tabled to this meeting to allow for continued discussion.

Mr. Corbett stated the dollar amount that he put in the resolution was \$25,000.

Council Member Roppe moved to approve Resolution No. 1070 as amended. Council Member Noyes seconded and the motion passed unanimously.

RESOLUTION NO. 1071 - APPROVING A RATE INCREASE FOR HOLLIDAY ENTERPRISES: City Attorney Carl Dutli stated the Council approved a rate increase not to exceed \$3.60 a month, based upon Prineville Disposal getting the different quotes and materials needed. He understands the increase is \$3.57, so it is under the \$3.60 that the Council authorized. The rates that are attached to Resolution No. 1071 are the new rates, which go into effect July 1<sup>st</sup>.

Council Member Roppe moved to read Resolution No. 1071 by title only. Council Member Seley seconded and the motion passed unanimously. City Manager Robb Corbett read Resolution No. 1071 by title only.

Steve Holliday stated there were a couple of typos in Exhibit A. On page 1, the "Carry-Out Service" the valid drivers license stating age is over "65" not "70", to match the senior citizen discount. On page 2, on the "Roll-Off Box Service" the disposal fee is not "25.75" but it is "\$30.90".

Mayor Wendel stated he remembers in our discussions about carry out service that some people had an issue with that and he does not remember him bringing up the 65 years of age or DMV disability card or sticker. He didn't remember him saying they had to meet that criteria, in order to have the carry out service.

Steve Holliday stated that has always been the criteria for the carry out service.

Mayor Wendel stated he also has not seen any income number for how much money you will be bringing in. The Council saw the capital outlay and expenses for operating the program and he asked about revenue and you did not have any at the time, do you have any now?

Steve Holliday stated he does not have revenue numbers. He completely forgot about bringing that back to the Council.

City Manager Robb Corbett stated as a point of clarification the franchise agreement provides for an annual opportunity for the franchisee to sit down with the Public Works Committee and review financials. He feels it is intended for those kinds of details to be discussed in that meeting.

Council Member Noyes moved to approve Resolution No. 1071 approving the new rates for Holliday Enterprises. Council Member Uffelman seconded and the motion passed with Mayor Wendel opposing.

The Council adjourned to Executive Session at 8:50 PM.

Council reconvened to Open Session at 9:05 PM and adjourned.

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Robb Corbett, City Manager  
Recorder

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Mike K. Wendel, Mayor

