

Staff Report

To

Prineville City Council

From

City of Prineville Railway

RE: Resolution #1151

Presented October 26, 2010

Mayor & City Councilors,

On behalf of the City of Prineville Railway, it is my pleasure to inform you that we have been awarded an Oregon Industrial Spur Program grant by the State of Oregon through the Oregon Department of Transportation.

These funds will be used to match *ConnectOregon* III grant funds previously awarded to develop the first phase of a regional bulk transload and intermodal facility located at Prineville Junction.

Total project budget is estimated at \$2,656,010 and the grant award is for \$377,175 that can be applied as a portion of our 20% match obligation.

Our total matching funds obligation of \$531,202 will be met by use of the \$377,175 Industrial Spur Grant with the remaining \$154,031 met through in kind contribution of material already owned by the Railway and services provided by Railway employees.

By executing the agreement the City of Prineville Railway is obligated to:

1. Perform the scope of work as outlined in Exhibit B of the agreement
2. Do so in compliance with all applicable federal, state, and local laws, regulations, executive orders and ordinances that are applicable.
3. Maintain in a state of good repair all improvements constructed with grant funding for a useful life defined as twenty (20) years

This funding enables the City of Prineville Railway to advance its objective of providing regional access to rail transportation to increase total carloadings and subsequent revenues.

City of Prineville Railway staff recommends approval of Resolution #1151

Respectfully Submitted,

Toby J. Van Altvorst  
Assistant General Manager

## RESOLUTION NO. 1151

### A RESOLUTION AUTHORIZING EXECUTION OF OREGON INDUSTRIAL RAIL SPUR PROGRAM GRANT

WHEREAS, the City of Prineville owns and operates the City of Prineville Railroad, and

WHEREAS, the City of Prineville Railroad was recently awarded an Oregon Industrial Rail Spur Program Grant of \$377,175.00 from the State of Oregon to improve and upgrade the Prineville Junction Bulk Transload Facility.

THEREFORE, it is hereby resolved that the appropriate representatives of the City of Prineville are authorized to sign the Oregon Industrial Rail Spur Program Grant contract and that the City of Prineville Railroad is authorized to expend funds on the Oregon Industrial Rail Spur Program project in conformance with local budget law and City of Prineville Ordinances and Resolutions.

Passed by the Prineville City Council the 26<sup>th</sup> day of October, 2010.

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Mike Wendel, Mayor

ATTEST:

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Lisa Morgan, City Recorder