



City of Prineville
DEPARTMENT OF PLANNING & COMMUNITY DEVELOPMENT
STAFF REPORT

Date: August 16, 2007
To: Prineville City Council
From: Ricky Sites, Community Development Director
Issue: Natural Resources Budgeting - HCP

The City Council approved the expenditure of \$10,000 as our share of the HCP grant to the Consortium of 8 members working on the Fish Habitat Program. At this time the moneys will be funded from existing budgeted line items from Meadow Lakes, Prineville Rail Road, Public Works (Water, Sewer, Transportation). However, it is staff's concern that the Fish Program, as well as related Natural Resources concerns, will become a major expenditure in future years.

Discussion:

There has been some discussion of starting the annual budget process earlier than in previous years. In an effort to bring potential issues to the forefront early in the process, staff sees a need to inform the Council of a number of current demands arising requiring some long range planning and strategy development.

As noted above, the HCP project is just the very beginning of federal, state and regional concerns for preservation and protection of our Natural Resources. There is a great deal of discussion about water quality, contamination and impacts on our rivers and streams. Now that we are a City of over 10,000 we will need to address the issue of storm water – for which we do not yet have a Master Plan. A number of these issues will have grants available for assistance, but will not nearly cover costs that may be imposed on the City.

Additionally, we have now completed the Road Inventory Report that will be forwarded to the Council for review. It indicates a substantial investment to maintain the infrastructure we have in place. Many jurisdictions have elected to let their infrastructure deteriorate rather than impose additional costs on their population. This type of policy decision will need to be studied prior to moving into the budget cycle.

You have been aware of the new costs of Water Rights associated with providing wells and water for our projected growth. These costs were not factored into the SDC fees we have in place, but are a reality in providing sufficient water to our community. Again, we should be addressing this situation early in the budget process.