CALL TO ORDER
Mayor Carter called the City Council meeting to order at 7:40 p.m. and led those present in the pledge of allegiance.

ROLL CALL
Verbal roll call was conducted for members of the City Council.

CONSENT ITEMS
A. City Council Meeting Minutes of the March 2, 2015 Regular Meeting
   Mayor Carter announced the consent item. Councilor Martin moved for approval of the Minutes as submitted. Councilor Veysey seconded the motion which carried unanimously.

ACTION/DISCUSSION ITEMS
A. Resolution 2015-08 – Concurring with the Engineer’s Recommendation for Project Award
   Mayor Carter announced the item and called for a motion. Councilor Veysey moved for approval of Resolution 2015-08. Councilor Allen seconded. Mayor Carter then called on City Manager Nicholson for explanation. Manager Nicholson explained that the resolution identifies the minimum bids that were received for each schedule of work to be completed in the current phase of construction and that the resolution establishes concurrence with the engineer’s recommendation to award construction contracts to the low bidder on each schedule of work, provided that funding is available to do so. The total amount of work under the contracts would end up being $9,288,123. Councilor Veysey asked where the contractors are located. Manager Nicholson stated that R&G Construction is located in Scio, OR and Pacific Excavation is located in Eugene, OR. There was some other discussion regarding the contractors. Following discussion Mayor Carter called for a vote on the motion. The motion carried unanimously.
B. Resolution 2015-09 – Concurring with the Engineer’s Recommendation for Resident Project Inspector

Mayor Carter announced the item. Councilor Veysey moved for approval of Resolution 2015-09 and Councilor Allen seconded. Mayor Carter called for discussion and requested explanation from Manager Nicholson. Manager Nicholson identified Mark Hampton, P.E. as the individual recommended by Civil West Engineering Services, Inc. to serve as Resident Project Inspector. Nicholson estimated that Mr. Hampton has been with Civil West at least 6 or 7 years and that he has roots in this area with parents who live locally. Nicholson stated that he believes Mr. Hampton is qualified to serve as Resident Project Inspector for the project. Councilor Veysey asked for additional clarification about the inspector’s duties. Marlin Gochnour of Civil West Engineering answered and stated that Mr. Hampton would be on site full time during construction and would monitor construction operations. Hampton would be responsible to ensure that all construction occurs according to project plans and he would coordinate with the contractor to approve any changes or modifications that may be requested. Councilor Martin asked if the cost of the inspector is already built into the project budget. Mr. Gochnour confirmed that it is. Councilor Martin also asked if Hampton has inspected treatment plants before. Mr. Gochnour stated that Hampton has inspected all facets of construction and that he worked in the construction industry prior to returning to school to become an engineer. Councilor Martin asked if State inspectors would be involved or if the Resident Project Inspector would certify work to the State. Mr. Gochnour indicated that DEQ and USDA would come to the site periodically to determine if specific items such as the process equipment meet design requirements. Manager Nicholson then commented that he believed electrical, plumbing, and structural inspections would be performed by State Building Codes Division personnel as applicable. Mr. Gochnour agreed. Mayor Carter then repeated the motion and asked if there was any other discussion. Hearing none she called for a vote. The motion carried unanimously.

C. Resolution 2015-10 – Approving a Subsequent Loan in the Amount of $2,854,000 for Construction of the Wastewater Treatment Plant Improvements, Bid Set No. 2, Schedules A, B, C, D & E

Mayor Carter announced an addition to the agenda and read the title of Resolution 2015-10 – A Resolution of the City of Myrtle Point City Council Approving a Subsequent Loan in the Amount of $2,854,000 for Construction of the Wastewater Treatment Plant Improvements, Bid Set No. 2, Schedules A, B, C, D and E. Mayor Carter called for a motion. Councilor Veysey moved for approval of Resolution 2015-10 and Councilor Martin seconded. Mayor Carter called on Manager Nicholson for explanation. Manager Nicholson stated that late Friday afternoon he had received a phone call from the USDA funding agent. She explained to him that USDA had worked very hard on the project to put together a subsequent funding offer. The offer consists of a $2,854,000 subsequent loan, which when coupled with the initial loan of $7,811,000 results in a total loan amount of $10,665,000; and a subsequent grant of $1,100,451, which when coupled with the initial grant of $1,765,000 results in a total grant amount of $2,865,451. The subsequent funding offer includes a grant portion of about 28% of the additional funding amount. Nicholson stated that he had been hopeful that subsequent funding would include at least 30% grant portion, but the offer came in just under that amount. Nicholson then identified that the subsequent loan will have an interest rate of 2.125% over 40 years, as compared to 2.5% on the initial loan which also has a 40-year term. He also stated that the indicated interest rates are locked maximums and that if market rates at the time of loan closing are lower than the locked rates the city would receive the lower of the two. Nicholson indicated that on the amount of money being borrowed interest rates will make a significant difference in the amount to be repaid. He stated
that if the interest rate on the initial $7,811,000 loan were reduced from 2.5% to 2.125% the city would realize a savings of approximately $20,000 per year. Manager Nicholson concluded that at this point, despite the need to borrow additional money to complete construction, the city just needs to complete the project in order to fulfill obligations under the Mutual Agreement and Order from DEQ. He recommended approving the resolution to accept the subsequent funding offer and get moving with construction. Mayor Carter called for discussion and hearing none called for a vote. Resolution 2015-10 was approved by unanimous vote.

PETITIONS FROM THE AUDIENCE
  There were none.

UPCOMING MEETINGS AND EVENTS
  A. Myrtle Point City Council Regular Meeting – Monday, April 6, 2015, 7:30 p.m.
  B. Myrtle Point Public Library Foundation Meeting – April 7, 2015, 7:00 p.m.
  C. Flora M. Laird Memorial Library Board Meeting – April 14, 2015, 6:30 p.m.

INFORMATION ITEMS
  A. Oregon Government Ethics Commission – Annual Verified Statement of Economic Interest form Webinar training announcement
  B. Flora M. Laird Memorial Library Board Meeting Agenda – March 10, 2015

OTHER COMMUNICATIONS
  A. City Manager Nicholson had nothing to report. Mayor Carter asked if any follow up action was necessary regarding Resolution 2015-06 Opposing Expansion of the Oregon Firearms Purchase Background Check System. Manager Nicholson asked if Council wished for him to draft a letter to our State representatives identifying Council’s action. Councillor Martin indicated that it would be sufficient to send a copy of the resolution to the various representatives. Manager Nicholson agreed to do so.
  B. Public Works Director Whobrey had nothing to report.
  C. Fire Chief Gardner had nothing to report.
  D. Police Chief Rakosi reported that one of our patrol officers has accepted a job offer for position with the Sheriff’s Office. Mayor Carter asked about a replacement. Chief Rakosi indicated he is advertising the opening.
  E. Library Director Caffey had nothing to report.
  F. Council Concerns and Comments
    1. Councilor Veysey commented about CASA day at the Capitol on Friday. He said the event was well attended by CASA representatives from all over the state.

ADJOURNMENT
Having no further business for the City of Myrtle Point, Mayor Carter adjourned the Emergency Meeting at 7:56 p.m.

04/06/2015

Barbara A. Carter, Mayor
City of Myrtle Point