

**MINUTES
CITY OF FAIRVIEW
CITY COUNCIL**

July 25, 2018

Council Members

Ted Tosterud, Mayor
Cathi Forsythe
Mike Weatherby (By Phone)
Keith Kudrna
Lisa Barton Mullins
Natalie Voruz
Brian Cooper

Staff

Nolan Young, City Administrator (By Phone)
Allan Berry, Public Works Director
Lesa Folger, Finance Director
Heather Martin, City Attorney
Devree Leymaster, City Recorder

SPECIAL SESSION (7:00 PM)

1. CALL TO ORDER

ROLL CALL
PLEDGE OF ALLEGIANCE

2. COUNCIL BUSINESS

- a. Authorize the City Administrator to Obtain a Guaranteed Maximum Price (GMP) of up to \$3 Million for Construction of a new Public Works Facility: Resolution 45-2018

City Administrator Young summarized the proposed Resolution increases the maximum expenditure limit to \$3 million. It is currently set not to exceed \$2.5 million.

Councilor Cooper moved to approve Resolution 45-2018 and Councilor Barton Mullins seconded. The motion passed unanimously.

AYES: 7
NOES: 0
ABSTAINED: 0

- b. Direct City Staff on the Financing Method to be utilized for Construction of a new Public Works Facility

CA Young reviewed the financing options summary included in the council packet. Staff is requesting direction from the Council as to whether to prepare a draft ballot title and explanation statement for a General Obligation Bond for review at the August 1 meeting or to delay action on a financing plan until the September 19 meeting. The contractor will present the GMP at the September 19 meeting and the public information and discussion process will have been completed.

Mayor Tosterud remarked, originally he was more in support of the GO Bond vs the fee on the utility bill, until he reviewed the financing options summary. The utility fee method will save approximately \$629,000 in interest. He is now more inclined to support the utility fee, but would prefer waiting to make the final decision until the final GMP is known.

Council President Weatherby disconnected from the phone.

Councilor Forsythe inquired about the proposal at the prior meeting to move forward with the GO Bond with an explanation that a no to the bond, would be a yes to the utility fee. She felt this would be more transparent and give citizens a voice in which financing method to implement. Councilor Kudrna commented he believed that would be more confusing.

During discussion Council reiterated their decision that the new facility is needed, but the finance method is still to be determined. Councilor's Barton Mullins, Voruz, and Kudrna indicated their support of the utility fee method due to the cost savings in interest and it being more equitable/fair.

Director Berry shared the next facility committee meeting is July 27. He would expect the GMP to be known by mid-August. From the date of the GMP being presented, there is 45 days of public outreach built into the schedule. Council would authorize phase two of the project at their Sept. 19 meeting, should they decided to continue moving forward. Mayor Tosterud noted if the result to the education and public meetings is that the citizens would rather have a bond; Council could then proceed with a bond in the May 2019 special election. Director Berry cautioned delaying the project could result in losing the GMP and the contractor could require an escalation clause; hence, it would cost more.

Councilor Forsythe commented the majority seems to be leaning towards a utility fee. She requested the public be informed of other potential rate increases to support city infrastructure. Important they have the whole picture; not just a piece.

Council discussed the public outreach plan. It needs to educate the community about what the need is, what the project is, justify the utility fee funding method, and allow discussion for both funding options. Council directed staff to schedule two community meetings for 6:30 PM on August 30 and September 13 (one at the Community Center, the other at City Hall) to present the layout, cost, and financing (utility fee or GO Bond); include informative articles in the August and September Fairview Point; send out a direct mailer with the community meeting dates; and have information available on the city website and distribute via Facebook.

Mayor Tosterud summarized Council will finalize the financing option and consider phase two of the project at their September 19 meeting.

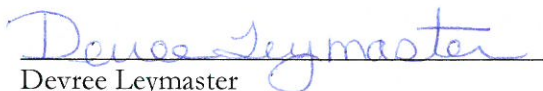
3. ADJOURNMENT

Councilor Cooper moved to adjourn the meeting and Councilor Barton Mullins seconded. The motion passed, and the meeting adjourned at 7:46 PM.

AYES: 6

NOES: 0

ABSTAINED: 0



Devree Leymaster
City Recorder



Ted Tosterud
Mayor

9-20-2018

Date of Signing

A complete recording and/or video of these proceedings is available.
Contact the City of Fairview City Recorder Office, 1300 NE Village St., Fairview, OR 97024, (503) 674-6224.