

Lowell City Council
Work Session and Special Meeting Agenda
Tuesday, September 1, 2020 at 7 P.M.
Maggie Osgood Library
70 N. Pioneer Street

This meeting will be held electronically through Zoom. Limited seating is available at the Library. Members of the public are encouraged to provide comment or testimony through the following:

- Joining by phone, tablet, or PC. For details, click on the event at www.ci.lowell.or.us.
- In writing, by using the drop box at Lowell City Hall, 107 East Third Street, Lowell, OR 97452
- By email to mmiller@ci.lowell.or.us

Work Session

Call to Order/Roll Call

Councilors: Mayor Bennett ____ Harris ____ Stratis ____ Dragt ____

Work sessions are held for the City Council to receive background information on City business and to give Council members an opportunity to ask questions and express their individual views. No decisions are made, and no votes are taken on any agenda item. The public is invited to attend, however, there is generally no public comment period.

Work Session Topic(s)

1. Downtown Paving and Utility Improvements Project Change Orders
2. Financing for Acquisition of 205 and 298 East Main Street
3. Financing with Business Oregon for Downtown Paving and Utility Improvements and discussion of Resolution 747 that established a Payment in Lieu of Franchise Fee for the Water and Sewer Utilities.
4. Update on Elections Filing
5. Update on the Maggie Osgood Library
6. Upcoming Executive Session with Ross Schultz on Recruitment

Adjourn

Special Meeting (Immediately following Work Session)

Call to Order/Roll Call/Pledge

Councilors: Mayor Bennett ____ Myers ____ Harris ____ Stratis ____ Dragt ____

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to the City Clerk, Joyce Donnell, at 541-937-2157.

Approval of Agenda

Public Comments: Speakers will be limited to three (3) minutes. The Council may ask questions but will not engage in discussion or make decisions based on public comment at this time. The Mayor may direct the City Administrator to follow up on comments received. When called, please state your name and address for the record. Direct all comments to the Council through the Mayor.

Council Comments (three minutes per speaker)

All speakers are expected to be polite, courteous, and respectful when making their comments. Personal attacks, insults, profanity, and inflammatory comments will not be permitted.

Old Business: None.

New Business:

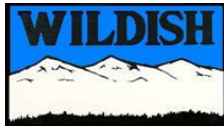
1. Change Orders for the Downtown Paving and Utility Improvements Project – Discussion/Possible Action

Other Business

Mayor Comments

Community Comments: Limited to two (2) minutes if prior to 9:30 P.M.

Adjourn



DATE: 8.19.20

Wildish CO#: 2

TO: City of Lowell (Civil West)

RE: Water Main Field Changes, Additional Potholing, & Tie-in & Abandonment Work

FROM: Wildish Construction Co., CCB #00695

<u>Bid Item</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit</u>	<u>\$/Unit</u>	<u>Total</u>
N/A	Additional potholing for unknown utilities at tie-in locations, and utilities not shown on plans. Main Street	8	EA	\$ 400.00	\$ 3,200.00
N/A	Additional potholing for unknown utilities at tie-in locations, and utilities not shown on plans. Lakeview Street	2	EA	\$ 400.00	\$ 800.00
N/A	Additional work for tie-in's & abandonments. See attached details for tie-in locations. Main Street.	1	EA	\$ 2,373.82	\$ 2,373.82
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N/A	Reconnect E. 6" Fire Service Line to School on Main Street not on Plans.	1	LS	\$ 4,382.06	\$ 4,382.06
N/A	Add New Hydrant Burry & Materials on Lakeview	1	LS	\$ 2,414.42	\$ 2,414.42
				Total	\$ 15,544.13

Clarifications:

Change order #2 includes all identified water main changes and realignments due to information found during potholing of water main tie-in's and walks with the City & Engineer. Price also includes additional potholing throughout project for utilities marked on street that are not shown on plans.

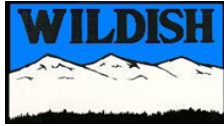
If you have any questions in considering this quote, please call.

541-520-4939

Thank You,

Justin Besotes

Justin Besotes



DATE: 8.14.20

Wildish CO#: 2

TO: City of Lowell (Civil West)

RE: Sidewalk widening and fence post sleeves

FROM: Wildish Construction Co., CCB #00695

<u>Bid Item</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit</u>	<u>\$/Unit</u>	<u>Total</u>
N/A	Additional cost for working with fence posts within the sidewalk concrete and grading.	1	LS	\$ 4,764.00	\$ 4,764.00
42	Sidewalk on Lakeview (Increased SF of sidewalk at fence line per Detail Sheet D5 Update)	548	SF	\$ 9.50	\$ 5,206.00
42	Sidewalk on Lakeview (SF of sidewalk at building missed in original bid quantity)	500	SF	\$ 9.50	\$ 4,750.00
				Total \$	14,720.00

Clarifications:

Change Order #2 includes the widening of the sidewalk to incorporate the fence line and sidewalk sleeves at the fence posts, and the additional sidewalk along the school building for 500sf that was not in the original bid schedule.

If you have any questions in considering this quote, please call. 541-520-4939

Thank You,

Justin Besotes

Justin Besotes

RE: Financial Review for Loan Application for Lowell

GRAHAM Janna G * BIZ <Janna.G.Graham@oregon.gov>

Fri 8/21/2020 7:58 AM

To: Marsha Miller <mmiller@ci.lowell.or.us>

Cc: BILBERRY Michelle * BIZ <Michelle.Bilberry@oregon.gov>

Good morning Marsha,

I have reviewed your proposed changes of the proforma for the water fund.

The numbers, if you choose to move forward with the idea, appear to achieve the 1.20% debt coverage ratio by the second year of loan repayment.

Let me know if you have any other questions, as well as how you decide to proceed.

Thank you,

Janna Graham
Finance Officer

BUSINESS OREGON | WWW.OREGON4BIZ.COM

Office: 503-986-0128

Cell: 503-930-0868



From: Marsha Miller <mmiller@ci.lowell.or.us>

Sent: Thursday, August 20, 2020 3:54 PM

To: GRAHAM Janna G * BIZ <Janna.G.Graham@oregon.gov>

Subject: Financial Review for Loan Application for Lowell

Janna,

The Downtown Infrastructure Improvement Project began as a street project. It included paving and sidewalk improvements and sidewalk crossing improvements. The City of Lowell received two \$100,000 grants (\$200,000 total) from the Oregon Department of Transportation's Special City Allotment Fund.

From a practical and cost savings perspective, it made sense to look at evaluating and upgrading the water lines where needed as part of that project. Some of the City's water lines are very old.

We do not prefer looking at a rate increase in order to meet the required Debt Coverage Ratio. We think it would be preferable to reduce our expenses and I believe it would be Council's preference also.

As I mentioned on the phone, The City enacted a Utility Payment in Lieu of Franchise Fee in June of this year. The Water and Sewer Funds would pay a 5% fee on gross operating receipts to the General Fund for their use of the right-of-way. The Water Fund Fee was estimated to be \$17,776. This fee did not exist before this year and no moneys have been collected to date.

If this resolution is rescinded, I believe it would increase the revenues and meet your Debt Coverage Ratio. I have attached revised proforma showing this fee removed. I have also attached the Resolution establishing the Fee in Lieu of Franchise Fee.

If this looks like it will work for you, please let me know at your earliest convenience. We will need to take it to the City Council for their approval.

Marsha A. Miller
Interim City Administrator
City of Lowell

mmiller@ci.lowell.or.us

541-937-2157 (office)

541-554-6311 (cell)

Water Fund Only
Schedule of Pro Forma Revenues and Expenditures

Attachment G

	Pro Forma	Current FY					
1	Year (ending June 30)	2021	2022	2023	2024	2025	2026
2	Beginning Fund Balance	140,181	137,078	153,379	179,820	217,257	266,602
	Operating Revenues						
3	Primary Revenue Source - 340	358,537	376,464	395,287	415,051	435,804	457,594
4	Other Revenue Source 1 - 335	5,250	5,513	5,788	6,078	6,381	6,700
5	Other Revenue Source 2 - 315	2,550	2,467	2,761	3,237	3,911	4,799
	Total Operating Revenues	366,337	384,444	403,836	424,366	446,096	469,093
	Operation, Maintenance & Replacement (OM&R) Expenses						
6	Personal Services - 5000	193,421	199,224	205,200	211,356	217,697	224,228
7	Materials & Services - 6000	113,412	116,814	120,319	123,928	127,646	131,476
8	Other Operating Expenses	-	-	-	-	-	-
	Total Operating Expenses	306,833	316,038	325,519	335,285	345,343	355,704
	Debt Services						
	Funds Avail for Debt Service	59,504	68,406	78,317	89,081	100,753	113,390
9	Debt 1 - RUS - 91-03 - 7124	39,390	39,380	39,380	39,380	39,380	39,380
10	Debt 2 - IFA - J05001 - 7122	7,423	7,423	7,423	7,423	7,423	7,423
10A	Debt 3 - IFA - S00006 - 7110	17,280	-	-	-	-	-
11	IFA Proposed Debt - 7000	-	16,700	16,700	16,700	16,700	16,700
	Total Debt Service	64,093	63,503	63,503	63,503	63,503	63,503
	<i>Debt Service Coverage Ratio</i>	<i>0.93</i>	<i>1.08</i>	<i>1.23</i>	<i>1.40</i>	<i>1.59</i>	<i>1.79</i>
	Other Activities						
	Cash Avail After Debt Service	(4,589)	4,903	14,814	25,578	37,250	49,887
12	Loan Proceeds / Drawdowns	-	-	-	-	-	-
13	Capital Outlay - 8000	-	-	-	-	-	-
14	System Replacement Reserves	-	-	-	-	-	-
15	Other Non-Operating Activity	11,175	11,399	11,626	11,859	12,096	12,338
	Net Other Activity	11,175	11,399	11,626	11,859	12,096	12,338
16	Net Transfers IN (OUT) - 390, 9100	(9,689)	-	-	-	-	-
17	Adjustments	-	-	-	-	-	-
	Net Transfers & Adjustment	(9,689)	-	-	-	-	-
	Ending Fund Balance	137,078	153,379	179,820	217,257	266,602	328,828
18	Connections	453	463	473	483	493	503
19	EDUs	476	486	496	506	516	526
20	Monthly Rate per EDU	72.01	74.17	76.39	78.68	81.04	83.47

†Describe any assumptions used in calculating above figures, such as changes in user rates, EDU/connection growth, loan repayments, operating expenses, transfers, adjustments:

- Line 3 - Water Sales & Penalties 3% rate increase & 2% growth increase
- Line 4 - Connection Fees 3% rate increase & 2% growth increase
- Line 5 - Projected Interest and Miscellaneous Revenue: 1.8% on Beginning Fund Balance
- Line 6 & 7 - Inflation 3% per year
- Line 7 - Water Franchise Fee excluded all years - FY 20-21 (\$17,776)
- Line 10A - This loan will be paid in full FY 20-21
- Line 11 - Water Fund Paying 100% debt including Street Fund Portion
- Line 13 - Water meter replacement & GIS mapping projects deferred and excluded (\$240,000)
- Line 15 - SDC Reimbursement Fees: Constant rate & 2% growth

AGENDA ITEM SUMMARY

TO: Mayor Bennett and Council
FROM: Marsha Miller, Interim City
Administrator
DATE: September 1, 2020
SUBJECT: Change Orders for Downtown Paving
and Utility Improvements Project

- ☐ **DISCUSSION**
- ☒ **ACTION**
- ☐ **RESOLUTION**
- ☐ **ORDINANCE**
- ☐ **PROCLAMATION**
- ☐ **REPORT**

SUMMARY:

The City has received two change orders from Wildish Construction for additional work that was not anticipated on the ongoing construction project on Main Street and Lakeview. Change Order #2 is for additional valves, additional pothole work and a fire hydrant. Change Order #3 (mistyped as #2 on the attachment) is for extending the sidewalk 1 foot on Lakeview and fence work.

FISCAL IMPACT:

Change Order #2 is for \$15,540

Change Order #3 is for \$14,720

Expenses will be paid for out of the Water Fund.

COURSES OF ACTION:

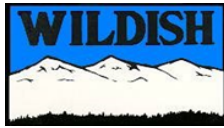
1. Motion to approve Change Order #2 from Wildish Construction for \$15,540, as presented
2. Motion to approve Change Order #3 from Wildish Construction for \$14,720, as presented
3. No action

RECOMMENDATION:

Motion to approve Change Orders #2 and #3 from Wildish Construction

ATTACHMENTS:

1. Change Order #2 from Wildish Construction
2. Change Order #3 from Wildish Construction



DATE: 8.19.20

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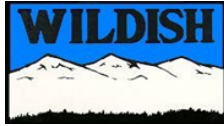
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