

REGULAR CITY COUNCIL MEETING OF THE CITY OF REDMOND WAS HELD SEPTEMBER 23, 2014, IN THE CITY COUNCIL CHAMBERS.

**COUNCIL MEMBERS PRESENT: Tory Allman – Joe Centanni – Camden King – Ginny McPherson
– Ed Onimus – Jay Patrick**

COUNCIL MEMBERS EXCUSED: George Endicott

STAFF PRESENT: City Manager Keith Witcosky – City Attorney Steve Bryant – Airport Director Jeff Tripp – Police Chief Dave Tarbet – Public Works Director Bill Duerden – City Engineer Mike Caccavano – City Recorder Kelly Morse – Community Development Director Heather Richards – CIS Administrator Sheri Cleveland – Deputy Director of Central Services Jason Neff

MEDIA PRESENT: COTV

Council President Patrick called the meeting to order at 6:30 p.m.

BLESSING

Pastor Ken Marshall from City Center Church led the blessing.

PLEDGE OF ALLEGIANCE

Councilor Onimus led the Pledge of Allegiance.

COMMENTS FROM CITIZENS AT THE MEETING

American Cancer Society Representative Lauren Olander shared information from the Redmond-Sisters Relay for Life event held for the first time in Redmond. The goal was to raise \$25,000; however, the event raised close to \$36,000. Ms. Olander thanked the community and volunteers for their support in making this event so successful. Councilor Onimus spoke regarding the effects of cancer on patients and their families and the Relay for Life event.

CONSENT AGENDA

- A. Minutes of August 5, 2014, P.M. Council Meeting (Exhibit 1)**
- B. Minutes of August 26, 2014, P.M. Council Meeting (Exhibit 2)**

Councilor King moved, seconded by Councilor Onimus, to approve the Consent Agenda as presented, motion passed. (Allman-yes, Centanni-yes, Endicott-absent, King-yes, McPherson-yes, Onimus-yes, Patrick-yes)

PROCLAMATION

- A. Childhood Cancer Awareness Week (Exhibit 3)**

Councilor Centanni moved, seconded by Councilor Onimus, to approve the proclamation designating September 28-October 4, 2014, as Childhood Cancer Awareness Week, motion passed. (Allman-yes, Centanni-yes, Endicott-absent, King-yes, McPherson-yes, Onimus-yes, Patrick-yes)

Councilor McPherson read the proclamation.

- B. National Manufacturing Day (Exhibit 4)**

Councilor Centanni moved, seconded by Councilor Onimus, to approve the proclamation designating October 3, 2014, as National Manufacturing Day, motion passed. (Allman-yes, Centanni-yes, Endicott-absent, King-yes, McPherson-yes, Onimus-yes, Patrick-yes)

Councilor Centanni read the proclamation.

Redmond Economic Development, Inc. (REDI) Manager Jon Stark thanked the City Council for their support of the manufacturing industry in Redmond and the Central Oregon region. Mr. Stark shared a few statistics adding that REDI will celebrate by holding the second annual “Made in Redmond” tour. Mr. Stark addressed questions regarding the lack of rental housing market for employees.

LEASE AGREEMENTS

A. Amendment #9 to General Services Administration Lease Agreement GS-10B-06801 (Exhibit 5)

Airport Director Jeff Tripp requested approval of lease amendment #9 with the General Service Administration (GSA) for office space used by the Transportation Security Administration. The GSA will pay \$52,154.04 for use of the facility from July 1, 2015 to June 30, 2016. The rental rate includes office space, maintenance & operation costs, and custodial services. The office space will remain fixed at \$19,668.00 per year for the five-year term of the agreement. The agreement also modifies the annual term from calendar year to fiscal year to coincide with the City’s budget.

Councilor McPherson moved, seconded by Councilor King, to approve the Lease Amendment #9 to General Services Administration Lease Agreement No. GS-10B-06801 and authorize the City Manager to execute the lease amendment, motion passed. (Allman-yes, Centanni-yes, Endicott-absent, King-yes, McPherson-yes, Onimus-yes, Patrick-yes)

B. United States Forest Service Lease Agreement #57-01H1-13-0010 (Exhibit 6)

Mr. Tripp requested approval of a ground lease agreement at the airport with the US Forest Service (USFS) for a period of ten years. A previous 50-year ground lease terminated on February 15, 2013. During this time, the USFS continued occupancy of the land and operation of firefighting support services. The new ground lease will cover 47.39 acres with the reduction amounting from separate building leases entered into between the City and USFS. The term of the lease is effective retroactively to February 16, 2013 through February 15, 2023. The USFS paid \$1.00 annual for the 50-year ground lease. The new lease was negotiated at a Fair Market Value (FMV) for the land (\$0.165 per square foot) which will result in approximately \$340,576 annually. The rental rate will increase at 1 percent CPI annually. The rate will be calculated with a blended hybrid FMV to include aeronautical and non-aeronautical land. Mr. Tripp explained that the City will apply a \$665,000.00 credit for years 3, 4 and 5 (\$221,959.58) for infrastructure work already completed by the USFS adding that the lease will still generate \$2,897,000 in revenue over 10 years.

Councilor Allman moved, seconded by Councilor Centanni, to approve the Lease Amendment #57-01H1-13-0010 with the United States Department of Agriculture Forest Service and authorize the City Manager to execute the lease amendment, motion passed. (Allman-yes, Centanni-yes, Endicott-absent, King-yes, McPherson-yes, Onimus-yes, Patrick-yes)

ACTION ITEMS

A. ConnectOregon V Grant Acceptance (Exhibit 7)

Mr. Tripp requested acceptance of Oregon Department of Transportation’s *ConnectOregon V* grant in the amount of \$1,225,812.00 to cover the City’s match of a federal grant for the Runway 4-22 Rehabilitation Project.

Councilor King moved, seconded by Councilor Centanni, to accept the *ConnectOregon V* grant in the amount of \$1,225,812.00 for the Runway 4-22 Rehabilitation Project and authorize the City Manager to execute the Grant Agreement, motion passed. (Allman-yes, Centanni-yes, Endicott-absent, King-yes, McPherson-yes, Onimus-yes, Patrick-yes)

B. United States Forest Service Contract AG-04GG-S-14-0026 (Exhibit 8)

Mr. Tripp explained that Taxiway B was constructed in 1943 and is currently the only access point the USFS has to their property for firefighting support services. A 2010 evaluation rated the taxiway at zero; a 2010 evaluation resulted in a failed condition rating. The taxiway now requires full rehabilitation and structural pavement upgrade to accommodate current and future operations. The USFS will contribute \$21,000.00 towards the \$225,000.00 design estimate. The Federal Aviation Administration will fund the design and construction of Taxiway B as a component of the Runway 4-22 Rehabilitation Project, Phase 2. The USFS will also attempt to secure additional funds towards the estimated project cost of \$3,000,000.00.

Councilor King moved, seconded by Councilor Allman, to approve Contract #AG-04GG-S-14-0026 with the United States Forest Service, Deschutes National Forest and authorize the City Manager to execute the contract, motion passed. (Allman-yes, Centanni-yes, Endicott-absent, King-yes, McPherson-yes, Onimus-yes, Patrick-yes)

C. Res. #2014-18 – A resolution of the City Council of the City of Redmond, Oregon, ratifying the prior approval, execution and delivery of an Energy Performance Agreement; authorizing the sale, execution and delivery of a Lease-Purchase Agreement in an amount not to exceed \$1,450,000 and related documents for the lease-purchase of certain energy conservation measures within the City with amounts to be secured by a first lien on the property financed and the payment obligations of the City shall be made from the general non-restricted revenues and other lawfully available funds of the city; authorizing the appointment of a custodian; authorizing the negotiation, execution and delivery of the Lease-Purchase Agreement and related documents; designating authorized representatives and delegating responsibilities and ratifying all actions taken or to be taken to further this resolution and related matters. (Exhibit 9)

Deputy Director of Central Services Jason Neff commented that Res. #2014-18 will allow him and City Manager Keith Witcosky to negotiate funding to cover the debt for the Energy Savings Performance Contract with Ameresco. Mr. Neff added that the impact on the City's budget is slightly positive in the near-term since energy cost savings will be used to cover the debt payment. The debt will be financed using a tax exempt lease-purchase agreement. Specifics include:

1. Not to exceed \$1,450,000
2. Assumes 15-year loan at 3.75 percent
3. Lien against the installed equipment
4. No anticipated impact to City's Full Faith and Credit rating
5. Ameresco to facilitate obtaining financing and manage the Request for Proposal
6. First debt payment due six months after construction

If approved by Council, staff will begin negotiating the terms of the lease-purchase agreement then bring a Supplemental Budget to the Council in fall 2014. Mr. Neff stated that measurement and verification of performance will take place one year after construction. Questions from the Council were addressed by staff.

Councilor McPherson moved, seconded by Councilor King, to approve Res. #2014-18, to authorize the City to deliver a Lease-Purchase Agreement, execute and deliver the financing and legal documents relating to the Lease-Purchase Agreement in a not to exceed amount of \$1,450,000, and any further actions required for the issuance of the Lease-Purchase Agreement, and to delegate authority to the Authorized Representatives, motion passed. (Allman-yes, Centanni-yes, Endicott-absent, King-yes, McPherson-yes, Onimus-yes, Patrick-yes)

MAYOR'S COMMENTS

Mayor Endicott was not present at the meeting.

COUNCIL COMMENTS

Councilor Allman spoke regarding Young Life's Battle of the BBQ fundraiser tomorrow night.

Councilor Centanni reported on the recognition of National Manufacturing Day and encouraged people to take the tour. People were encouraged to visit downtown Redmond to shop local. Citizens were urged to attend future Council meetings now that the seating has been replaced.

Councilor McPherson reported on the Parks Commission and Historic Landmarks Commission meetings.

Councilor Onimus shared statistics on the recent Project Connect event which aided the regions' low-income and homeless individuals by providing a variety of social services.

CITY MANAGER COMMENTS

City Manager Keith Witcosky shared that the Kiwanis Club of Redmond will be holding their Oktoberfest fundraising event at Wild Ride Brewery; proceeds will benefit the Sam Johnson Park Rehabilitation Project. Police Department, Public Works, and Airport staff participated in the Prepare event in Centennial Park. Due to the Runway 4-22 Rehabilitation Project, flight patterns have temporarily changed for approximately 90 days. Public Works Sexton Billy James and Water Division employee Gary Millan will be retiring from the City after several years of employment with the City. The League of Oregon Cities Annual Conference will take place in Eugene this week.

ADDITIONAL COMMENTS FROM CITIZENS AT THE MEETING

Boys and Girls Clubs of Redmond-Terrebonne Executive Director Jenny O'Keefe announced that they have secured funding and will re-open the facility on October 6, 2014. Several local companies and community members made generous donations to keep the doors open. A luncheon to thank the community will take place on November 18, 2014, with Roz Eaton (Olympian Ashton Eaton's mother) serving as the guest speaker.

There being no further business, the meeting was adjourned at 7:40 p.m.

Prepared by Kelly Morse, City Recorder

APPROVED by the City Council and SIGNED by the Mayor this 14th day of October, 2014.

/s/ George Endicott
George Endicott, Mayor

ATTEST:

/s/ Kelly Morse
Kelly Morse, City Recorder