

CITY OF COQUILLE
CITY COUNCIL SPECIAL MEETING MINUTES
March 21, 2008

COUNCIL PRESENT: Councilor E.N. "Corky" Daniels, Loran Wiese, Kathy Hagen, Bruce Parker, Linda Short and Fran Capehart.
Mayor Steve Britton arrived at 5:25

STAFF PRESENT: City Manager Terence O'Connor, Public Works Director John Higgins, Finance Director Chuck Dufner, and Deputy Recorder Rene Collins

PRESS: Robert Jump, Coquille Community News

AUDIENCE: None

1. CALL TO ORDER

Council President Wiese called the meeting to order at 5:15 p.m.

2. Pledge of Allegiance

3. Resolution 03-2008 A resolution authorizing submission of an application for re-designation of the Coquille Valley Enterprise zone.

City Manager O'Connor said the existing status of the zone would be expiring. The Port of Coquille and Bandon have been added to the zone. The renewal process requires all the sponsors to authorize the agreement before the State of Oregon will consider extending the time frame. At this time Bandon Dunes and Harden Optical are the two entities that have utilized it. The additional incentive in the Coquille Valley Enterprise zone is it allows for the hospitality usage, not only manufacturing. Councilor Wiese said it is a tool for recruiting in our area and if there was manufacturing on the GP site it could be used.

Council Hagen made a motion to adopt resolution 03-2008 authorizing submission of an application for re-designation of the Coquille Valley Enterprise zone. Councilor Capehart seconded the motion; all voted in favor.

4. Acceptance of Water Treatment Facility Improvement Bids

City Manager O'Connor said this is the second phase of the water improvements, which are the improvements to the Crystal Creek location. The following bids were submitted: Pacific Excavating \$1,998,662; Laskey-Clifton \$1,897,000; C2S Group \$1,700,000 and Triad \$1,664,787 and staff recommends acceptance.

Councilor Capehart made a motion to accept all bids as presented for the water treatment distribution system improvements. Councilor Hagen seconded the motion; all voted in favor.

5. Award Contract for Water Treatment Facility Improvements

The City Manager said Triad was the low bid at \$1,664,787. The City negotiated a loan from the Oregon Economic and Community Development Department for 2.7 million dollars for phase one and two. The cost of phase 1 will be about 1.2 million dollars with changes. Dyers estimate was between \$950,000 and \$1,200,000 for the water treatment facility. The question is to proceed with the low bid, or re-bid in the fall. Because of the lateness in the year the water plant will have to be emptied to do the work in the sedimentation basins and filters and because of the water demand we would not be able to get a package plant on sight to handle the volume. Some of the work can be done now with little impact and the rest would have to be done in the fall, due to the time lapse and price of steel they have to guarantee their prices when they bid the project. The City has not borrowed enough to complete both projects, but has a reserve of approximately 1 million dollars in capital projects. There would be a remainder of \$200,000 to \$300,000 in the capital project line item. Councilor Capehart asked if the loan is still at 1% and the City Manager said yes. Councilor Wiese asked what would be entailed in the re-bid process. Steve Major said you are gambling that the prices will go down and the cost of the advertisement, and you would have to wait until fall. He feels the bid is good and they had not factored in the time delay or material cost increase. The project includes specialty contractors and their market is still

strong. Steve Major said Dyer has worked with this contractor in the past and they seem to do a good job. Councilor Wiese asked if the price would go down or up in the end. Steve Major said that there would likely be 50 to 60 thousand dollars in change orders. Mr. Major said that there is not a lot of flexibility in what has to be done, and this bid is a complete plant. The next step is to send out a letter of intent to award and then work could start in 30 days.

Councilor Capehart made a motion to award the contract for the water treatment and distribution system improvements to Triad for \$1,664,787. Councilor Short seconded the motion; all voted in favor.

On April 7, 2008 Council will meet in executive session at 6:00 for the City Manager's performance evaluation

6. ADJOURNMENT

Mayor Britton adjourned the Council Meeting at 5:45 p.m.

Mayor, Steve Britton

ATTEST: _____
Deputy Recorder