

City of Brookings

MEETING AGENDA

CITY COUNCIL

Monday, July 27, 2015, 7:00pm

City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415

The City Council will meet in **Executive Session at 6:30 PM**, in the City Manager's office under the authority of ORS 192.660(2)(i) to review and evaluate the employment-related performance of the City Manager, who does not request an open hearing.

A. Call to Order

B. Pledge of Allegiance

C. Roll Call

D. Ceremonies/Appointments/Announcements

1. Recognition of the Capella Docents as 2014 Volunteers of the Year.[City Manager, pg. 3]
 - a. Salute to the Capella Docents [pg. 4]

E. Oral Requests and Communications from the audience - Public Comments on non-agenda items – 5 minute limit per person.*

F. Staff Reports

1. Discontinuation of pre-Planning Commission Meeting open house. [PWDS, pg. 6]
 - a. Press Release [pg. 7]
2. Authorization of Salmon Run Golf Course request to apply its 2015-16 lease payment toward the installation of irrigation bypass line. [PWDS, pg. 8]
 - a. Letter from Salmon Run [pg. 9]
 - b. Map [pg. 11]
3. Authorization to name the Transit Shelter at Elmer Bankus Park in honor of retired Curry Public Transit Manager Joanne Wasbauer. [City Manager, pg. 12]

G. Ordinances/Resolutions

1. Ordinance 15-O-745 naming Brookings Municipal Code Title 4, "Franchises," and adding Chapter 4.05, Communications Infrastructure, to Title 4. [Advance Packet].
2. Resolution 15-R-1068, authorizing a loan from the Oregon Department of Transportation for reconstruction of Railroad Street. [City Manager, pg. 13]
 - a. Resolution [pg. 15]
 - b. Loan Agreement [pg. 17]
 - c. Map [pg. 45]

H. Consent Calendar

1. Approve Council minutes for July 13, 2015. [pg. 46]
2. Accept Public Art Committee minutes for June 1, 2015. [pg. 50]
3. Receive monthly financial report for June 2015. [pg. 51]

I. Remarks from Mayor and Councilors

J. Adjournment

*Obtain Public Comment Forms and view the agenda and packet information on-line at www.brookings.or.us, at City Hall and at the local library. Return completed Public Comment Forms to the City Recorder before the start of meeting or during regular business hours.

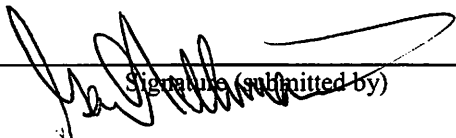
All public meetings are held in accessible locations. Auxiliary aids will be provided upon request with at least fourteen days advance notification. Please contact 469-1102 if you have any questions regarding this notice.

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: July 27, 2015

Originating Dept: City Manager



Signature (submitted by)

City Manager Approval

Subject: 2014 Volunteer of the Year: the Capella Docents

Recommended Motion:

Motion to recognize the Capella Docents as the 2014 Volunteers of the Year.

Background/Discussion:

Each year the City Council recognizes one or more of the many volunteers who contribute to making the City of Brookings a better place as the "Volunteer of the Year." This year, the City Manager has conferred with Mayor Hedenskog and the management staff and recommends that the City Council recognize the Docents who volunteer at the Capella by the Sea as a group as the 2014 Volunteer of the Year.

Attached is a "Salute to Capella Volunteers" by Administrative Assistant Lauri Ziemer, who oversees this program.

A plaque will be presented to the Docents as a group and will be displayed at the Capella. As this is an annual award, each Docent who volunteered during 2014 will receive a Certificate of Appreciation.

Attachment(s):

- a. Salute to Capella Volunteers

Salute to Capella Volunteers

The Capella was donated to the City of Brookings in December, 2008. Since the Capella opened in May 2009 we have had 91 Capella volunteers who have donated (thru May, 2015) 6063 hours of their time.

The Capella is a special place to volunteer and it takes special people to volunteer there. Some days volunteers will have 40 visitors and some days it can be a lonely place with just one person popping in; and there have been those rainy days when no one comes. As one volunteer once said, a rainy day at the Capella, still beats a rainy day at home! Being a volunteer at the Capella you are not with a group of people accomplishing a group project, you are usually by yourself, lying in wait for someone to come. So it is not a volunteer position with a lot of social interaction except with visitors dropping in. We also don't meet often as a group, most volunteers only see each others name on a schedule and don't meet unless they are filling in for someone. You know the person before you or after you or both if you have the middle shift. Some people like that aspect of it, some don't. So you have to be special to be a Capella volunteer and appreciate the solitude the Capella gives you some times.

A Capella volunteer greets visitors and acts as an ambassador for the Capella, Azalea Park, and City of Brookings, not only answering questions about the Capella and park, but also about the weather, the beaches, restaurants, hiking, the people, directions and of course, Elmo. Volunteers have also learned to spot the visitors who want to be alone and just need some quiet time in the Capella. If you ask a volunteer their favorite Capella experience you will hear a variety of memories. Volunteers have done a lot of sweeping; witnessed wedding proposals, been treated to on the spot musical presentations, seen visitors gape in awe over the beauty of the Capella, and on particular quiet days counted the number of t-brackets holding up the beams and discovered the four brackets that are missing bolts! Over the years we have filled up over eight guest books; glancing through them you will see people from nearby and far away. Many visitors see the sign on the highway and are curious, many stop for a walk in the park and stumble upon it by accident, and some are local residents who visit regularly. We have had visitors from every state and many countries, including Germany, Ireland, Australia, Japan, and Belgium, too many visitors to count! Capella volunteers make that possible.

Among our 90+ wonderful volunteers over the years, we have had five volunteers that have been with us since we opened six years ago.

One of those volunteers has been with the Capella since the day it opened through today and she is ALSO our oldest volunteer. At 94 years old Barbara Wieneke has donated 304 hours to the Capella. This lady is feisty and an inspiration to everyone who knows her and visits with her at the Capella.

Carolyn Milliman is a Capella staple, she has donated over 475 hours and thousands of hugs. She is the first to volunteer to organize volunteer meetings when we do have them and the little engine that keeps rolling to have the Capella staffed seven days a week. She's double upped and worked many consecutive shifts and days so as not to miss visitors who are traveling through the area on a Monday or Tuesday.

Bill Schlichting has been with the Capella since the first year and has donated over 350 hours. Bill also does double work for the Capella as being our local newspaper writer he is a great help and is often called to write articles for the Pilot to recruit volunteers and publicize Capella events.

Karen Timberlake has been with us since the beginning; she had to take a year off for medical, but has come back and donated 196 hours. Karen is also our designated weekly plant waterer, a task that needs to be assigned or else we would have 15 helpful waterers and some very wet plants.

Clyde Burke came after the first year, but has been a dedicated, dependable volunteer with 322 hours. Clyde is always willing to fill in a shift, come in early, stay late, help orientate new volunteers, and be there for visitors to enjoy the Capella even though his shift may have ended an hour before.

Marilyn Hart has also been with the Capella since the beginning. She did take one season off, but she returned and in between world traveling and recently caring for her husband with alzhiemers has put in over 278 hours. Marilyn and Carolyn also provide decorations and help decorate the Capella at Christmas. And while many volunteers have referred friends to volunteer at the Capella, Marilyn referred a friend to volunteer that has turned into a great Capella volunteer asset....

Elloise Huschle is a part time Brookings resident and met Marilyn a few years ago. Elloise visited Marilyn at the Capella and decided she would like to volunteer there. In the last two seasons Elloise has donated over 160 hours and is always willing to fill in a shift in between hiking with Marilyn and golfing. She is a Capella volunteer delight.


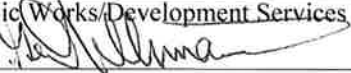
There have been many Capella volunteers through the years that all need to be thanked and remembered, these are just a few. They are all wonderful examples of ordinary individuals taking time out of their lives to help make our community a wonderful place to live and visit.

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: July 27, 2015

Originating Dept: PW/DS


Public Works/Development Services Director

City Manager Approval

Subject: Discontinuance of pre Planning Commission meeting open house

Recommended Motion: None, informational only

Financial Impact: None

Background/Discussion: In response to citizens complaints regarding the lack of notification prior to construction of the O'Reillys Auto Parts and Dollar General Store, two public involvement strategies were implemented in March 2015 after being advertised in the Pilot and on the City website.

The first was the notification system on the City website which includes the ability for interested parties to sign up for alerts, to date 34 have signed up. The information is also available on facebook and twitter.

The second was an "open house" which provides for the Planning Manager to be available for one hour prior to Planning Commission meetings. The first open house was attended by one couple who wanted to encourage the City to purchase the large oceanfront parcel on the north end of town to develop into a park. There have been three open house opportunities since, with no members of the public attending.

The Planning Manager is available daily from 8 a.m. through 1 p.m. by appointment and available for drop ins from 1 p.m. to 4:30 p.m. Phone calls, requests for information and e-mails are generally responded to the same day. A public comment period for non – agenda items is provided at the monthly Planning Commission meeting. It is the opinion of Staff that the open house venue is not effective and should be discontinued.

Policy Considerations: None

Attachment(s): Press release

CITY OF BROOKINGS
Press Release
For immediate release
Monday, March 9, 2015



City Implements Public Input Pilot Program on Planning Issues

The City of Brookings will implement a new pilot program this spring to provide citizens an additional opportunity to comment on land use planning issues.

The new program will consist of a series of informal, monthly open houses to be held immediately preceding the monthly Planning Commission meeting on the first Tuesday of each month. The open houses will be held from 6:00 – 7:00 PM, beginning April 7, 2015, in City Hall Council Chambers, 898 Elk Drive, Brookings. Planning Department staff will be on hand to receive comments and provide information on the land use planning process.

"This program is designed to encourage citizens to be more involved in the City's planning process by providing an avenue to voice their ideas and concerns in an informal setting," said Public Works and Development Services Director Loree Pryce.

Comments received during the open house will be relayed to the Planning Commission for their consideration.

"Comments can be about anything from zoning and development permits to signs and landscaping requirements," said Planning Manager Donna Colby-Hanks.

A public comment period on non-agenda items is also available during the monthly Planning Commission meeting.

For more information about this program, contact Planning Manager Donna Colby-Hanks at dcolbyhanks@brookings.or.us ; (541) 469-1137.

NEWS MEDIA: FOR IMMEDIATE RELEASE: For further information on this release contact Donna Colby-Hanks at 541/469-1137.

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: July 27, 2015

Originating Dept: PW/DS


Public Works/Development Services Director

City Manager Approval

Subject: Approval of irrigation bypass line to be installed at Salmon Run Golf Course and consideration of request to apply 2015-16 lease payment to project.

Recommended Motion:

1. Authorize the City Manager to execute a letter of approval for the irrigation by pass line.
2. If the Council finds that this request is consistent with the intended use of lease payment revenue, authorize the City Manager to execute a letter of agreement for application of the lease payment of \$20,000 to be applied to the project.

Financial Impact: Negligible, as the property owner the material (\$12,000) becomes City property once installed.

Background/Discussion: The current layout of the irrigation system at Salmon Run requires isolating and depressurizing the system, sometimes as often as weekly. This results in a complete drain of the higher elevations of the system subjecting pumps and fittings to excessive wear on the 6-8 inch valves. According to the Design Engineer this will be the first step in creating a permanent water system. The lease agreement approved by the City Council on July 24, 2014 provides a \$20,000 annual lease payment by the Salmon Run Golf Course Operator due August 15. The operator has made one payment to date on August 11, 2014. The lease agreement provides that these funds will be deposited into a fund dedicated to golf course water source development.

Policy Considerations: None

Attachment(s):

- a. Letter of request
- b. Map



Instinct Will Bring You Back!

July 1, 2015

City of Brookings
898 Elk Dr.
Brookings, Oregon 97415

Lake fill Proposal

The purpose of this project is to install a fill line from the entrance of the golf course to irrigation pond at #9. This would alleviate wear and tear on the irrigation system caused by the frequent use of the main line to fill the pond and create a more efficient watering system.

The current system requires isolating and depressurizing the front half of the irrigation system before the main pump at Freeman's can pump water to the pond at #9. This is not a normal occurrence to a system of this type and size. Much of the higher elevations are drained of water completely, causing excessive wear to heads, valves, and piping when the system is brought back online. During the summer months, this process can occur on a weekly basis. There are 5 large valves (6" to 8") that are turned on and off during this process, something that they were not designed to do. They are starting to wear out, due to this over-use.

A line going from near #4 pond to #9 pond would eliminate large valve over-use, excessive water hammer, and large variations in pressure caused by the current set up, leading to a longer lasting irrigation system. It would also eliminate the need to adjust the watering schedule, leading to better turf quality and a more efficient operation.

This would also be the first step to creating the permanent water system. Any variation of that system that has been discussed in the past would use this fill line.

The pipe itself would be located to the side of 5, 6, 8 and 9 fairways. There would be two bridges that the pipe would follow the irrigation main line across. We anticipate minimal crossover with the current irrigation system, but there may be some areas that will be pre-marked to reduce repairs. The majority of the digging will be done with a trencher. We anticipate the project taking 3-4 weeks.

SALMON RUN

Instinct Will Bring You Back!

Total line length: 4.969 ft.

Fill Pipeline Project Estimate

Pipe – 6" PVC	11,484.78
Fittings, repairs	550
Labor – 500-600 hrs @ \$12	7,200
Equipment – 150 hrs @ \$64	9,750
Total Cost	28,984.78

Thank you,



Ed Murdock
Salmon Run Golf Course
GM

SR Fill Line



Map center: 42° 3' 27.6" N, 124° 12' 47.3" W

This map is a public resource of general information. Use this information at your own risk. Curry County makes no warranty of any kind, expressed or implied, including any warranty of merchantability, fitness for any particular purpose or any other matter.



Legend

- TOWNSHIPS
- ROADS
- PARCELS
- RIVERS
- CITY LIMITS
- URBAN GROWTH BOUNDARY
- STREAMS
- LAKES




Scale: 1:8,189

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: July 27, 2015

Originating Dept: City Manager



Signature (submitted by)

City Manager Approval

Subject: Naming of Transit Shelter

Recommended Motion: Motion to name the Transit Shelter at Elmer Bankus Park in honor of retired Curry Public Transit Manager Joanne Wasbauer.

Financial Impact: Minimal cost of installing plaque or marking on the bus shelter facility.

Background/Discussion:

This item was placed on the agenda at the request of Councilor Bill Hamilton.

Councilor Hamilton has proposed that the transit shelter located at Elmer Bankus Park be named in honor of retiring Curry Public Transit Manager Joanne Wasbauer.

The City owns and maintains the shelter. Wasbauer was instrumental in securing grant funding for the shelter. She served as CPT Manager for many years and recently retired.

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: July 27, 2015

Originating Dept: City Manager

Signature (submitted by)

City Manager Approval

Subject: Resolution 15-R-1068: Railroad Street Reconstruction Project Loan Agreement

Recommended Motion:

Motion to adopt Resolution 15-R-1068, authorizing a loan from the State of Oregon Department of Transportation for the Railroad Street Reconstruction Project.

Financial Impact:

City will receive \$650,000 in loan proceeds at 2.05 per cent interest payable over 10 years.

Background/Discussion:

The City applied for federal grant funding to fund 60 per cent of the cost of reconstructing Railroad Street between Oak Street and Center Street in 2012 through the “Enhance” program administered by the Oregon Department of Transportation (ODOT). Through a competitive process, the project was approved for funding and scheduled for construction during the 2015-18 grant program period.

The project consists of a complete reconstruction of Railroad Avenue. Upon completion, the street surface will consist of one travel lane in each direction; left turn lanes; curb, gutter and sidewalks; and bicycle lanes. The project is currently in design and is scheduled for construction in 2018.

The total project cost estimate is \$3.1 million with the City share being \$1.0 million. The City applied for a loan through the Oregon Transportation Infrastructure Bank to finance \$650,000 of the local match. The annual interest rate will be 2.05 per cent. Equal annual payments of principal and interest, at \$30,000 each, would commence October 1, 2018 and continue through October 1, 2020. Beginning October 1, 2021, equal annual payments of principal and interest would be \$92,721. The maturity date of the loan is 10 years from the date of final disbursement of the proceeds, or October 1, 2028, which ever date is earlier. Loan payments have been structure in the fashion described here to provide the City with the flexibility of utilizing ongoing Urban Renewal tax increment revenues now committed to the downtown infrastructure project debt service to assume the debt service for this new loan beginning in 2020.

In the loan agreement, the City agrees to pledge other State transportation revenues received by the City for maintenance and construction for debt service in the event no other funds are available.

The City will also use \$350,000 in System Development Charge, System Replacement Fee and Urban Renewal toward this project.

This resolution authorizes the City to enter into the loan agreement.

Attachment(s):

- a. Resolution 15-R-1068
- b. Loan Agreement.
- c. Map.

**CITY OF BROOKINGS
STATE OF OREGON**

RESOLUTION 15 -R-1068

A RESOLUTION OF THE CITY OF BROOKINGS AUTHORIZING A LOAN FROM THE STATE OF OREGON, DEPARTMENT OF TRANSPORTATION FOR THE RAILROAD STREET RECONSTRUCTION PROJECT.

WHEREAS, the City of Brookings, a municipality (the “City”), has the authority pursuant to ORS 367.035(4) to pass a resolution authorizing the City to enter into an infrastructure financing agreement with the State of Oregon, acting through the Department of Transportation; and

WHEREAS, the City desires to enter into Loan Agreement OTIF-0057 with the State of Oregon pursuant to ORS 367.035(4); and

WHEREAS, the City pledges its apportionment of the State Highway funds under Section 2.10(c) of the Loan Agreement; and

WHEREAS, the State has provided Loan Agreement OTIF-0057 in the amount of Six Hundred and Fifty Thousand Dollars (\$650,000), to be used for the City’s Railroad Street Reconstruction Project; and

WHEREAS, the City Council has determined that it is in the best interests of the people of the City to enter into Loan Agreement OTIF-0057;

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Brookings, County of Curry, State of Oregon that:

Section 1. Authorization of Loan Agreement.

- 1.1 The loan agreement authorized under Section 1.2, herein, is referred to in this Resolution as the “Loan Agreement” or “Loan Agreement OTIF-0057.”
- 1.2 The City is hereby authorized to enter into one or more infrastructure loan agreements pursuant to ORS 367.035(4) and ORS Chapter 287A to finance the improvements and to pay estimated costs of the financing.
- 1.3 The net proceeds of Loan Agreement OTIF-0057 shall not exceed the amount estimated to be required to provide \$650,000 for the costs of the improvements, plus estimated costs of financing.

Section 2. Determination of Need.

The City hereby determines that the project to be financed is needed.

Section 3. Delegation.

The City Manager and the Finance and Human Resources Services Director (each of whom is referred to in this Resolution as a “City Official”) may, on behalf of the City and without further action by the Council:

- 3.1 Negotiate, execute and deliver Loan Agreement OTIF-0057 with the State of Oregon Department of Transportation, subject to the limitations of this Resolution, which may be in such form and contain such terms as the City Official may approve.
- 3.2 Determine the final principal amount, interest rates, payment dates, prepayment rights and all other terms of the Loan Agreement. Subject to the limitations of this Resolution, the Loan Agreement may be in such form and contain such terms as the City Official may approve.
- 3.3 Negotiate, execute and deliver notes to evidence amounts due under the Loan Agreement.
- 3.4 Secure the Loan Agreement with all or any portion of the revenues of the City's transportation budget, and pledge those revenues to repay the Loan Agreement.
- 3.5 Execute and deliver any other certificates or documents and take any other actions which the City Official determines are desirable to carry out this Resolution.

4. Security.

The Loan Agreement shall constitute an unconditional obligation of the City, which is payable from all legally available funds of the City. The City Official may pledge the City's full faith and credit and taxing power within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution. In addition, the City Official may secure the Loan Agreement with revenues of the City as provided in Section 3, herein.

Passed by the City Council July 27, 2015 and made effective the same date.

Ron Hedenskog, Mayor

Attest:

Joyce Heffington, City Recorder

LOAN AGREEMENT

between

STATE OF OREGON

acting by and through its

DEPARTMENT OF TRANSPORTATION

and

CITY OF BROOKINGS

THIS LOAN AGREEMENT, is made and entered into on the 1st day of August, 2015, by and between the State of Oregon, acting by and through its Department of Transportation (the “State” or “ODOT”), and the Borrower (as defined below). The reference number for this Loan Agreement is OTIF-0057. Terms not otherwise defined in this Loan Agreement shall have the meanings assigned to them by Section 1.01 below.

WITNESSETH:

WHEREAS, the State, in accordance with the Act, will provide funds from the Oregon Transportation Infrastructure Fund for the purpose of making loans to Municipalities, including the Borrower, to finance a portion of the cost of transportation projects (as that term is defined in the Rules);

WHEREAS, the Borrower has made timely application to the State for a loan to finance all or a portion of the cost of a transportation project, and the Oregon Transportation Commission and the State have approved the Borrower's application for a loan to finance a portion of the cost of such project;

WHEREAS, the Borrower has agreed to make payments sufficient to pay when due the principal of, premium, if any, and interest on the Loan from the State pursuant to the terms of the Note and this Loan Agreement; and

NOW, THEREFORE, for and in consideration of the Loan by the State, the Borrower agrees to perform its obligations under this Loan Agreement in accordance with the conditions, covenants and procedures set forth below:

ARTICLE 1

DEFINITIONS

Section 1.01. Definitions. The following terms as used in this Loan Agreement shall, unless the context clearly requires otherwise, have the meanings assigned to them below:

"Act" means ORS 367.010 to 367.050 and related provisions, as the same may be from time to time amended and supplemented.

"Agreement" or "Loan Agreement" means this loan agreement, including the attached Exhibits, as it may be supplemented, modified or amended from time to time in accordance with the terms hereof.

"Authorized Officer" means, in the case of the Borrower, the person or persons authorized pursuant to a resolution or ordinance of the governing body of the Borrower to act as an authorized officer of the Borrower to perform any act or execute any document relating to the Loan or this Loan Agreement and whose name is furnished in writing to the State.

"Borrower" means the City of Brookings, and its successors and permitted assigns.

"Business Day" means any day other than:

- (i) a Saturday, Sunday or legal holiday;
- (ii) a day on which banking institutions in the State of Oregon are closed; or
- (iii) a day on which the New York Stock Exchange is closed.

"Costs of the Project" shall mean only those specified costs listed in Exhibit B. The term "Costs of the Project" does not include:

- (i) costs in excess of one-hundred percent (100%) of the total cost of the Project;
- (ii) the purchase of equipment and other property not directly related to the Project;
- (iii) construction or repair of facilities owned or operated by private parties;
- (iv) costs incurred prior to the date of the Loan, except as provided in Section 5.01;
and
- (v) administrative expenses of the Borrower.

"Counsel" means an attorney at law or firm of attorneys at law (who may be, without limitation, of counsel to, or an employee of, the State or the Borrower) duly admitted to practice law before the highest court of any state.

"Event of Default" means any occurrence or event specified in Section 7.01 of this

Agreement.

"Full Faith & Credit of the Borrower" means an obligation of the Borrower that is secured by all "lawfully available funds" (as defined in ORS 287A.001(11) of the Borrower.

"Loan" means the loan evidenced by the Note and made by the State to the Borrower to finance or refinance a portion of the Costs of the Project pursuant to this Loan Agreement. The Loan may be funded by the State from amounts held in the OTIF.

"Loan Closing Date" means the date on which all conditions to closing are satisfied by the Borrower (or waived by State) and the Loan actually closes.

"Loan Closing Deadline" means September 1, 2015, the date by which the Loan must close.

"Loan Prepayment" means, as to any payment, the amount paid by the Borrower that is in excess of the amount required to be paid as a Loan Repayment.

"Loan Repayment(s)" means the scheduled payment(s) of principal and interest required to be made by the Borrower pursuant to the provisions of the Note and this Loan Agreement.

"Maturity Date" means the date on which the Loan is payable in full, which date shall be August 1, 2028.

"Municipality" means a city, county, road district, school district, special district, metropolitan service district, the Port of Portland, or an intergovernmental entity organized under ORS 190.010.

"Note" means the promissory note of the Borrower substantially in the form of Exhibit C, as it may be amended, extended or renewed.

"Oregon Transportation Infrastructure Bank" or "OTIB" means the program authorized by Section 350 of the National Highway System Designation Act of 1995, 23 U.S.C. 101 note, Public Law 104-59, and a cooperative agreement between the Federal Highway Administration, Federal Transit Administration, of the United States Department of Transportation and the Oregon Department of Transportation dated August 20, 1996.

"Oregon Transportation Infrastructure Fund" or "OTIF" means the fund created by the Act. Loans from the OTIF may include OTIB loans or loans to finance transportation projects from any accounts established within the OTIF.

"Pledged Revenues" means

- (i) Full Faith & Credit of the Borrower; and
- (ii) Any funds payable from the State to the Borrower, including but not limited to, any amounts due to the Borrower from the State pursuant to ORS 366.785 to 366.820.

"Project" means the transportation project of the Borrower described in Exhibit A, a portion of the Costs of the Project of which is financed or refinanced by the State through the making of the Loan under this Loan Agreement.

"Project Completion Date" means the date on which the Borrower completes construction of the Project.

"Project Completion Deadline" means August 1, 2018.

"Rule" or "Rules" means Oregon Administrative Rules, chapter 731, division 30, as they may be supplemented, modified or amended from time to time.

"State" means the State of Oregon, acting by and through its Department of Transportation.

"State Highway Fund" means the fund described in ORS 366.505.

Section 1.02. General Rules. Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations, corporations, agencies and districts. Words importing one gender shall include the other gender.

ARTICLE II

LOAN

Section 2.01. Loan Amount. On the Loan Closing Date the State hereby agrees to make to the Borrower, and the Borrower agrees to borrow and accept from the State, a Loan in the maximum aggregate principal amount of Six Hundred Fifty Thousand and No/100 Dollars (\$650,000).

Section 2.02. Use of Loan Proceeds. The Borrower shall use the proceeds of the Loan strictly in accordance with Section 5.01 of this Agreement.

Section 2.03. Loan Term. The term of the Loan is set forth in the Note.

Section 2.04. Interest. The Note shall bear interest at the rate of Two and 5/100 percent (2.05%) per annum. Interest shall be computed on the basis of a 360-day year, consisting of twelve (12), thirty (30) day months. Interest shall be due and payable in arrears and shall accrue on the outstanding principal balance from the date of this Agreement until the principal amount of the Note, together with accrued unpaid interest thereon, is paid in full.

Section 2.05. Payments.

(a) The Loan shall be due and payable in scheduled payments of principal and interest as set forth herein and in the Note. The Loan Repayments, when taken together, shall be in an amount sufficient to amortize the original principal amount of the Note, together with interest thereon, from the date of this Agreement to the Maturity Date.

(b) A scheduled payment received before the scheduled Loan Repayment date will be applied to interest and principal on the scheduled Loan Repayment date, rather than on the day such payment is received, and will be applied first to the State's expenses (if any) and any fees due, then to interest, and then to principal according to the applicable Loan Repayment schedule.

Section 2.06. Prepayments. Each Loan Prepayment shall include any prepayment premium and all unpaid interest on the amount prepaid that accrued to the date of prepayment.

(a) *Mandatory Prepayment.* The Borrower shall prepay the outstanding balance of the Loan upon the destruction of all or a substantial portion of the Project.

(b) *Optional Prepayment.* The Borrower may make Loan Prepayments upon prior written approval of the State obtained not less than one hundred twenty (120) days prior to the prepayment date. On the prepayment date, the Borrower shall remit to the State the principal amount of the Loan Prepayments, plus the unpaid interest accrued on such amount to the date of prepayment, and any applicable prepayment premium.

(c) *General.* Loan Prepayments shall be applied first to any expenses of the State and accrued interest on the portion of the Loan prepaid, and then to principal payments (including premium, if any) on the Loan. In the case of a Loan Prepayment that does not prepay all of the principal of the Loan, the State shall determine, in its sole discretion, the method by which such Loan Prepayment shall be applied to the outstanding principal payments. After a partial Loan Prepayment, the State may, in its sole and absolute discretion, reamortize the outstanding Loan amount at the same interest rate for the same number of remaining payments to decrease the Loan Repayment amount; provided, however, that nothing in this Agreement requires the State to reamortize the outstanding Loan amount if it accepts a partial Loan Prepayment.

Section 2.07. Unconditional Obligation. Except as provided in Section 2.10, the obligation of the Borrower to make the Loan Repayments and all other payments required under this Agreement and the obligation to perform and observe the other duties, covenants, obligations and agreements on its part contained in this Agreement is payable solely from the sources of repayment described in Section 2.10 and shall be absolute and unconditional and shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner or to any extent whatsoever, while any payments under this Loan Agreement remain unpaid, regardless of any contingency, act of God, event or cause whatsoever, including (without limitation) any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, the taking by eminent domain or destruction of or damage to the Project, commercial frustration of the purpose, any change in the laws of the United States of America or of the State of Oregon or any political subdivision of either or in the rules or regulations of any governmental authority, any failure of the State to perform and observe any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with the Project, this Loan Agreement, or any intergovernmental agreement related to the Project or any rights of set off, recoupment, abatement or counterclaim that the Borrower might otherwise have against the State or any other party or parties; provided, however, that payments under the Agreement shall not constitute a waiver of any such rights.

Section 2.08. Disclaimer of Warranties and Indemnification. The Borrower acknowledges and agrees that:

(a) the State does not make any warranty or representation, either expressed or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for any use of the Project or any portions of the Project or any other warranty or representation;

(b) in no event shall the State or its commissioners, officers, agents or employees be liable or responsible for any direct, incidental, indirect, special, consequential, punitive or other damages in connection with or arising out of this Loan Agreement or the Project or the existence, furnishing, functioning or use of the Project; and

(c) to the extent authorized by law, the Borrower shall indemnify, save, hold harmless and defend the State and its commissioners, officers, agents and employees, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees incurred as a result of any act or omission by the Borrower, or its officers, employees, agents or subcontractors pursuant to the terms of this Loan Agreement; provided, however, that the provisions of this subsection (c) are not intended to and shall not be construed as a waiver of any defense or limitation on damages provided for under and pursuant to Chapter 30 of the Oregon Revised Statutes or the laws of the United States of America or other laws of the State of Oregon.

Section 2.09. Termination of Availability. The State shall have no obligation to make any disbursements to the Borrower under this Loan Agreement after the Project Completion Deadline, except for Costs of the Project incurred by the Borrower prior to the Project Completion Deadline.

Section 2.10. Sources of Repayment of the Borrower's Obligations.

(a) The State and the Borrower agree that the amounts payable by the Borrower under this Loan Agreement, including, without limitation, the amounts payable by the Borrower pursuant to Section 2.05, Section 2.06, Section 2.08 and Section 7.04 of this Loan Agreement, are payable from the sources of repayment described in subsections (b) and (c) of this Section 2.10. Nothing herein shall be deemed to prevent the Borrower from paying the amounts payable under this Loan Agreement from any other legally available source.

(b) The amounts payable by the Borrower under this Loan Agreement are payable from:

(i) Pledged Revenues;

(ii) Any other funds payable from the Oregon Department of Transportation to the Borrower; and

(iii) Any other funds legally available to the Borrower.

(c) The Borrower acknowledges that the State of Oregon is entitled to withhold all or a portion of the Pledged Revenues including but not limited to any amounts due to the Borrower from the State of Oregon, including but not limited to any amounts due to the Borrower from the State of Oregon pursuant to ORS 366.785 to 366.820, and to apply any such amounts to

payments due under this Loan Agreement to the fullest extent permitted by law if the Borrower defaults on payments due under this Loan Agreement.

(d) Borrower hereby grants a security interest in and irrevocably pledges its Pledged Revenues to pay Borrower's obligations hereunder. The lien on and pledge of the Pledged Revenues are subordinate to the lien and pledge of the Senior Lien(s). The Pledged Revenues so pledged and hereafter received by Borrower shall immediately be subject to the lien of such pledge without physical delivery or further act, and the lien of the pledge shall be superior to all other claims and liens whatsoever to the fullest extent permitted by ORS 287A.310. Borrower hereby represents and warrants that the pledge of Pledged Revenues hereby made by Borrower complies with, and shall be valid and binding from the date of this Agreement pursuant to, ORS 287A.310.

Section 2.11. Loan Fee. The Borrower shall pay to the State a one-time Loan fee equal to one percent (1%) of the Loan. This fee shall be in addition to any interest charged on the Loan. The Borrower may elect to:

- ☒ pay the entire amount of this Loan fee on the Loan Closing Date; or
- ☐ authorize the State to deduct the Loan fee from the Loan proceeds;

provided however that if the Loan is not fully disbursed, the State shall refund to the Borrower the portion of the Loan fee allocated to the undisbursed portion of the Loan.

Section 2.12. Late Fee. If any Loan Repayment required under the Note is delinquent more than fifteen (15) days, the Borrower shall pay to the State a late charge of five percent (5%) of the delinquent Loan Repayment in addition to the Loan Repayment due under the Note.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF BORROWER

The Borrower represents and warrants to the State as follows:

Section 3.01. Organization and Authority.

- (a) The Borrower is a Municipality.
- (b) The Borrower has full legal right and authority and all necessary licenses and permits required as of the date of this Agreement to own, operate and maintain the Project, other than licenses and permits relating to the Project which the Borrower expects to receive in the ordinary course of business, to carry on its activities relating to the Project, to execute and deliver this Loan Agreement, to undertake and complete the Project, and to carry out and consummate all transactions contemplated by this Loan Agreement.
- (c) The Project is a project which the Borrower may undertake pursuant to Oregon law and for which the Borrower is authorized by law to borrow money.

(d) The proceedings of the Borrower's governing members and voters, if necessary, approving this Loan Agreement and the Note and authorizing the execution, issuance and delivery of this Loan Agreement and the Note on behalf of the Borrower and authorizing the Borrower to undertake and complete the Project have been duly and lawfully adopted in accordance with the laws of Oregon, and such proceedings were duly approved and published, if necessary, in accordance with applicable Oregon law, at a meeting or meetings which were duly called pursuant to necessary public notice and held in accordance with applicable Oregon law and at which quorums were present and acting throughout.

(e) This Loan Agreement has been duly authorized, executed and delivered by an Authorized Officer of the Borrower, and, assuming that the State has all the requisite power and authority to authorize, execute and deliver, and has duly authorized, executed and delivered, this Loan Agreement, this Loan Agreement constitutes the legal, valid and binding obligation of the Borrower in accordance with its terms, and the information contained in Exhibits A and B is true and accurate in all respects.

(f) This Loan Agreement is duly authorized by a resolution of the Borrower which was adopted as required by ORS 367.035(4), and was adopted in accordance with applicable law and the Borrower's requirements for filing public notices and holding public meetings.

Section 3.02. Full Disclosure. There is no fact that the Borrower has not disclosed to the State in writing, on the Borrower's application for the Loan or otherwise, that materially adversely affects the properties, activities, prospects or the condition (financial or otherwise) of the Borrower or the Project or the ability of the Borrower to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement. Neither the Borrower's application for the Loan nor the Borrower's representations and warranties in this Loan Agreement contain any untrue statement of a material fact or omits any statement or information which is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Section 3.03. Pending Litigation. There are no proceedings pending, or, to the knowledge of the Borrower threatened, against or affecting the Borrower, in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially adversely affect (a) the Project, (b) properties, activities, prospects or the condition (financial or otherwise) of the Borrower, or (c) the ability of the Borrower to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

Section 3.04. Compliance with Existing Laws and Agreements. The authorization, execution and delivery of this Loan Agreement by the Borrower, the observation and performance by the Borrower of its duties, covenants, obligations and agreements under this Loan Agreement and the consummation of the transactions provided for in this Loan Agreement, and the undertaking and completion of the Project will not result in any breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Borrower pursuant to, any existing ordinance or resolution, trust agreement, indenture, mortgage, deed of trust, loan agreement or other instrument (other than any lien and charge arising under this Loan Agreement or any of the documents related to this Loan Agreement) to which the Borrower is a

party or by which the Borrower or any of its property or assets may be bound, nor will such action result in any violation of the provisions of the charter or other document pursuant to which the Borrower was established or any laws, ordinances, resolutions, rules, regulations or court orders to which the Borrower or its properties or operations is subject.

Section 3.05. No Defaults. No event has occurred and no condition exists that, upon authorization, execution and delivery of this Loan Agreement or receipt of the amount of the Loan, would constitute an Event of Default under this Loan Agreement. The Borrower is not in violation of, and has not received notice of any claimed violation of, any term of any agreement or other instrument to which it is a party or by which it or its properties may be bound, which violation would materially adversely affect the (a) Project, (b) properties, activities, prospects or the condition (financial or otherwise) of the Borrower, or (c) the ability of the Borrower to make all Loan Repayments or otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

Section 3.06. Governmental Consent. The Borrower has obtained or will obtain all permits and approvals required by any governmental body or officer for the making, observance or performance by the Borrower of its duties, covenants, obligations and agreements under this Loan Agreement or for the undertaking or completion of the Project and the financing or refinancing of the Project; and the Borrower has complied or will comply with all applicable provisions of law requiring any notification, declaration, filing or registration with any governmental body or officer in connection with the making, observance and performance by the Borrower of its duties, covenants, obligations and agreements under this Loan Agreement or with the undertaking or completion of the Project and the financing or refinancing of the Project. No consent, approval or authorization of, or filing, registration or qualification with, any governmental body or officer that has not been obtained is required on the part of the Borrower as a condition to the authorization, execution and delivery of this Loan Agreement.

Section 3.07. Compliance with Law. The Borrower:

(a) is in compliance with all laws, ordinances, rules and regulations to which it is subject, non-compliance with which would materially adversely affect the condition (financial or otherwise) of the Borrower or the ability of the Borrower to conduct its activities or undertake or complete the Project; and

(b) has obtained or will obtain all licenses, permits, franchises or other governmental authorizations presently necessary for the ownership of its property or for the conduct of its activities which, if not obtained, would materially adversely affect the ability of the Borrower to conduct its activities or undertake or complete the Project or the condition (financial or otherwise) of the Borrower.

Section 3.08. The Project.

(a) The Project is feasible, and there will be adequate funds available to repay the Loan.

(b) The Borrower has been provided with a copy of the Rules, and the Project is in compliance with such Rules.

Section 3.09. Costs of the Project.

(a) The Costs of the Project is a reasonable and accurate estimation and based upon an engineer's feasibility report and engineer's estimate stamped by a registered professional engineer.

(b) The principal amount of the Loan is not in excess of the Costs of the Project.

Section 3.10. Matching Funds. Matching funds of the Borrower in the amount of Two Million Three Hundred Sixty-Six Thousand Five Hundred and No/100 Dollars (\$2,366,500) are available and committed to the Project.

ARTICLE IV

CONDITIONS TO LOAN AND DISBURSEMENTS

Section 4.01. Conditions Precedent to Loan. The State shall be under no obligation to make the Loan to the Borrower pursuant to the terms of this Loan Agreement unless:

(a) the Borrower delivers to the State, on or prior to the Loan Closing Deadline, the following documents in form and substance satisfactory to the State and its Counsel:

(i) An opinion of the Borrower's Counsel on the power and authority of the Borrower, the validity and enforceability of the Loan Agreement, and such other matters as the State may require;

(ii) This Loan Agreement duly executed and delivered by an Authorized Officer of the Borrower;

(iii) The Note duly executed and delivered by an Authorized Officer of the Borrower;

(iv) A copy of the ordinance/resolution, duly adopted by the governing body of the Borrower, authorizing this Loan, the pledge of the Pledged Revenues and execution of the Loan documents, which copy of ordinance/resolution shall be certified by an Authorized Officer of the Borrower; and

(v) [Reserved.]

(vi) Such other certificates, documents, opinions and information as the State; and

(b) there is availability of moneys in the OTIF for use in the Project;

provided, however, the State shall be under no obligation to make the Loan if there has been a change in the Act so that the Project is no longer eligible for financial assistance authorized by this Loan Agreement.

Section 4.02. Conditions to Disbursement. The obligation of the State to make any disbursement to the Borrower is subject to the following conditions:

- (a) All the conditions set forth in Section 4.01 of this Loan Agreement have been satisfied;
- (b) There shall exist no Event of Default, or event, omission or failure of a condition which would constitute an Event of Default after notice or lapse of time or both;
- (c) All representations and warranties of the Borrower made in this Loan Agreement shall be true and correct on the date of disbursement with the same effect as if made on such date;
- (d) The State has received documentation satisfactory to the State evidencing that the Borrower has obtained any matching funds that are needed to pay for the Costs of the Project; and
- (e) The State receives:
 - (i) a requisition executed by the Borrower in substantially the form of Exhibit D; and
 - (ii) any other written evidence of materials and labor furnished to or performed upon the Project, itemized receipts or invoices for the payment of the same, and releases, satisfactions and other signed statements and forms as the State may require as a condition for making disbursements of the Loan.

The State may, at its option, from time to time, either reimburse the Borrower for construction costs paid or may make direct payment for construction costs to suppliers, subcontractors and others for sums due them in connection with construction of the Project. Nothing in this Loan Agreement shall require the State to pay any amounts for labor or materials unless satisfied that such claims are reasonable and that such labor and materials were actually expended and used in the construction of the Project. The State, at its option, from time to time, may also require that the Borrower have a contractor or subcontractor execute and deliver a surety bond or indemnification form acceptable to the State for the faithful performance of the construction contract or subcontract and payment of all liens and lienable expenses in connection with such performance in a sum equal to the contract or subcontract price. Disbursements for the Costs of the Project shall be subject to a retainage at the rate of five percent (5%) which will be released upon satisfactory completion of the Project.

Further, the State shall have no obligation to make any disbursement to the Borrower if, on or before the time for disbursement, there has been a change in the Act so that the Project is no longer eligible for financial assistance authorized by this Loan Agreement or if ODOT does not receive sufficient funding, appropriations, limitation, allotments and other expenditure authority to allow ODOT or OTIF, in the exercise of its reasonable administrative discretion, to provide such funding.

ARTICLE V

COVENANTS OF BORROWER

Section 5.01. Use of Proceeds. The Borrower will apply the proceeds of the Loan to finance all or a portion of the Costs of the Project. None of the proceeds of the Loan shall be used for administrative purposes by the Borrower.

Section 5.02. Source of Repayment. The Loan shall be paid from the sources of repayment described in Section 2.10 of this Loan Agreement. Such sources shall be applied to the punctual payment of the principal of and the interest on the Loan, and all other amounts due under this Loan Agreement according to the terms of this Agreement.

Section 5.03. Performance Under Loan Agreement. The Borrower covenants and agrees to cooperate with the State in the observance and performance of the respective duties, covenants, obligations and agreements of the Borrower and the State under this Loan Agreement.

Section 5.04. Completion of Project and Provision of Moneys for the Project. The Borrower covenants and agrees to provide State with copies of all permits, plans and specifications relating to the Project promptly, but in any event no later than August 1, 2018. The Borrower shall obtain as-built drawings for all facilities of the Project and obtain certification of completion per as-built drawings from the Project engineer within ninety (90) days of the Project Completion Date. The Borrower shall supply a copy of such drawings and certification to the State upon request. The Borrower further covenants and agrees: (a) to exercise its best efforts in accordance with prudent practice to complete the Project and to so accomplish such completion on or before the estimated Project Completion Date; (b) to proceed expeditiously with, and complete, the Project; and (c) to provide from its own fiscal resources all moneys in excess of the total amount of proceeds it receives pursuant to this Loan Agreement required to complete the Project. The Borrower shall have a program, documented to the satisfaction of the State, for the on-going maintenance, operation and replacement, at its sole expense, of the Project. The program shall include a plan for generating revenues sufficient to assure the operation, maintenance and replacement of the Project during the useful life of the Project. The Borrower shall provide such documentation to the State on or before August 1, 2018.

Section 5.05. Disposition of Project. Unless it is worn out, obsolete or, in the reasonable opinion of the Borrower, no longer useful in the operation of the Project, the Borrower shall not sell, lease, abandon, exchange or otherwise dispose of (collectively for the purposes of this Section "transfer") all or substantially all or any substantial portion of the Project or any other properties or assets which provide revenues for the payment of the amounts due under this Loan Agreement except on ninety (90) days' prior written notice to the State and, in any event, shall not so transfer the same unless the State consents to such transfer. Proceeds of any such transfer not used to replace property that is part of the Project shall be applied to payment of the outstanding principal and interest of the Loan as a Loan Prepayment subject to a prepayment premium, if any, as provided in Section 2.06 of this Agreement.

Section 5.06. Operation and Maintenance of Project. The Borrower covenants and agrees that it shall, in accordance with prudent practice, maintain the Project in good repair, working order and operating condition.

Section 5.07. Records; Accounts. The Borrower shall keep accurate records and accounts for the revenues and funds that are the sources of repayment of the Loan, including but not limited to those Pledged Revenues (the "Repayment Revenues Records"), separate and distinct from its other records and accounts (the "General Records"). Such Repayment Revenues Records shall be maintained in accordance with generally accepted accounting principles as established by the Government Accounting Standards Board as in effect from time to time and

shall be audited annually by an independent accountant, which audit may be part of the annual audit of the General Records of the Borrower. Such Repayment Revenues Records and General Records shall be made available for inspection by the State and the federal government (including but not limited to the Federal Highway Administration and the Federal Transit Administration, if applicable) at any reasonable time, and a copy of such annual audit(s), including all written comments and recommendations of such accountant, shall be furnished to the State within two hundred ten (210) calendar days of the close of the fiscal year being so audited.

Section 5.08. Inspections; Information. The Borrower shall permit the State and the federal government (including but not limited to the Federal Highway Administration and the Federal Transit Administration, if applicable) and any party designated by any of such parties to examine, visit and inspect, at any and all reasonable times, the property, if any, constituting the Project, and to inspect and make copies of any accounts, books and records, including, without limitation, its records regarding receipts, disbursements, contracts and any other matters relating to the Project and to its financial standing, and shall supply such reports and information as the State may reasonably require in connection with this Agreement. In addition, the Borrower shall provide the State with copies of loan documents or other financing documents and any official statements or other forms of offering documents relating to any bonds, notes or other indebtedness of the Borrower that are issued after the Loan Closing Date and are secured by the Pledged Revenues.

Section 5.09. Insurance. The Borrower shall maintain or cause to be maintained insurance policies with responsible insurers or self-insurance programs providing against risk of direct physical loss, damage or destruction of the Project, at least to the extent that similar insurance is usually carried, or self-insurance is usually provided for, by governmental units constructing, operating and maintaining facilities of the nature of the Borrower's Project, including liability coverage, all to the extent available at reasonable cost. Unless otherwise prohibited by law, the Borrower shall cause the State to be listed on such insurance policies as a loss payee on such policy. Nothing herein shall be deemed to preclude the Borrower from asserting against any party, other than the State, a defense which may be available to the Borrower, including, without limitation, a defense of immunity. In the event the Project or any portion thereof is destroyed, any insurance proceeds shall be paid to the State and shall be applied to the principal and interest on the Loan, unless the State agrees in writing that the insurance proceeds shall be used to rebuild the Project. Any application of insurance proceeds to prepay the outstanding principal of the Loan shall not be subject to the prepayment premium, if any, as provided in Section 2.06.

Section 5.10. Condemnation. In the event the Project or any portion of the Project is condemned, any condemnation proceeds shall be used to prepay the outstanding principal on the Loan, and shall not be subject to the prepayment premium, if any, as provided in Section 2.06.

Section 5.11. Engineer's Report. Upon request by the State, the Borrower shall promptly provide the stamped engineer's feasibility report and estimate described in Section 3.09(a) to the State .

Section 5.12. Notice of Material Adverse Change. The Borrower shall promptly notify the State of any material adverse change in the properties, activities, prospects or the condition

(financial or otherwise) of the Borrower or the Project or in the ability of the Borrower to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

Section 5.13. Financial Statements; Reports. The Borrower shall deliver to the State in form and detail satisfactory to the State:

(a) As soon as reasonably possible and in any event within Two Hundred Seventy (270) days after the close of each fiscal year of the Borrower, the annual audited financial statements of Borrower, including revenues, expenditures, cash flows, and changes in retained earnings for each of the funds constituting the Pledged Revenues for the fiscal year just ended, prepared by an independent certified public accountant(s) satisfactory to the State, all financial statements to be prepared in accordance with generally accepted accounting principles.

(b) Such other statement or statements or reports as to the Borrower as the State may reasonably request.

Section 5.14. Compliance with Applicable Laws. The Borrower will comply with the requirements of all applicable laws, rules, regulations and orders of any governmental authority that relate to the financing, construction and operation of the Project. In particular, but without limitation, the Borrower shall comply with the following, **as applicable**:

- a. The National Environmental Policy Act (NEPA), and other environmental laws and requirements;
- b. The Uniform Relocation Assistance Act (Right of Way);
- c. The Civil Rights Act of 1964 and other civil rights laws and requirements including the DBE program;
- d. The Davis Bacon Act and other labor laws and requirements;
- e. The Common Rule (49 C.F.R.19) with respect to procurement;
- f. The Brooks Act;
- g. Competitive bidding requirements and state labor standards and wage rates found in the Oregon Public Contracting Code, ORS 279A, 279B, and 279C, as applicable, including but not limited to ORS 279B.220, 279B.225 (if applicable to this Agreement), 279B.230, and 279B.235 (if applicable to this Agreement), as amended from time to time, which provisions are hereby incorporated by reference, and ORS 279B.280, as amended from time to time;
- h. Buy America;
- i. Manual of Uniform Traffic Control Devices;
- j. The Americans with Disabilities Act (ADA) and other federal and state laws prohibiting discrimination against persons with disabilities;
- k. OAR, Chapter 731, Division 30, as amended from time to time at the discretion of the State; and
- l. State municipal bonding requirements found in ORS Chapters 280, 286A, and 287A.

Section 5.15. Compliance with State Handbook. The Borrower agrees that it will at all times comply with the provisions of any project management handbook of the State for OTIF loans.

Section 5.16. Continuing Representations. The representations of the Borrower contained

in this Loan Agreement shall be true at the time of the execution of this Loan Agreement and at all times during the term of this Loan Agreement.

Section 5.17. [Reserved.]

Section 5.18. Further Assurances. The Borrower shall, at the request of the State, authorize, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be necessary or desirable for assuring, conveying, granting, assigning and confirming the rights, security interests and agreements granted or intended to be granted by this Loan Agreement.

Section 5.19. [Reserved.]

ARTICLE VI

ASSIGNMENT

Section 6.01. Assignment and Transfer by State.

The Borrower hereby approves and consents to any assignment, sale or transfer of this Loan Agreement that the State deems to be necessary.

Section 6.02. Assignment by Borrower. This Loan Agreement may not be assigned by the Borrower without the prior written consent of the State. The State may grant or withhold such consent in its sole discretion. In the event of an assignment of this Loan Agreement by the Borrower and assumption of the Borrower's obligations under this Agreement, the Borrower shall pay, or cause to be paid, to the State any fees or costs incurred by the State as the result of such assignment, including but not limited to, attorney fees.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01. Event of Default. If any of the following events occurs, it is hereby defined as and declared to be and to constitute an "Event of Default":

(a) Failure by the Borrower to pay, or cause to be paid, any Loan Repayment required to be paid hereunder on the due date thereof; or

(b) Failure by the Borrower to make, or cause to be made, any required payments of principal, redemption premium, if any, and interest on any bonds, notes or other obligations of the Borrower for borrowed money (other than the Loan), after giving effect to the applicable grace period; or

(c) Any representation made by or on behalf of the Borrower contained in this Loan Agreement, or in any agreement, instrument, certificate or document furnished in compliance with or with reference to this Loan Agreement or the Loan, is false or misleading in any material respect; or

(d) A petition is filed by or against the Borrower under any federal or state bankruptcy or insolvency law or other similar law in effect on the date of this Loan Agreement or thereafter enacted, unless in the case of any such petition filed against the Borrower such petition shall be dismissed within twenty (20) calendar days after such filing, and such dismissal shall be final and not subject to appeal; or the Borrower shall become insolvent or bankrupt or make an assignment for the benefit of its creditors; or a custodian (including without limitation, a trustee, receiver, custodian, liquidator, or the like of the Borrower or any of its property) shall be appointed by court order or take possession of the Borrower or its property or assets if such order remains in effect or such possession continues for more than thirty (30) calendar days; or

(e) [Reserved.]

(f) [Reserved.]

(g) The Borrower fails to proceed expeditiously with, or to complete, the Project or any segment or phase of the Project in accordance with the plans and schedules approved by the State, provided that the Borrower may request the State's written approval of reasonable modifications to such plans and schedules, which approval shall not be unreasonably withheld; or

(h) The Borrower defaults in the performance or observance of any covenants or agreements contained in any loan documents between itself and another lender or lenders (including but not limited to other Oregon state agencies) or in any loan documents between itself and the Department of Transportation for another loan, and the default remains uncured upon the expiration of any cure period provided for such a default by said loan documents; or

(i) Failure by the Borrower to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed under this Loan Agreement, other than as referred to in subsections (a) through (h) of this Section, which failure shall continue for a period of thirty (30) calendar days after written notice, specifying such failure and requesting that it be remedied, is given to the Borrower by the State, unless the State agrees in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in such notice is correctable but cannot be corrected within the applicable period, the State may not unreasonably withhold its consent to an extension of such time up to one hundred twenty (120) calendar days of the written notice referred to above if corrective action is instituted by the Borrower within the applicable period and diligently pursued until the Event of Default is corrected.

Section 7.02. Notice of Default. The Borrower shall give the State prompt telephonic notice of the occurrence of any Event of Default referred to in Section 7.01(d) of this Agreement and of the occurrence of any other event or condition that constitutes an Event of Default at such time as any senior administrative or financial officer of the Borrower becomes aware of the existence thereof. Any telephonic notice pursuant to this Section 7.02 shall be confirmed in writing as soon as is practicable by the Borrower.

Section 7.03. Remedies on Default. Whenever an Event of Default referred to in Section 7.01 of this Agreement shall have occurred and be continuing, the State shall have the right to take any action permitted or required pursuant to the Loan Agreement and to take whatever other

action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due under this Loan Agreement or to enforce the performance and observance of any duty, covenant, obligation or agreement of the Borrower under this Agreement, including, without limitation:

(a) declaring all Loan Repayments and all other amounts due under this Loan Agreement to be immediately due and payable, and upon notice to the Borrower the same shall become due and payable without further notice or demand,

(b) appointment of a receiver,

(c) refusal to disburse any Loan proceeds,

(d) barring the Borrower from applying for future OTIF assistance, or

(e) withholding other State of Oregon funds, including but not limited to, the Borrower's apportionment of State Highway Fund revenues due under ORS 366.785 to 366.820, to the extent permitted by Section 2.10(c).

In addition, if an Event of Default referred to in Section 7.01(a) of this Agreement shall have occurred and be continuing, the State shall have the right to declare all Loan Repayments and all other amounts due under this Agreement to be immediately due and payable, and upon notice to the Borrower the same shall become due and payable without further notice or demand.

Section 7.04. Attorney Fees and Other Expenses. To the extent permitted by the Oregon Constitution and the Oregon Tort Claims Act, the prevailing party in any dispute arising from this Agreement shall be entitled to recover from the other its reasonable attorney fees, costs and expenses at trial and on appeal. Reasonable attorney fees shall not exceed the rate charged to the State by its attorneys. The Borrower shall, on demand, pay to the State reasonable expenses incurred by the State in the collection of Loan Repayments.

Section 7.05. Application of Moneys. Except as otherwise provided in another provision of this Loan Agreement, any moneys collected by the State pursuant to Section 7.03 of this Agreement shall be applied in the following order:

(a) to pay any attorney fees, or other fees, costs and expenses incurred by the State,

(b) to pay interest due and payable on the Loan, and

(c) to pay principal due and payable on the Loan.

Section 7.06. No Remedy Exclusive; Waiver; Notice. No remedy herein conferred upon or reserved to the State is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy or power accruing upon any Event of Default shall impair any such right, remedy or power or shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. To entitle the State to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article VII.

Section 7.07. Retention of State's Rights. Notwithstanding any assignment or transfer of this Loan Agreement pursuant to the provisions of this Agreement, or anything else to the contrary contained in this Agreement, the State shall have the right upon the occurrence of an Event of Default to take any action, including (without limitation) bringing an action against the Borrower at law or in equity, as the State may, in its discretion, deem necessary to enforce the obligations of the Borrower to the State pursuant to Sections 2.05, 2.08 and 7.04 hereof.

Section 7.08. Default by the State. In the event of any default by the State under any covenant, agreement or obligation of this Loan Agreement, the Borrower's remedy for such default shall be limited to injunction, special action, action for specific performance or any other available equitable remedy designed to enforce the performance or observance of any duty, covenant, obligation or agreement of the State hereunder as may be necessary or appropriate.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Notices. All notices permitted or required under this Agreement shall be shall be given in writing by personal delivery, facsimile, email or mail, postage prepaid, to the Borrower or the State, as the case may be, at the addresses or numbers set forth below or at such other address or number of which such party shall have notified in writing the other party:

If to the State:	Oregon Department of Transportation Financial Services Attention: Debt Manager 355 Capitol Street NE Salem, Oregon 97301-3872 Email: ODOTDebtMgt@odot.state.or.us Telephone No.: (503) 986-6634 Facsimile No.: (503) 986-3907
------------------	--

If to the Borrower:	City of Brookings 898 Elk Drive Brookings, OR 97415 Attn: Janell Howard
---------------------	--

Any notice so addressed and mailed shall be effective five (5) days after mailing. Any notice given by personal delivery shall be effective when actually delivered. Any notice delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine. To be effective against the State, such facsimile transmission must be confirmed by telephone notice to the Debt Manager of ODOT.

Section 8.02. Successors and Assigns; No Third Party Beneficiaries.

(a) This Loan Agreement shall inure to the benefit of and shall be binding upon the State and the Borrower and their respective successors and assigns.

(b) The State and the Borrower are the only parties to this Loan Agreement and are the only parties entitled to enforce its terms. Nothing in this Loan Agreement gives or provides any benefit or right not held by or made generally available to the public, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name in this Loan Agreement and expressly described as intended beneficiaries of the terms of this Loan Agreement.

Section 8.03. Severability. In the event any provision of this Loan Agreement shall be held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

Section 8.04. Amendments, Supplements and Modifications. This Loan Agreement may not be amended, supplemented or modified without the prior written consent of the State and the Borrower. This Loan Agreement may not be amended, supplemented or modified in a manner that is not in compliance with the Act or the Rules.

Section 8.05. Choice of Law; Designation of Forum; Federal Forum.

(a) The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Agreement, including, without limitation, its validity, interpretation, construction, performance, and enforcement.

(b) Any party bringing a legal action or proceeding against any other party arising out of or relating to this Agreement shall bring the legal action or proceeding in the Circuit Court of the State of Oregon for Marion County (unless Oregon law requires that it be brought and conducted in another county). Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum.

(c) Notwithstanding Section 8.05(b), if a claim must be brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for the District of Oregon. This Section applies to a claim brought against the State of Oregon only to the extent Congress has appropriately abrogated the State of Oregon's sovereign immunity and is not consent by the State of Oregon to be sued in federal court. This Section is also not a waiver by the State of Oregon of any form of defense or immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

Section 8.06. Loan not an Obligation of the United States of America. The covenants, agreements and obligations of the State contained in this Loan Agreement shall not be construed to be covenants, agreements or obligations of the United States of America.

Section 8.07. Headings. The Section headings in this Loan Agreement are intended to be for reference purposes only and shall in no way modify or restrict any of the terms or provisions hereof.

Section 8.08. No Construction against Drafter. Both parties acknowledge that they are each represented by and have sought the advice of counsel in connection with, and the transactions contemplated by, this Loan Agreement and have read and understand the terms of

this Loan Agreement. The terms of this Loan Agreement shall not be construed against either party as the drafter.

Section 8.09. Merger; No Waiver. This Loan Agreement and attached exhibits (that are by this reference incorporated herein) constitute the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Loan Agreement. No waiver of any provision of this Loan Agreement or consent shall bind either party unless in writing and signed by both parties and all necessary State approvals have been obtained. Such waiver or consent, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of the State to enforce any provision of this Loan Agreement shall not constitute a waiver by the State of that or any other provision.

Section 8.10. Execution in Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the State and the Borrower have caused this Loan Agreement to be executed and delivered as of the date first above written.

STATE OF OREGON, acting by and
through its Department of Transportation

CITY OF BROOKINGS
Borrower

By: _____

Chief Financial Officer

Date: _____

By: _____

Title: _____

Date: _____

Exhibits:

Exhibit A: Project Description

Exhibit B: Approved Project Budget

Exhibit C: Form of Promissory Note
(with Exhibit A: Repayment Schedule)

Exhibit D: Form of Payment Requisition

Exhibit A to Loan Agreement

Project Description

Borrower: City of Brookings

This Project involves the complete reconstruction and widening of Railroad Street in the City of Brookings. The Project includes one travel lane in each direction, a center turn lane and median, curb, gutter and sidewalk on both sides of the street, storm drains, bicycle lanes on both sides of the street, and improvements to street lighting.

Railroad Street traverses the central part of Brookings running parallel to U.S. Highway 101 through downtown. Railroad Street is often used as a local traffic alternative to Highway 101 and also serves both the City's industrial area and a growing commercial district.

Railroad Street currently operates with one lane in each direction and no turn lanes, bicycle lanes, or pedestrian facilities for most of its length. The drainage system includes open roadside ditches and older drop inlets and thus local street flooding is a common occurrence. The surface condition of the roadway itself is deteriorated. A bus transit station is located on this street.

The improvements will occur along a 1700 lineal foot section of Railroad Street. The goal of the project is to correct American Disabilities Act, pedestrian safety, drainage, and bicycle safety deficiencies along the street to make the street more functional as a secondary commercial street carrying local traffic and reducing congestion on Highway 101 through downtown Brookings. It will also provide a safe alternative for bicyclists traveling through the City.

Exhibit B to Loan Agreement

Approved Project Budget

Borrower: City of Brookings

Costs of Project:

Construction	\$1,455,000
Preliminary Engineering	301,000
Right of Way	10,000
Design & Architectural	752,500
Land Acquisition & Site Preparation	40,000
Contingency	451,500
Loan Fee	6,500
Total	\$3,016,500

Exhibit C to Loan Agreement

Form of Promissory Note

PROMISSORY NOTE

\$650,000

August 1, 2015

For value received, the City of Brookings (hereinafter "Borrower") unconditionally promises to pay to the State of Oregon, acting by and through its Department of Transportation (hereinafter "State"), or order, at 350 Capitol St. NE, Salem, OR 97301-3871 or such other place as the State may designate in writing, the principal sum of Six Hundred Fifty Thousand Dollars (\$650,000), or so much thereof as is disbursed and not repaid, plus interest from the date of this Note on the unpaid principal balance until paid. Any capitalized terms not defined in this Note have the meanings assigned to such terms in that certain loan agreement dated the same date as this Note between the State and Borrower (as amended from time to time the "Loan Agreement").

Interest shall accrue on the unpaid principal balance at the rate of Two and 5/100 percent (2.05%) per annum and shall be computed on the basis of a 360-day year, consisting of twelve (12), thirty (30) day months.

Principal and interest shall be payable at the times and in the amounts specified in Exhibit A: Repayment Schedule (attached to this Note and by this reference made a part hereof), and the outstanding principal balance of the Note, together with accrued unpaid interest, shall be due and payable on the Maturity Date. Each payment made by the Borrower under this Note shall be applied first to the State's expenses (if any) and any fees due, then to interest due, and then to the principal of the Loan unless the Loan Agreement provides otherwise.

This Note is payable prior to its maturity except as provided for in Section 2.06 of the Loan Agreement.

This Note is given to avoid the execution by the Borrower of an individual note for each advance by the State to the Borrower. In consideration thereof, the Borrower agrees that the State's record entries of transactions pursuant to this Note, shall be conclusive evidence of borrowings and payments made pursuant to this Note, absent manifest error.

In the event that the Borrower receives written notification from the State that payments made pursuant to the Loan Agreement have been assigned, all payments hereunder shall be made directly to the assignee pursuant to such assignment.

If an Event of Default occurs, the outstanding balance under this Note, including principal, interest and other charges, if any, shall, at the option of the State, become immediately due and payable. Presentment, demand, protest, and notice of dishonor, protest and nonpayment are waived by the Borrower.

To the extent permitted by the Oregon Constitution and the Oregon Tort Claims Act, the prevailing party in any dispute arising from this Note shall be entitled to recover from the other its

reasonable attorney fees, costs and expenses at trial and on appeal. Reasonable attorney fees shall not exceed the rate charged to the State by its attorneys. The Borrower shall, on demand, pay to the State its reasonable expenses incurred in the collection of Loan payments.

The terms, provisions and covenants contained in this Note shall apply to, inure to the benefit of, and bind the parties hereto and their respective successors and assigns.

This Note shall be governed by and construed in accordance with the laws of the State of Oregon (without giving effect to its conflicts of law principles).

This Note is subject to the terms and conditions of the Loan Agreement. The indebtedness evidenced by this Note is secured by the collateral described in the Loan Agreement.

NOTICE TO BORROWER

DO NOT SIGN THIS NOTE BEFORE YOU READ IT. FULL OR PARTIAL REPAYMENT BEFORE THE DATE PROVIDED FOR REPAYMENT IN THIS NOTE AND IN THE LOAN AGREEMENT MAY NOT BE PERMITTED, AND A PREMIUM FOR ANY SUCH PREPAYMENT MAY BE CHARGED AND COLLECTED.

City of Brookings

By: _____

Name & Title (print): _____

Exhibit A to Promissory Note

Repayment Schedule

Borrower: City of Brookings

Payment Due Date:	Amount Due:
October 1, 2016	Any accrued unpaid interest
October 1, 2017	Any accrued unpaid interest
October 1, 2018	\$30,000
October 1, 2019	\$30,000
October 1, 2020	\$30,000
October 1, 2021 and the first day of each October thereafter	Installment payment of principal and interest of \$92,721.72
Maturity Date (October 1, 2028	The remaining principal and interest due on the Loan

Exhibit E to Loan Agreement

Form of Payment Requisition

TO: Oregon Transportation Infrastructure Bank
Oregon Department of Transportation
355 Capitol St. NE, MS #21
Salem, Oregon 97301-3871

RE: Oregon Transportation Infrastructure Fund, Loan Number OTIF-0057

On behalf of the City of Brookings, I request that the Oregon Transportation Infrastructure Fund (OTIF) disburse to the following payees the following amounts from the account established in the OTIF for this loan:

[Insert Payee]

[Insert Amount]

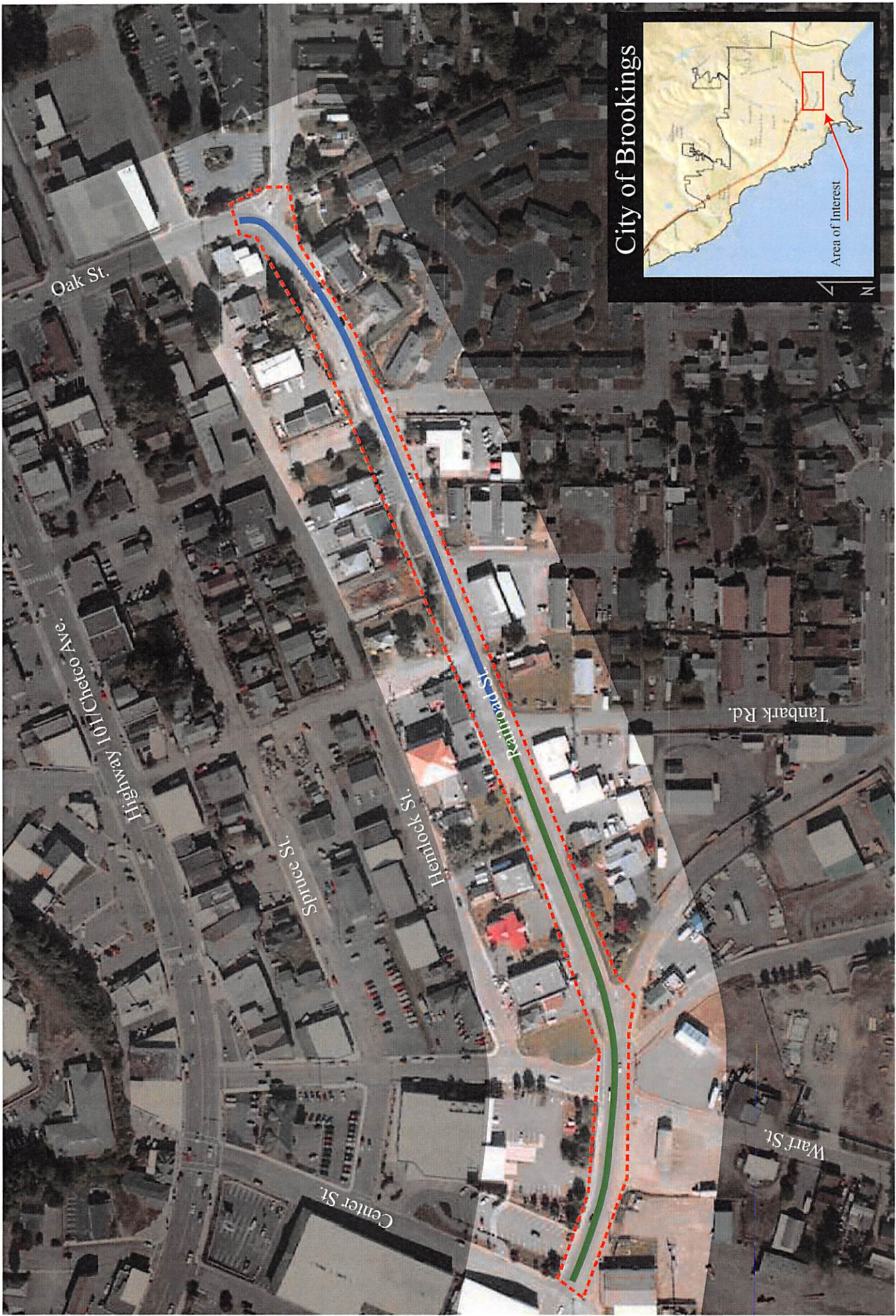
The foregoing disbursements are all for Costs of the Project as such term is defined in, and which are permitted under, the Loan Agreement. I have attached all necessary documentation as required by Section 4.02(e)(ii) of the Loan Agreement. No Event of Default has occurred or is continuing under the Loan Agreement.

DATED this _____ day of _____, _____.

City of Brookings

By: _____
Authorized Officer

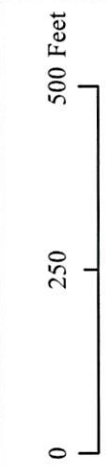
Attachments



City of Brookings



- Phase 1
- Phase 2
- Area of Work



Railroad Street Corridor Project

City of Brookings

City Council Meeting MINUTES

City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415

Monday, July 13, 2015

The City Council met in Executive Session at 6:00 PM, in the City Manager's office, under authority of ORS 192.660(2)(f), "to consider information or records that are exempt by law," and under the authority of ORS 192.660 (2)(e), "to conduct deliberations with persons designated by the governing body to negotiate real property transactions."

Call to Order

Mayor Hedenskog called the meeting to order at 7:00 PM.

Roll Call

Council present: Mayor Ron Hedenskog, Councilors Kelly McClain, Brent Hodges and Bill Hamilton; a quorum present. Councilor Jake Pieper was absent.

Staff present: City Manager Gary Milliman, Public Works & Development Director LauraLee Snook, City Attorney Martha Rice and City Recorder Joyce Heffington.

Others Present: Curry Coastal Pilot Report Jane Stebbins and approximately 12 others.

Ceremonies/Appointments/Announcements

Mayor Hedenskog proclaimed the week of July 13th as Southern Oregon Kite Festival Week.

Mayor Hedenskog moved, a second followed and Council voted unanimously to reappoint [Tim Patterson and George Watwood] to the Tourism Promotion Advisory Committee.

Mayor Hedenskog announced July Yard of the Month awards as follows:

- Best Residential – Shirley York, 314 Birch Street
- Best Commercial – Dollar General, 1300 Easy Street

Resolutions

Resolution 15-R-1067 establishing City policy for responding to drought emergency.

City Manager Milliman provided the staff report and reported that today's river flow was 64 cfs and the City's withdrawal was 2.2 csf compared to a flow of 183 cfs and withdrawal of 1.8 csf on this date last year.

Mayor Hedenskog said he was impressed by how well the City had done in reducing its water usage.

Councilor McClain said the City would never meet the criteria for triggering water curtailment with the current formula. He said the flow would have to be as low as 40 cfs before it would be triggered and in doing a number of calculations, it seemed to him that it should be calculated on a percentage basis. He said the goal was to protect the flow needed for fish and wildlife and the creek and reservoir were important and the City should pursue funding for this purpose.

Councilor Hodges said the City needed the 40 day supply of reserved water.

Councilor McClain asked if the City would ever experience salt water intrusion at the collection point and Milliman said he didn't know.

Councilor Hamilton said people had expressed concerns about the reservoir but he didn't see it as a problem. He suggested that the City ask restaurants to provide water only upon request.

Mayor Hedenskog said the triggers were developed by the Oregon Department of Fish and Wildlife and that traditionally, salt water intrusion had never occurred above Harbor's intake. Harbor residents, he said, were concerned that the City would take so much water out of the river that they would experience an intrusion of salt water.

Councilor Hodges moved, a second followed and Council voted unanimously to adopt Resolution 15-R-1067 adopting a drought response policy.

Public Comments on Non-Agenda Items

Carolyn Milliman commented on the Relay for Life event. She said it was a great event, and thanked Council for showing at the event. She also thanked the Pilot for their article and everyone for their cards and prayers and later on in the meeting, she thanked the Volunteer Fire Department for their participation.

Staff Reports

Funding request for Lighted Arch at Azalea Park.

City Manager Milliman gave the staff report.

Councilor Hamilton said if the funding comes from the Tourism Occupancy Tax funds and the Tourism Promotion Advisory Committee (TPAC) didn't have an issue with it, he didn't either. He said he was concerned about vandalism and recommended adding an extra camera.

Klaus Geilisch, representing Natures Coastal Holiday, said a camera had been added at the Capella and they'd had no additional issues with vandalism.

Councilor Hodges said \$7,000 would be twenty percent of TPAC's budget and suggested funding half of the requested amount. He said NCH could then look for sponsors. He said the event was good for the community but it was a lot of money.

Councilor McClain said he wanted to support TPAC's recommendation.

Mayor Hedenskog said this was in keeping with off-season events.

Mayor Hedenskog moved to fund the light tunnel with \$3,603 in Transient Occupancy Tax revenues, a second followed and the motion was tied and failed, with Mayor Hedenskog and Councilor Hamilton voting "Yes" and Councilors McClain and Hodges voting "No."

Mayor Hedenskog suggested that it go to TPAC and Milliman reminded Council that TPAC had already voted not to fund the project.

Carolyn Milliman commented on the fire department's participation in the Relay 4 Life event.

Discussion and direction regarding House Bill 3400.

City Manager Milliman gave the staff report adding that the bill had since been signed into law by the Governor.

Mayor Hedenskog said he would like to put it on the ballot with a specific spending plan and proposed using the funding for parks and recreation.

Councilor McClain said he agreed with the mayor that it should be put to a vote with a defined spending allocation.

Councilor Hodges said he thought it was a slippery slope with the potential to put it right back on the black market by overtaxing it. He said he didn't think it should be taxed to death.

Councilor Hamilton said he agreed on going for three percent.

Councilor Hodges asked if the County could add three percent as well and Milliman, after a quick review of the bill, said it appeared that they could.

Mayor Hedenskog said the County's tax would not apply in the City.

Mayor Hedenskog moved, a second followed and Council voted unanimously to direct staff to put on the May, 2016 ballot a measure for a three percent tax on recreational marijuana.

City Manager Milliman pointed out that there were a number of actions to be taken before a measure would be ready to be placed on the ballot.

Discussion and direction regarding House Joint Resolution 21.

City Manager Milliman presented the staff report, pointing out that the resolution did not go forward at the close of the session and that the matter had been placed on the agenda at Councilor Pieper's request.

Public Comment: Steve Adams, Pacific Heights, said he would like to ask Commissioner Smith and Tax Assessor Jim Kolen to resign.

Mayor Hedenskog said he didn't know how Councilor Pieper, who was not in attendance, wanted to proceed with this matter.

Councilor McClain said he had lost faith in the County's ability to find the right number to fund the Sheriff's Department. He said he understood why the bill was being proposed as other Counties would not want to foot part of Curry County's bill. He said he did like the idea in HB 3453 of requiring the County to define minimum services which is something they've never done.

Mayor Hedenskog said if the bill passed it would be a disservice to the citizens.

Councilor Hodges said he found this action on the part of County to be offensive. He said what was needed was legislation to allow the County to harvest logs.

Councilor Hamilton said it was clear that no one up north was paying attention and it would never pass. He added, "Shame on the County for acting like this."

Mayor Hedenskog said Commissioner Smith had also advocated for HB 3453.

Lacking direction regarding Councilor Pieper's purpose for adding this item to the agenda, no action was taken.

Accept Davis Wright Tremaine, LLP voucher in the amount of \$5,159.00 for June, 2015.

City Manager Milliman said this voucher was being listed separately on the agenda so that Councilor Hodges, who has been contracted by the Curry Health Network (CHN) to do remodeling on the Brookings Clinic in preparation for the Emergency Department, may declare a potential conflict. The City, he said, had participated financially in getting legislation passed to allow for an Emergency Department to operate in Brookings.

Martha Rice advised Councilor Hodges to remove himself from the dais and the discussion on this matter.

Mayor Hedenskog said the City had paid to get the Emergency Department designation and Milliman said that CHN reimbursed the City for 50% of the bill. The City, Milliman added, will pull out of the funding once it becomes a matter of annexing the City into the health district.

Councilor McClain said it was money well spent.

Mayor Hedenskog moved, a second followed, and Council voted unanimously to accept [payment of] this bill for \$5,159 from Davis Wright Tremaine and pass on 50% of the payment to CHN.

Consent Calendar

1. Approve Council minutes for June 22, 2015.
2. Authorize the City Manager to execute Contract Amendment #3 to the Intergovernmental Agreement for Implementation of Coos and Curry Counties Household Hazardous Waste Management Plan adding the City of Powers as a member.
3. Accept Public Art Committee minutes for May 4, 2015.
4. Accept Tourism Promotion Advisory Committee minutes for May 21, 2015.
5. Accept June 2015 Vouchers in the amount of \$157,235.00.

Mayor Hedenskog moved, a second followed and Council voted unanimously to approve the Consent Calendar as written.

Remarks from Mayor and Councilors

Mayor Hedenskog remarked that we may not get the bears back this year.

Councilor Bill Hamilton remarked that the Relay 4 Life event was very well done and that he was working to get a team from the Elks Lodge to participate. He added that it gave him great pride to live in a City filled with such generous people.

Adjournment

Mayor Hedenskog moved, a second followed and Council voted unanimously by voice vote to adjourn at 8:29 PM.

Respectfully submitted:

ATTESTED:
this _____ day of _____ 2015:

Ron Hedenskog, Mayor

Joyce Heffington, City Recorder

CITY OF BROOKINGS
Public Arts Committee – June 1, 2015

To inspire art through visual presence and community education.

Members Present: Chair Judy May-Lopez, Scott Clapson, Michelle Hanna, Destiny Schwartz

Meeting called to order at 5:41 p.m. Motion by Scott and seconded by Chelle to approve the May minutes. Motion carried.

Old Business:

Account Reminder – Account balance reported \$1,723.86. To be kept available for the three murals in progress (Fleet Street, Salon Dolce and Food Bank): \$500.

Mural Updates:

Salon Dolce: Destiny reported she has all the supplies and expects to prime and paint this week.

Lovell Building: Chelle reported the team is back together and Sunday afternoon work parties are in progress (starting this Sunday).

Food Bank: Chelle reported she has mentored Erica on this mural. It has been started, Erica is plotting it out and her timeline is finishing by the end of August. She may need help for installation.

Pilot Building: Judy reported she has met with Cindy Vosberg (Pilot) and will have the application next meeting. Cindy is also contacting Lynn Guild (who was working on getting this mural together) for additional details. Motion made by Scott and seconded by Chelle to move forward with the Pilot building mural. This will include scaffolding, boards, paint, sealer, construction pieces, etc. Motion carried.

Cieito Lindo: Scott reported he will be talking with the owner and the artist, Christina Olsen, on this mural. Motion made by Chelle and seconded by Scott to support this mural by purchasing paint, brushes, sealer, etc., the supplies necessary to finish the mural. Motion carried.

Pastels in the Park Project: Chelle will experiment this week with pastels. Mid-July we invite the public to “come and join us to play with pastels in the park.” We are looking to bringing people in our community together to talk about art, the community, etc. Motion made by Scott and seconded by Chelle to spend up to \$200 on supplies for the pastels project.


Meeting adjourned at 6:30 p.m.

ACTION ITEMS

- Chelle work with Erica on Food Bank mural
 - Finish mural by June
 - Purchase pastels, supplies for park project.
- Destiny - Mural to be finished soon
- Judy – Checking with Cindy/Lynn Guild on the Pilot building mural
- Scott – follow-up information on Cieito Lindo mural

Meeting adjourned at 6:15 p.m. Next meeting scheduled July 1, 5:30 p.m.

Respectfully submitted,


Judy May-Lopez, Committee Chair
Approve July 5, 2015 meeting

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 12 MONTHS ENDING JUNE 30, 2015

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
TAXES	2,503,742.00	111,594.54	2,616,154.59	(112,412.59)	104.5
LICENSES AND PERMITS	96,000.00	13,421.51	90,584.47	5,415.53	94.4
INTERGOVERNMENTAL	242,600.00	8,524.97	160,518.59	82,081.41	66.2
CHARGES FOR SERVICES	135,000.00	28,006.28	156,940.45	(21,940.45)	116.3
OTHER REVENUE	158,500.00	2,783.66	96,087.86	62,412.14	60.6
TRANSFERS IN	257,058.00	.00	546.75	256,511.25	.2
	<u>3,392,900.00</u>	<u>164,330.96</u>	<u>3,120,832.71</u>	<u>272,067.29</u>	<u>92.0</u>
<u>EXPENDITURES</u>					
JUDICIAL:					
PERSONAL SERVICES	37,664.00	1,592.05	18,337.54	19,326.46	48.7
MATERIAL AND SERVICES	8,770.00	(1,365.35)	7,178.14	1,591.86	81.9
CAPITAL OUTLAY	500.00	.00	.00	500.00	.0
	<u>46,934.00</u>	<u>226.70</u>	<u>25,515.68</u>	<u>21,418.32</u>	<u>54.4</u>
LEGISLATIVE/ADMINISTRATION:					
PERSONAL SERVICES	157,114.00	13,213.72	162,689.96	(5,575.96)	103.6
MATERIAL AND SERVICES	87,000.00	12,238.31	138,481.97	(51,481.97)	159.2
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>244,114.00</u>	<u>25,452.03</u>	<u>301,171.93</u>	<u>(57,057.93)</u>	<u>123.4</u>
POLICE:					
PERSONAL SERVICES	1,869,075.00	155,860.54	1,870,712.58	(1,637.58)	100.1
MATERIAL AND SERVICES	156,700.00	9,426.88	129,031.62	27,668.38	82.3
CAPITAL OUTLAY	55,150.00	73.34	35,642.80	19,507.20	64.6
TRANSFERS OUT	.00	.00	.00	.00	.0
	<u>2,080,925.00</u>	<u>165,360.76</u>	<u>2,035,387.00</u>	<u>45,538.00</u>	<u>97.8</u>
FIRE:					
PERSONAL SERVICES	156,751.00	12,967.30	156,337.70	413.30	99.7
MATERIAL AND SERVICES	102,500.00	15,412.81	83,197.00	19,303.00	81.2
CAPITAL OUTLAY	45,519.00	.00	38,047.96	7,471.04	83.6
TRANSFERS OUT	.00	.00	.00	.00	.0
	<u>304,770.00</u>	<u>28,380.11</u>	<u>277,582.66</u>	<u>27,187.34</u>	<u>91.1</u>
PLANNING AND BUILDING:					
PERSONAL SERVICES	184,477.00	17,840.70	183,430.89	1,046.11	99.4
MATERIAL AND SERVICES	46,400.00	1,614.44	38,798.63	7,601.37	83.6
CAPITAL OUTLAY	.00	.00	.00	.00	.0
TRANSFERS OUT	.00	.00	.00	.00	.0
	<u>230,877.00</u>	<u>19,455.14</u>	<u>222,229.52</u>	<u>8,647.48</u>	<u>96.3</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 12 MONTHS ENDING JUNE 30, 2015

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
PARKS & RECREATION:					
PERSONAL SERVICES	139,799.00	13,286.09	134,194.81	5,604.19	96.0
MATERIAL AND SERVICES	47,900.00	8,143.40	56,465.53	(8,565.53)	117.9
CAPITAL OUTLAY	18,550.00	5,627.01	18,239.42	310.58	98.3
TRANSFERS OUT	.00	.00	.00	.00	.0
	206,249.00	27,056.50	208,899.76	(2,650.76)	101.3
FINANCE AND HUMAN RESOURCES:					
PERSONAL SERVICES	163,459.00	14,149.42	155,674.70	7,784.30	95.2
MATERIAL AND SERVICES	30,800.00	1,911.96	20,552.45	10,247.55	66.7
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	194,259.00	16,061.38	176,227.15	18,031.85	90.7
SWIMMING POOL:					
PERSONAL SERVICES	57,107.00	13,030.27	51,475.90	5,631.10	90.1
MATERIAL AND SERVICES	46,100.00	8,075.05	34,772.26	11,327.74	75.4
CAPITAL OUTLAY	10,000.00	471.33	10,245.41	(245.41)	102.5
	113,207.00	21,576.65	96,493.57	16,713.43	85.2
NON-DEPARTMENTAL:					
MATERIAL AND SERVICES	141,000.00	13,253.08	112,225.41	28,774.59	79.6
CAPITAL OUTLAY	.00	.00	.00	.00	.0
TRANSFERS OUT	242,000.00	.00	.00	242,000.00	.0
CONTINGENCIES AND RESERVES	618,565.00	.00	.00	618,565.00	.0
	1,001,565.00	13,253.08	112,225.41	889,339.59	11.2
	4,422,900.00	316,822.35	3,455,732.68	967,167.32	78.1
	(1,030,000.00)	(152,491.39)	(334,899.97)	(695,100.03)	(32.5)

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 12 MONTHS ENDING JUNE 30, 2015

STREET FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
INTERGOVERNMENTAL	846,000.00	27,440.80	426,246.78	419,753.22	50.4
OTHER REVENUE	13,800.00	340.50	28,712.83	(14,912.83)	208.1
TRANSFER IN	.00	.00	.00	.00	.0
	<u>859,800.00</u>	<u>27,781.30</u>	<u>454,959.61</u>	<u>404,840.39</u>	<u>52.9</u>
<u>EXPENDITURES</u>					
EXPENDITURES:					
PERSONAL SERVICES	173,796.00	13,104.95	176,622.05	(2,826.05)	101.6
MATERIAL AND SERVICES	181,800.00	19,293.01	185,559.24	(3,759.24)	102.1
CAPITAL OUTLAY	561,300.00	360.15	4,187.73	557,112.27	.8
TRANSFERS OUT	26,047.00	.00	.00	26,047.00	.0
CONTINGENCIES AND RESERVES	100,857.00	.00	.00	100,857.00	.0
	<u>1,043,800.00</u>	<u>32,758.11</u>	<u>366,369.02</u>	<u>677,430.98</u>	<u>35.1</u>
	<u>1,043,800.00</u>	<u>32,758.11</u>	<u>366,369.02</u>	<u>677,430.98</u>	<u>35.1</u>
	<u>(184,000.00)</u>	<u>(4,976.81)</u>	<u>88,590.59</u>	<u>(272,590.59)</u>	<u>48.2</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 12 MONTHS ENDING JUNE 30, 2015

WATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
SOURCE 03	.00	.00	.00	.00	.0
CHARGES FOR SERVICES	1,459,500.00	152,830.31	1,510,704.38	(51,204.38)	103.5
OTHER INCOME	9,000.00	3,094.00	48,942.05	(39,942.05)	543.8
TRANSFERS IN	.00	.00	1,209.58	(1,209.58)	.0
	<u>1,468,500.00</u>	<u>155,924.31</u>	<u>1,560,856.01</u>	<u>(92,356.01)</u>	<u>106.3</u>
<u>EXPENDITURES</u>					
WATER DISTRIBUTION:					
PERSONAL SERVICES	388,826.00	27,498.51	384,415.48	4,410.52	98.9
MATERIAL AND SERVICES	192,900.00	31,723.85	194,428.18	(1,528.18)	100.8
CAPITAL OUTLAY	79,900.00	8,924.21	41,360.31	38,539.69	51.8
	<u>661,626.00</u>	<u>68,146.57</u>	<u>620,203.97</u>	<u>41,422.03</u>	<u>93.7</u>
WATER TREATMENT:					
PERSONAL SERVICES	271,466.00	19,842.41	259,173.40	12,292.60	95.5
MATERIAL AND SERVICES	176,200.00	14,081.26	160,334.74	15,865.26	91.0
CAPITAL OUTLAY	24,900.00	398.39	6,477.56	18,422.44	26.0
TRANSFERS OUT	909,702.00	.00	.00	909,702.00	.0
CONTINGENCIES AND RESERVES	134,606.00	.00	.00	134,606.00	.0
	<u>1,516,874.00</u>	<u>34,322.06</u>	<u>425,985.70</u>	<u>1,090,888.30</u>	<u>28.1</u>
DEPARTMENT 24:					
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
	<u>2,178,500.00</u>	<u>102,468.63</u>	<u>1,046,189.67</u>	<u>1,132,310.33</u>	<u>48.0</u>
	<u>(710,000.00)</u>	<u>53,455.68</u>	<u>514,666.34</u>	<u>(1,224,666.34)</u>	<u>72.5</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 12 MONTHS ENDING JUNE 30, 2015

WASTEWATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
SOURCE 03	307,213.00	.00	307,213.00	.00	100.0
CHARGES FOR SERVICES	2,952,000.00	236,070.71	2,900,254.56	51,745.44	98.3
OTHER REVENUE	1,000.00	238.00	12,529.48	(11,529.48)	1253.0
TRANSFER IN	.00	.00	1,209.58	(1,209.58)	.0
	<u>3,260,213.00</u>	<u>236,308.71</u>	<u>3,221,206.62</u>	<u>39,006.38</u>	<u>98.8</u>
<u>EXPENDITURES</u>					
WASTEWATER COLLECTION:					
PERSONAL SERVICES	486,747.00	36,663.80	463,025.26	23,721.74	95.1
MATERIAL AND SERVICES	239,600.00	19,932.73	172,600.00	67,000.00	72.0
CAPITAL OUTLAY	24,900.00	398.39	6,477.56	18,422.44	26.0
	<u>751,247.00</u>	<u>56,994.92</u>	<u>642,102.82</u>	<u>109,144.18</u>	<u>85.5</u>
WASTEWATER TREATMENT:					
PERSONAL SERVICES	466,212.00	34,887.20	442,412.41	23,799.59	94.9
MATERIAL AND SERVICES	510,600.00	29,216.17	494,533.06	16,066.94	96.9
CAPITAL OUTLAY	982,113.00	9,723.38	977,226.92	4,886.08	99.5
TRANSFERS OUT	1,172,453.00	.00	.00	1,172,453.00	.0
CONTINGENCIES AND RESERVES	227,588.00	.00	.00	227,588.00	.0
	<u>3,358,966.00</u>	<u>73,826.75</u>	<u>1,914,172.39</u>	<u>1,444,793.61</u>	<u>57.0</u>
	<u>4,110,213.00</u>	<u>130,821.67</u>	<u>2,556,275.21</u>	<u>1,553,937.79</u>	<u>62.2</u>
	<u>(850,000.00)</u>	<u>105,487.04</u>	<u>664,931.41</u>	<u>(1,514,931.41)</u>	<u>78.2</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 12 MONTHS ENDING JUNE 30, 2015

URBAN RENEWAL AGENCY FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
TAXES	540,810.00	17,994.72	440,492.64	100,317.36	81.5
INTERGOVERNMENTAL	.00	.00	.00	.00	.0
OTHER REVENUE	500.00	.00	458.98	41.02	91.8
	<u>541,310.00</u>	<u>17,994.72</u>	<u>440,951.62</u>	<u>100,358.38</u>	<u>81.5</u>
<u>EXPENDITURES</u>					
GENERAL:					
PERSONAL SERVICES	.00	.00	.00	.00	.0
MATERIAL AND SERVICES	70,000.00	305.50	17,556.25	52,443.75	25.1
CAPITAL OUTLAY	378,771.00	.00	49,554.50	329,216.50	13.1
DEBT SERVICE	.00	.00	.00	.00	.0
TRANSFERS OUT	432,539.00	.00	.00	432,539.00	.0
CONTINGENCIES AND RESERVES	.00	.00	.00	.00	.0
	<u>881,310.00</u>	<u>305.50</u>	<u>67,110.75</u>	<u>814,199.25</u>	<u>7.6</u>
DEPARTMENT 20:					
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
DEPARTMENT 22:					
MATERIAL AND SERVICES	.00	.00	.00	.00	.0
DEBT SERVICE	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
DEPARTMENT 24:					
CONTINGENCIES AND RESERVES	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
	<u>881,310.00</u>	<u>305.50</u>	<u>67,110.75</u>	<u>814,199.25</u>	<u>7.6</u>
	<u>(340,000.00)</u>	<u>17,689.22</u>	<u>373,840.87</u>	<u>(713,840.87)</u>	<u>110.0</u>