

MINUTES OF THE SPECIAL COUNCIL MEETING
CITY OF BROOKINGS
AUGUST 1, 1967

Pursuant to written notification, the special meeting of the Council was called to order in the Port Commission Office at 12:15 P. M.

Members present included Mayor Bruce J. Manley, Lloyd Mosier, Henry Kerr, and Gilbert Batty. Not in attendance was Alden Loring.

Reporters present were Marge Barrett, Dick Keusink, and Ruth Brewer.

Karl Ostenberg announced that this was a joint meeting between the City of Brookings and the Port Commission. The meeting was then turned over to Alex Park, attorney for the Port Commission.

Mr. Park said that presently any development of the Port and City is stymied due to the lack of potable water. He said that the purpose of this meeting was to discuss a joint water venture between the Port of Brookings and the City of Brookings.

A letter of intent relating to joint development of a water system for the City of Brookings and adjacent properties addressed to Mayor Manley was presented. A copy of this letter is attached to and made a part of the minutes of this meeting. The letter was then discussed with the City and Port Officials in attendance.

It was pointed out that the two public bodies would be sharing the cost of putting in a good potable water system. Basically, the City would be purchasing water from the Port at a wholesale price and selling the water to its users at a retail price. The City would guarantee a minimum annual usage to the Port. It was also stated that both the City and the Port must act together and act now.

Mayor Manley said he felt that everyone on the Council has believed at one time or another that something could be worked out with the Brookings Water Company, and that numerous efforts have been made. The Mayor said that something must be done, and that this proposal seems to be a practical, sensible way to do something about the situation.

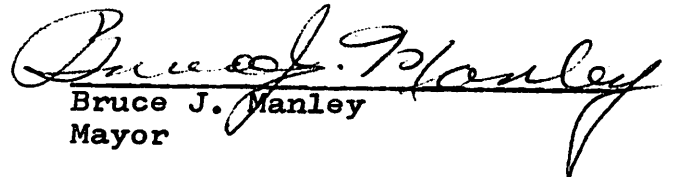
B. A. "Dot" Martin recommended that both the City and the Port proceed immediately, as the year is about to draw to a close. He stressed the importance of the time element, and said that if bids could not be let by the last of August, it might as well be forgotten about.

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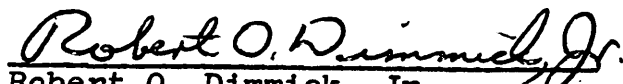
A resolution in this regard was read to the Port Commission by Pat Widmer. It was the consensus of the Port Commission members that an executive session should be held on this before any action could be taken.

Proposed Ordinance No. 191, an ordinance relating to the acquisition of the water distribution system of the Brookings Water Company located within the limits of the City of Brookings and instituting joint action thereon with the Port of Brookings, was read by the City Recorder. Alex Park pointed out that in his opinion this ordinance was nothing more than an expression of policy. Mayor Manley made a MOTION that the rules be suspended and an emergency be declared and that Proposed Ordinance No. 191 be read the second time by title only. Henry Kerr seconded this motion on the provision that the terms of this ordinance be dependent upon favorable action by the Port Commission and the terms set out in the presented letter of intent. The vote showed Mayor Manley and Councilmen Mosier and Kerr in favor of the motion. Councilman Batty voted against the motion, as he had not had an opportunity to review the proposed Ordinance prior to the meeting. Since proposed Ordinance No. 191 lacked unanimous consent for emergency passage, it will be read again at the regular meeting of the Council to be held on August 8.

The meeting was then adjourned at 1:35 P. M.


Bruce J. Manley
Mayor

ATTEST:


Robert O. Dimmick, Jr.
City Recorder

Honorable Bruce Manley, Mayor
City of Brookings
City Hall
Brookings, Oregon

RE: Letter of intent relating to joint
development of water system for
City of Brookings and adjacent
properties

Dear Mr. Mayor:

Representatives of our respective organizations have met from time to time in recent weeks on an informal basis to explore the feasibility of jointly acquiring and/or developing a domestic water system for the City of Brookings and adjacent industrial and commercial sites, both actual and potential. These conferences were given added impetus by the fact that the existing water system is not adequate or satisfactory with respect to quality or quantity, and the present owner and operator of that system appears unwilling or unable to improve the existing system or offer any reasonable assurances that the system would be expanded to meet future needs of the public.

Our representatives have now recommended to our respective governing bodies that a joint and integrated program of concerted action be instituted at once. The essential features of the recommended program are:

(1) That the Port of Brookings will forthwith construct a 14" water transmission line, reservoir, intake structure, chlorinator, booster pumps and accessorial structures necessary to supply the existing needs of the City of Brookings and its environs at the present and in the foreseeable future. The intake structure would be located on the north bank of the Chetco River with the reservoir being located within the city limits near the intersection of the Old County Road and the northeasterly city limits of the City of Brookings. The Port proposes to fund this development by a loan from any appropriate State or Federal agency, or private sources, or from the issuance of revenue bonds. The estimated cost of this development is approximately \$330,000.

(2) The City of Brookings should move immediately to acquire that portion of the existing water distribution system of the Brookings Water Company which lies within the city limits of the City of Brookings. Such acquisition could be either by purchase or condemnation. No singularly useful purpose would appear to be served by the city acquiring the existing reservoir or pumping installations of the Brookings Water Company unless such properties can be acquired at a reasonable price through negotiation. The City could fund the acquisition cost in the same fashion as the Port proposes to fund its cost in constructing the water transmission line, reservoir and accessorial facilities. It is the belief of all informed parties that the portion of the existing system to be acquired could be so acquired most reasonably,

and still permit extensive improvement and expansion within the limits of the \$885,000 revenue bond issue already authorized by the voters of the City of Brookings.

(3) The City would retire the debt obligation thus incurred by water charges to residents and consumers within and without the City. The Port would retire its debt obligation by selling to the City all water required by the City at a gallonage price sufficient to pay the principal and interest on the Port's obligation within a reasonable time, plus reasonable maintenance costs. It is reasonable to assume that such debt retirement could be made within a reasonable time and at user charges which are competitive with other like charges in comparable cities in the State of Oregon.

The foregoing program, it is believed, offers significant benefits to the Port, the City and the residents of both. For example:

(1) An adequate supply of good, potable water from Brookings and vicinity would be assured immediately and in the foreseeable future --- something the community has lacked for many years;

(2) The debt service costs to the community would be minimal as the overall costs would be retired out of revenues and would not be a tax burden imposed on the residents;

(3) Fire protection would be enhanced and the cost of fire insurance to residents greatly reduced;

(4) The joint sharing of the task of providing a good water system would reduce the overwhelming financial obligation should either of our organizations attempt to accomplish the task singly.

(5) Industrial and commercial development would be stimulated and the financial stability of the community thus strengthened.

Precedent abounds for the joint participation of public bodies in such ventures. For example, the state has specifically authorized and sanctioned such joint community action by the enactment of ORS 190.010 et sequitur.

We urge the immediate implementation of the above program by the City of Brookings and assure you that if the City of Brookings is willing to do so, this organization will act concurrently. If your Council is so disposed to act, and pending the execution of a formal contract or agreement embodying the foregoing principles, steps can be taken to implement the program without delay by proceeding immediately upon the basis of this letter of intent.

If your Council is agreeable, please so indicate in the space provided below and return one executed copy of this letter of intent to the undersigned.

PORT OF BROOKINGS

By _____
President

Accepted and agreed to:

CITY OF BROOKINGS

By _____
Mayor