

CITY OF GEARHART
Special Meeting of the City Council
Friday, August 13, 2021
4:00 pm On-site and Virtual via Zoom

The special meeting of the Gearhart City Council was held Friday, August 13, 2021. Council members and City staff were able to attend on-site or online; and, the public was able to attend online via Zoom using an accessible electronic device. Individuals could also join the meeting by dialing in on a telephone.

Mayor Cockrum called the meeting to order at 4:03 pm. Present were Mayor Paulina Cockrum, Councilor Reita Fackerell, Councilor Dan Jesse, Councilor Kerry Smith, Councilor Brent Warren, City Attorney Peter Watts, City Administrator Chad Sweet, Executive Assistant Krysti Ficker, City Treasurer Justine Hill and Interim Fire Chief Josh Como. A quorum of the Council was present.

Mayor Cockrum went over the meeting format (hybrid model). All individuals attending the meeting in person are asked to wear masks regardless of their vaccination status.

There was no conflict of interest declared by any member of Council.

Old Business. Mayor Cockrum opened discussion on Fire/Police Station Survey Results & Geotech Report. Administrator Sweet explained that last month due to time constraints the Council was unable to hear the Fire/Police Station results. The information was distributed in last month's Council packet.

Fire/Police Station Survey Results. Administrator Sweet went over statistics and individual question results. Out of the responses, City staff found the survey favourable to move forward with building a new Fire/Police station. Questions on the survey included: Are you a Gearhart Homeowner, Renter or Business Owner?; Are you registered to vote in Gearhart?; Do you agree with the City's plan to build a Fire/Police Station on the newly proposed site located on The Cottages at Gearhart dune near Highlands Lane and Highway 101?; and, Would you support the necessary bond financing November 2021 to pay for a new Fire/Police station on The Cottages at Gearhart dune near Highlands Lane and Highway 101?. Mayor Cockrum asked about the number of registered voters in Gearhart.

Notes from Foundation Engineering, Inc Preliminary Geotechnical Investigation Stamped report dated July 23rd, final draft received 8/2/2021. Administrator Sweet pointed out the highlights of the report. He discussed differences between the original Highpoint location compared to the new Cottages at Gearhart location (i.e., elevation, age of dune, soil composition, width of dune, liquefaction components). Based on the report, liquefaction in The Cottages at Gearhart is very low. The site is available and a desirable building location.

Council members were asked if they had any questions, none requested.

New Business. Administrator Sweet went over Fire/Police pricing and Attorney Watts went over the Contingent Land Transfer Agreement.

Fire/Police Station Pricing. There was a staff report and information in the Council packet that Administrator Sweet discussed in more detail. He went over each section in the Gearhart Resiliency Station, Statement of Probable Costs and the Project Budget Worksheet Gearhart Resiliency Station. Information provided included: Building and Site Construction Costs; Markups to the Hardcosts; Alternate (includes markups); Estimated Construction Costs; Estimated Other Project Costs; Inflation Allowance - only on "Other Projects Costs"; Overall Project Contingency and Total Estimated Project Costs. Total estimated costs are \$13,086,757. It was stated that this is a basic fire hall. Councilors had questions on means of egress and alternative routes. There was clarification on access roadway labels (i.e., driveway versus thoroughfare). Administrator Sweet projected maps and went over access possibilities. He stated that there is a strong desire to have two access routes into the location. Councilor Smith asked for clarification on asphalt covering in the budget document. Information as provided on contingency, resiliency design, coastal factors, general conditions, performance bonds, escalation, solar/green energy, the CAT tax, wetlands credits, and inflation allowance. There was a question regarding design build. Councilor Jesse was interested in impacts of the design build process in terms of public bidding requirements. There was discussion on wanting the fire/police station to be a facility that appropriately represents the Gearhart environment and feels like it belongs in the area. There was discussion on solar/green energy; design build process; and, prevailing wage.

Contingent Land Transfer Agreement: Attorney Watts discussed the Contingent Land Transfer Agreement. Attorney Watts was appreciative of the support and assistance provided by Councilor Warren and Administrator Sweet in the process of reviewing the document. He discussed the land

owners' interest in developing the property within the City's Urban Growth Boundary at the R-1 density. In exchange for the higher density, the owner's will transfer two parcels of land to the City for the use of a new park and the placement of a new Fire/Police station. He again clarified discussions on the terminology of entry access (driveway versus roadways) and access authorizations in the agreement. The land transfer is not contingent upon the voters' approval of the general obligation bond. If Council approves the entry into the agreement, it can immediately be implemented. There was discussion on federal grants, being fiscally responsible with construction costs and potential bond financing structures. There was a question on the feasibility of paying down the bond with grant funds. Attorney Watts clarified that the City is working very closely with bond counsel, financial advisors and political leaders to build a safe, resiliency center that the citizens can afford. It is critical that the project has adequate funding.

Bond Pricing Information. Administrator Sweet read the Memo for General Obligation Bond Pricing that was in the Council packet. In order to meet the financial needs of the project, an estimated \$13 million will be required. The projections represented a premium bond structure with a 20-year level levy rate. It is estimated based on current financial market conditions that the bonds would cost property tax owner's an estimated maximum of \$1.052 per \$1,000 of assessed value per year. He discussed the Building Resilient Infrastructure and Community Grant grant, bond finance issuance structures and election costs.

Attorney Watts mentioned that City Staff should be authorized to enter into the Contingent Land Transfer Agreement in order to finalize the property transfer. There was discussion. Councilor Smith had concerns and wanted clarification on why the agreement had not been signed and finalized before the Councilors moved forward with a general obligation bond. Attorney Watts clarified that the agreement is now complete; however, it just has not been signed by the City Administrator. Councilor Warren said that getting the details worked out was essential before the agreement was signed. Mayor Cockrum asked if there was a motion.

ON MOTION by Councilor Warren, 2nd by Councilor Fackerell authorizing the City Administrator to enter into a Contingent Land Transfer Agreement with the developers, MOTION was approved 5-0

Ordinances/Resolutions. Mayor Cockrum introduced the agenda item, Resolution #964 Fire/Police Station Bond Measure. Administrator Sweet and Attorney Watts provided clarifying information on the process.

There was information provided on authorizing the bond, forms that need filed and the explanatory statement.

ON MOTION by Councilor Jesse, 2nd by Councilor Warren approving Resolution #964, a resolution approving referral to the electors of the City of Gearhart at the November 2, 2021 elections, the question of shall Gearhart issue up to \$13 million in general obligation bonds for a new fire/police station, MOTION was approved 5-0.

Mayor Cockrum requested adjournment of the meeting.

ON MOTION by Councilor Jesse, 2nd by Councilor Warren to adjourn the meeting, MOTION was approved 5-0. Mayor Cockrum adjourned the Special Council meeting at 5:34 pm.



Mayor Paulina Cockrum



Chad Sweet, City Administrator