



CITY OF EAGLE POINT

"Gateway to the Lakes"

OREGON

EAGLE POINT CITY COUNCIL

Council Chambers
17 Buchanan Ave. South, Eagle Point, Oregon
September 10, 2013

REGULAR MEETING AGENDA

1. CALL TO ORDER – 7:00 P.M.
2. FLAG SALUTE AND INVOCATION
3. AUDIENCE QUESTIONS OR COMMENTS CONCERNING ITEMS NOT ON THE AGENDA
4. PRESENTATIONS
5. PUBLIC HEARINGS
6. CONSENT CALENDAR
 - 6.1 Presentation of Special Study Session Meeting Minutes of August 27, 2013.
 - 6.2 Presentation of Regular Meeting Minutes of August 27, 2013.
7. CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR
8. PRESENTATION OF BILLS TO BE PAID
9. OLD BUSINESS
10. NEW BUSINESS
 - 10.1 Resolution No. 2013-54. A Resolution authorizing the City of Eagle Point to enter into an agreement with McAndrews Properties and Crown West to purchase 6.5 acres of land for park use.
 - 10.2 Discussion regarding recommended Water Master Plan Projects – Robert Miller, Public Works Director.

City of Eagle Point Council Meeting Agenda

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- 10.3 Discussion regarding water debt refinancing and new project financing – Melissa Owens, Finance Officer.
- 11. REPORTS FROM CITY COUNCIL AND CITY COMMITTEE REPRESENTATIVES
- 12. STAFF REPORTS
- 13. INFORMATION
- 14. EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(e), To conduct deliberations with persons designated by the governing body to negotiate real property transactions.
- 15. ADJOURN

AGENDA AND COUNCIL PACKETS ALSO AVAILABLE ON WEBSITE



CITY OF EAGLE POINT

"Gateway to the Lakes"

OREGON

EAGLE POINT CITY COUNCIL
17 BUCHANAN AVE. SOUTH, EAGLE POINT, OREGON

AUGUST 27, 2013

SPECIAL STUDY SESSION MEETING MINUTES

1. CALL TO ORDER – 6:30 P.M.

Mayor Russell called the meeting to order at 6:33 p.m.

Council Members Present: Bob Russell, Jonathan Bilden, Wayne Brown, *Bill Fierke (attendance as noted), Ruth Jenks, Aaron Prunty and Kathy Sell.

Staff Members Present: Henry Lawrence, City Administrator; Robert Miller, Public Works Director; Melissa Owens, Finance Officer; Mike Upston, Planning Director; and Cindy Hughes, City Recorder.

Guests: Members of the public and press.

2. REVIEW OF COUNCIL RULES

Councilor Bilden led the discussion regarding revisions to the Council Rules. The most significant changes related to Commissions and appointments. It was noted that the Planning Commission and Budget Committee were established pursuant to State requirements. Councilor Bilden reviewed the proposed changes including deleted language shown with strike through and new language in redline.

In addition, the City Council discussed and agreed to the following revisions to the Council Rules:

- No. 3 – The number of Councilors required to call a special meeting revised to two Councilors instead of three.

*Council President Fierke arrived at approximately 6:40 p.m.

- No. 22 – Excusal during the meeting revised so that Councilors would receive an acknowledgement from the presiding officer instead of permission.

City of Eagle Point Council Special Study Session Minutes

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*Council President Fierke left the meeting at approximately 6:50 p.m. and returned at approximately 6:52 p.m.

- No. 60 – Review of Council Rules revised to every four years instead of five.

3. ADJOURN

At 6:57 p.m., Mayor Russell closed the Special Study Session of the Eagle Point City Council.

Respectfully submitted,

Cindy Hughes, City Recorder

ATTEST:

Robert E. Russell, Mayor



CITY OF EAGLE POINT

"Gateway to the Lakes"

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EAGLE POINT CITY COUNCIL
17 BUCHANAN AVE. SOUTH, EAGLE POINT, OREGON

AUGUST 27, 2013

REGULAR MEETING MINUTES

1. CALL TO ORDER – 7:00 P.M.

Mayor Russell called the meeting to order at 7:02 p.m.

Council Members Present: Bob Russell, Jonathan Bilden, Wayne Brown, *Bill Fierke, Ruth Jenks, Aaron Prunty and Kathy Sell.

Staff Members Present: Henry Lawrence, City Administrator; Joe Kellerman, City Attorney; Robert Miller, Public Works Director; Melissa Owens, Finance Officer; Vern Thompson, Police Chief; Mike Upston, Planning Director; Gary Shipley, Public Works Supervisor and Cindy Hughes, City Recorder.

Guests: Chaplain Lorin Myers; Garrett Pallo of Civil West Engineering; Joe Strahl, P.E. of RH2 Engineering, Inc.; Dennis Mihocko; James Mannenbach, Parks and Recreation Commissioner; Suzi Collins and Millie Wewerka, Planning Commissioners; and members of the public and press.

2. FLAG SALUTE AND INVOCATION

Mayor Russell led the Pledge of Allegiance and Chaplain Myers provided the invocation.

3. AUDIENCE QUESTIONS OR COMMENTS CONCERNING ITEMS NOT ON THE AGENDA

There were no audience questions or comments.

4. PRESENTATIONS

4.1 Water Master Plan presentation by Garrett Pallo of Civil West Engineering.

Garrett Pallo of Civil West Engineering presented highlights of the 2013 Water System Master Plan which was included in the Agenda Packet. Mr. Pallo

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explained that this type of plan is required by the State and helps to guide a city in serving its citizens with water.

Mr. Pallo suggested the City focus on high priority projects and then others that could be done in two to three years. Currently, Eagle Point is out of compliance with State regulations for unaccounted water percentages; however, Mr. Pallo explained that most communities are out of compliance to some degree. Eagle Point has ranged between 25% and 34% including a period of time when a water storage tank was leaking. Staff has been working hard to reduce the unaccounted water amount which is now approximately 21%. Other factors such as inaccurate water meters could contribute to the percentage of unaccounted water.

Increasing the functioning storage capacity level to approximately seven million gallons and building a new glass-fused steel tank is recommended as part of the City's top priorities. Critical projects are estimated at \$3M. Mr. Pallo noted there were many options to improve the water system distribution as it developed in a disorderly manner over a number of years.

Mr. Pallo plans to submit a high priority project list for Mr. Miller to present to the City Council within the next couple of weeks. Mr. Pallo also recommended an update of the City's system development charge (SDC) methodology.

Discussion followed about:

- Amending the Plan as it improves and revising it to include the recent increase in water rates.
- Fire Hydrants were reported to be good and a goal is to allow them to operate off of the tanks that provide the best pressure.
- Water pressure levels are in compliance with State requirements and adequate for fire fighting. Not all areas are operating at the level previously experienced or at exactly the same levels in all areas.
- Pressure reducing valves (PRVs) to control pressure levels.
- Sprinkler requirements for homes larger than 3,600 feet, shown on Page 4-3 of the Plan.
- Review of SDC methodology.
- Future discussions regarding financing projects, and refinancing the City's debts. Making sure inflation costs are covered each year while trying to delay a water rate increase for a few years.
- Cost effectiveness of building two smaller tanks instead of one larger and more expensive tank, and building only one smaller tank to begin with.
- Growth rate projection of 3% and concern about the validity of that rate. Mr. Pallo recommended the City approach the State before completing the Plan if it objected to the rate. He also noted that changing the rate was a cumbersome endeavor and would not make a huge difference in the City's plans.

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- Possible reduction in the amount of the City's need for costly water infrastructure by conditions such as a slower population growth rate or a reduction in unaccounted water.

Council President Fierke clarified that the City could adopt the Plan and make changes to it at a later date. Mr. Pallo confirmed that was correct. There were no additional questions or comments. Mr. Pallo concluded by noting he would provide an updated page with the most recent water rates.

5. PUBLIC HEARINGS

There were no public hearings.

6. CONSENT CALENDAR

6.1 Presentation of Regular Meeting Minutes of August 13, 2013.

Mayor Russell announced the Consent Calendar and asked for a motion. Councilor Bilden moved to approve the Consent Calendar as presented and Councilor Jenks seconded the motion. Council President Fierke discussed the recording of the vote regarding Resolution No. 2013-48, which should reflect one member's abstention from voting rather than opposition. Roll call: Jonathan Bilden, aye; Aaron Prunty, aye; Wayne Brown, aye; Kathy Sell, aye; Ruth Jenks, aye; Bill Fierke, aye; and Bob Russell, abstained. The motion passed with six ayes and one abstention.

7. CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR

There were no items considered for removal from the Consent Calendar.

8. PRESENTATION OF BILLS TO BE PAID

Mayor Russell asked if there were any questions about the bills to be paid including the Additional Bills List (Submission No. 1). There were no questions regarding the bills to be paid. Councilor Bilden moved to approve the Bills to be Paid including the Additional Bills List and Councilor Sell seconded the motion. There was no discussion. Roll call: Aaron Prunty, aye; Kathy Sell, aye; Ruth Jenks, aye; Jonathan Bilden, aye; Wayne Brown, aye; Bill Fierke, aye; and Bob Russell, aye. The motion passed unanimously.

9. OLD BUSINESS

There was no old business to discuss.

10. NEW BUSINESS

- 10.1 Resolution No. 2013-51. A Resolution adopting amendments to the Rules of the City Council.

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Council President Fierke referred to the Special Study Session, held directly prior to the Council Meeting, and reported the Council had agreed to the proposed revisions to the Rules of the City Council.

There being no discussion, Mayor Russell asked for a motion to approve **Resolution No. 2013-51**. Councilor Sell made a motion to approve **Resolution No. 2013-51** and Council President Fierke seconded the motion. There was no discussion. Roll call: Bill Fierke, aye; Aaron Prunty, aye; Wayne Brown, aye; Ruth Jenks, aye; Jonathan Bilden, aye; Kathy Sell, aye; and Bob Russell, aye. The motion passed unanimously.

- 10.2 Resolution No. 2013-52. A Resolution appointing Elizabeth Bilden and Michael Stanek as Commissioners on the Eagle Point Parks and Recreation Commission.

Mayor Russell announced his selection of Elizabeth Bilden and Michael Stanek to be appointed to the Eagle Point Parks and Recreation Commission and asked for the Council's concurrence. Mayor Russell explained that approval of Resolution No. 2013-52 would appoint Elizabeth Bilden and Michael Stanek to begin serving immediately on the Eagle Point Parks and Recreation Commission through the end of full three-year terms.

Mayor Russell asked for a motion to approve **Resolution No. 2013-52**. Councilor Fierke made a motion to approve **Resolution No. 2013-52** and Councilor Prunty seconded the motion. There was no discussion. Roll call: Kathy Sell, aye; Ruth Jenks, aye; Wayne Brown, aye; Aaron Prunty, aye; Bill Fierke, aye; Bob Russell, aye; and Jonathan Bilden, abstained. The motion passed with six ayes and one abstention.

- 10.3 Resolution No. 2013-53. A Resolution adopting the 2013 Water System Master Plan by Civil West Engineering Services, Inc.

Robert Miller, Public Works Director, explained a lot of projects had been completed since the 2001 Water Master Plan. As required by Oregon Administrative Rules, a new plan is needed to take the City through the next twenty years. Mr. Miller briefly spoke about a chlorine system near Highway 62 which wasn't needed there but could be used in another area. Other system concerns had been addressed in the Plan as well.

Mr. Lawrence joined in the discussion, noting there had been four drafts of the Plan, and the August 2013 Plan is the City's best guesstimate of future needs. He went on to explain that the State would not require the City to build something it didn't really need. It was further noted that during future development and growth, developers will help to bear the cost of development. Mr. Lawrence concluded by stating it is likely a newer Plan will be prepared within the next ten years, if not sooner.

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Mayor Russell asked for a motion to approve **Resolution No. 2013-53**. Councilor Bilden made a motion to approve **Resolution No. 2013-53** and Councilor Jenks seconded the motion. Councilor Sell asked for the adoption of the Plan to include an updated page regarding water rates and it was agreed that it would. There was no further discussion. Roll call: Aaron Prunty, aye; Bill Fierke, aye; Ruth Jenks, aye; Kathy Sell, aye; Jonathan Bilden, aye; Wayne Brown, aye; and Bob Russell, aye. The motion passed unanimously.

10.4 Water Coalition update and discussion concerning proposal to form Cities Water Cooperative – Henry Lawrence/Joe Strahl, P.E.

Henry Lawrence, City Administrator, explained Eagle Point is a member of a local water coalition group which is comprised of the cities of Central Point, Eagle Point, Jacksonville, Phoenix and Talent. As a group, they hired RH2 Engineering, to represent them. Joe Strahl, P.E. of RH2 Engineering, Inc., spoke about the group's accomplishments including: raising awareness of the cities' concerns; achieving lower rates; and obtaining a regional conservation grant to reduce or delay the need for major capital improvements. Mr. Strahl noted one recurring question he receives is why the Medford Water Commission isn't more of a regional body. While the Medford Water Commission is a creation of the City of Medford, to serve the City of Medford, Mr. Strahl stated a regional collaboration would be beneficial in conservation strategies.

Mr. Strahl explained the next step in forming the Cities Water Cooperative is for cities to sign a Memo of Intent that states they want to encourage discussions to form the Cooperative. If formed, the Cities Water Cooperative would coordinate on regional water issues and develop water resource strategies for the benefit of the region. After signing a Memo of Intent, the Cities Water Cooperative would decide how to organize and establish themselves. Mr. Lawrence joined in the discussion and stated the reason for the discussion was to apprise the Council of this effort. He also clarified that any formality would be presented to the Council.

Discussion followed about regional support for the Cooperative and conservation efforts. The Council expressed concurrence with moving forward. Mr. Lawrence reiterated that Council approval would be requested if a financial commitment is needed.

10.5 Discussion regarding formation of Eagle Point Parks Foundation, Inc. – Henry Lawrence/Dennis Mihocko.

Henry Lawrence, City Administrator, welcomed Dennis Mihocko, who recently came before the Parks and Recreation Commission to talk about forming a foundation to raise funds for City parks. The proposed foundation (Submission No. 2) is patterned after the Medford Parks and Recreation Foundation and would be a partner to the City of Eagle Point. Their purpose would be to raise money for the City's parks projects but initially, the Foundation would need to raise funds for

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liability insurance and incorporation costs. An agreement between the Foundation and the City would also be required.

*Council President Fierke left the meeting at approximately 8:27 p.m. and returned at approximately 8:33 p.m.

Mr. Lawrence requested direction regarding the Council's support of using his time as well as that of the City Attorney to assist in incorporation. Mayor Russell asked Councilor Prunty for input regarding supporting the Foundation. In turn, Councilor Prunty asked Mr. Lawrence for a cost estimate and whether or not his schedule would allow for such an endeavor. Mr. Lawrence responded it would take about \$2,000 and he would make time to assist with the Foundation. Councilor Prunty reported he had researched parks foundations in the past and it appears they work as there are many other foundations like this in the area.

Discussion continued about the foundation working with the City and following the City's Master Parks Plan. It was noted that the foundation's 501(c) or a "nonprofit" tax status would be beneficial in attracting private donors and seeking grants. Attorney Kellerman noted the City could also accept donations and is eligible to receive tax-deductible charitable contributions. Upon conclusion of the discussion, the Council expressed their support and appreciation of the proposed foundation. Mr. Lawrence planned to work with Attorney Kellerman regarding formation of the Eagle Point Parks Foundation, Inc.

11. REPORTS FROM CITY COUNCIL AND CITY COMMITTEE REPRESENTATIVES

Council President Fierke reported on the Eagle Point School Board meeting which included discussions about a weapons committee, general safety, community health center, and summer maintenance projects. Regarding the Showa student program, the leadership team is positive about getting involved to a greater extent and is seeking volunteers. On a separate note, Council President Fierke reported Central Point's consideration of amending the Comprehensive Regional Plan. He also spoke about Eagle Point's Resolution and studying the Plan. Lastly, with the earlier report of Mr. Lawrence's employment of one year and four months, he mentioned it is time for another evaluation of the City Administrator.

Councilor Bilden did not provide a report as he had been out of town.

Councilor Jenks reported attending the Metropolitan Planning Organization (MPO) Policy Board meeting earlier in the day. During that meeting, it appeared the Oregon Department of Transportation (ODOT) was working on Eagle Point's request as well as the requests of the Rogue Valley Transit District (RVTD) and the City of Ashland. There were issues that could prevent Grants Pass' project from going forward. Public Works Director, Robert Miller, agreed with Councilor Jenks' statements. Mayor Russell expressed his appreciation for how well Eagle Point was represented at the last Area Commission on Transportation (ACT) meeting. One other housekeeping item was Eagle Point requiring an additional \$15,000 for the Mattie Brown Parking Lot. The increased amount was due to the lowest

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bidder's documentation not being in order and therefore the next lowest bid was accepted. The Rogue Valley Council of Governments (RVCOG) MPO approved the request for funds.

Councilor Prunty did not provide a report.

Councilor Brown reported on the recent Rogue Valley Sewer Services (RVSS) Board meeting. Gold Hill had experienced issues with its sewer system and one solution was to tie-in to RVSS. He further stated water should be regional like sewer services. On a separate topic, RVSS is pleased to have a new software package that links its programs together. Councilor Brown concluded by reporting RVSS' quarterly financial statement was in good order.

Councilor Sell reported there had not been a Planning Commission meeting but she met with an Eagle Scout about completing a "gazebo" project. Councilor Sell concluded by expressing her appreciation for the Street Dance.

Mayor Russell apologized for not being at the last meeting but expressed his appreciation to Council President Fierke for chairing the meeting. While he was away, he attended the Oregon Mayors Conference in Corvallis and had quality meetings with a number of state officials on various Eagle Point projects. In addition, he reported on the Library Foundation's fund raising event, *Music at the Mill*, which had about 250 attendees. Revenue for the event was up by 35% over last year, with the proceeds going to libraries in the Upper Rogue. The last item reported by Mayor Russell was his plans to attend the upcoming meeting of the Rogue Valley Council of Governments (RVCOG), and the League of Oregon Cities (LOC) conference in September.

12. STAFF REPORTS

Mike Upston, Planning Director, reported contacting Travel Medford about placing Eagle Point's brochure at the Airport. Further, Mr. Upston provided an update about the Transit Study by RVTD, Greenhills Village plat submission, and a by chance meeting with an outdoor advertising group about signage on Interstate 5. Regarding the Street Dance, Mr. Upston shared a slideshow of photos taken at the event (Submission No. 3). The dance was facilitated by the Eagle Point Public Works Department, and the Boy Scouts helped as well. In addition, The Butcher Shop crew brought a meat smoker and prepared fabulous food. The dance ended around 9:30 p.m.

Melissa Owens, Finance Officer, reported on recruitment for the Accounting Supervisor position, closing and opening of fiscal years, annual reports, and replacement of computer work stations. Some of the work stations lasted more than 10 years. Technology has been improved too so that traffic tickets can be viewed and payments made online. Utility payments may also be made by drafting accounts for payment. These efforts result in a cost savings in materials and staff time for processing.

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Robert Miller, Public Works Director, was encouraged to have a full Parks and Recreation Commission. Upcoming discussions for the Parks and Recreation Commission will be pickle ball, Mattie Brown conceptual sketch, and Lucas Park design. Regarding street projects, crack sealing was completed last week, and seal coating and chip sealing is scheduled during September. Staff report provided during meeting (Submission No. 4)

Police Chief Thompson did not provide a report.

Joe Kellerman, City Attorney, did not provide a report.

Henry Lawrence, City Administrator, did not provide a report; however, the Friday Letter had recent information.

Cindy Hughes, City Recorder, reported working with individual City Councilors on registration for the League of Oregon Cities (LOC) annual conference. Additionally, the LOC requested the City to designate a voting delegate and alternate for the upcoming annual conference. The Council discussed and Mayor Russell will be the Voting Delegate with Councilor Sell as the Alternate.

13. INFORMATION

Mayor Russell recessed the meeting at 9:09 p.m.

14. EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(e), To conduct deliberations with persons designated by the governing body to negotiate real property transactions.

At 9:13 p.m., Mayor Russell opened the Eagle Point City Council Executive Session pursuant to ORS 192.660(2)(e). Following discussion, Mayor Russell closed the Executive Session at 9:43 p.m.

15. ADJOURN

At 9:43 p.m., Mayor Russell reconvened the regular meeting of the Eagle Point City Council. There being no further business, Mayor Russell closed the meeting at 9:44 p.m.

Respectfully submitted,

Cindy Hughes, City Recorder

ATTEST:

Robert E. Russell, Mayor

BILL LIST
09/10/2013

<u>CHECK #</u>	<u>VENDOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
911 SUPPLY		UNIFORM	\$ 240.97
ALADDIN LOCK		SUPPLIES-PAD LOCKS	\$ 324.00
AVISTA 000163030		UTILITY	\$ 9.18
AVISTA 000188273		UTILITY	\$ 9.18
AVISTA 130069414		UTILITY	\$ 9.18
AVISTA 690085486		UTILITY	\$ 9.18
AVISTA 770085486		UTILITY	\$ 15.13
BDS		PERMITS	\$ 5,678.56
CENTURY LINK		UTILITY	\$ 1,111.13
CITY COUNTY INSURANCE SERVICES		WORKERS COMP INSURANCE	\$ 7,881.51
CITY OF EAGLE POINT		JUDGE STEWART CITY SERVICES	\$ 192.40
CIVIL WEST ENGINEERING		MULTIPLE ENGINEERING PROJECTS	\$ 56,402.59
CODE PUBLISHING		SUPPLIES	\$ 214.50
CRATER CHAIN SAW COMPANY		EQUIPMENT REPAIR/MAINTENANCE	\$ 62.50
EAGLE POINT HARDWARE		SUPPLIES - PARKS	\$ 342.78
GALBRAITH & ASSOCIATES		LUCAS PARK	\$ 534.60
GENERAL PACIFIC, INC		WATER METERS	\$ 2,266.68
GMR GLASS RESOURCES		CITY HALL DOOR REPAIR	\$ 105.00
HARDEY ENGINEERING		PLANNING	\$ 775.00
HAYS OIL COMPANY		FUEL	\$ 1,192.60
KNIFE RIVER		SUPPLIES	\$ 23.50
LAW OFFICES OF BRUCE BISCHOF		SERVICES	\$ 142.50
MIKES COPY		SUPPLIES	\$ 263.00
ODOT		MATTIE BROWN PARKING LOT	\$ 11,569.97
OFFICE DEPOT		SUPPLIES	\$ 13.80
OFFICE MAX		SUPPLIES	\$ 200.01
ONE CALL CONCEPTS, INC		LOCATES	\$ 33.00
PERSONNEL SOURCE		TEMP SER - CODE ENF, HARNISH, MUS, PW 2WKS	\$ 4,798.54
ROGUE SHRED		SHREDDING	\$ 33.90
SAN DIEGO POLICE EQUIPMENT		SUPPLIES	\$ 453.86
SOS ALARM		UTILITY	\$ 46.00
SOUTHERN OREGON SANITATION, INC		UTILITY	\$ 548.00
SYNERGY RESOURCES		OFFICE EQUIPMENT	\$ 406.18
SZIGETI CONSTRUCTION INC		MAIN STREET BRIDGE	\$ 497.00
TEKMANAGEMENT, INC		COMPUTER SUPPORT	\$ 166.68
THE SHERWIN WILLIAMS COMPANY		SUPPLIES	\$ 93.64
TYLER TECHNOLOGIES		COMPUTER SUPPORT	\$ 2,843.57
WHITE CITY NAPA		AUTO REPAIR/MAINTENANCE	\$ 95.76

SUBTOTAL

\$ 99,605.58

\$ 99,605.58

**BUSINESS OF THE CITY COUNCIL
EAGLE POINT, OREGON**

AGENDA STATEMENT

Item Number: 10.1
Meeting Date: September 10, 2013

ITEM TITLE: Resolution No. 2013-54. A Resolution authorizing the City of Eagle Point City Administrator to enter into an Agreement with McAndrews Properties and Crown West to purchase 6.5 acres of land for park use.


SUBMITTED BY: Henry Lawrence, City Administrator

SUMMARY EXPLANATION: In January, 2012, the City Council authorized the purchase of additional park acreage in the north part of the city. The agreement was not able to be consummated due to title and wetland issues. Further discussions with Gary Whittle have culminated into a proposed new agreement for the purchase of the 6.5 acres immediately north of the Westbrook 4 Subdivision.

City Attorney Joe Kellerman has completed an agreement for Council consideration. The purchase price is \$345,000, the same as in the previous agreement. Both parcels will need to be cleared of any wetland obligations, status or condition. The City will retain \$40,000 as security for completion of wetlands mitigation, and another \$20,000 security for completion of sidewalks. The City will pay \$1,000 in earnest money into escrow. At escrow closing, the \$60,000 in security for wetlands and sidewalks will be retained by the City until the Seller meets the conditions, or the deadline for completion expires, at which time the City will use the funds to complete the conditions.

As part of the agreement, Seller will also deed to the City, title to the wetlands corridor extending from Barton Road to the Greenhill development to the South. Exhibits to the agreement will be provided at the September 10 meeting.

FINANCIAL IMPACT: \$345,000 purchase price, plus minor closing costs. A total of \$350,000 for land purchase is currently approved in the 2013-14 City Budget under the Parks SDC Fund.

<p>APPROVED FOR SUBMITTAL: _____  9/6/13</p> <p style="text-align: right;">Henry Lawrence, City Administrator</p>
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STAFF RECOMMENDATION: Staff recommends approval of this item.

BOARD/COMMISSION RECOMMENDATION: N/A

RESOLUTION NO. 2013-54

A RESOLUTION AUTHORIZING THE CITY OF EAGLE POINT CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH MCANDREWS PROPERTIES AND CROWN WEST TO PURCHASE 6.5 ACRES OF LAND FOR PARK USE.

WHEREAS, the City of Eagle Point is in need of useable park land to develop in the north end of Eagle Point; and

WHEREAS, Crown West and McAndrews Properties represented by Gary Whittle, owns available land that with conditions met, could be used for future community park space.

Now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAGLE POINT, OREGON, THAT:

1. The City Administrator is authorized to enter into an agreement with McAndrews Properties and Crown West to purchase 6.5 acres of wetland free land noted as Tax Lot 119 (1.2 Acres) and a portion of Tax Lot 5200 (5.3 Acres) 351W34DB for a total price of \$345,000 as set forth in the attached agreement, including any applicable escrow closing costs.
2. The City Administrator and City Attorney are authorized to sign any necessary documents to close escrow and finalize the transaction.

Passed in open session on the 10th day of September, 2013.

Robert E. Russell, Mayor

ATTEST:

Cindy Hughes, City Recorder

**SALE AGREEMENT AND
RECEIPT FOR EARNEST MONEY**

DATE: _____

SELLER:	McAndrews Properties, LLC 2597 Whittle Avenue Medford, Oregon 97504	Crown West 2597 Whittle Avenue Medford, Oregon 97504
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BUYER: City of Eagle Point
c/o Henry Lawrence
P.O. Box 779
Eagle Point, OR 97524

Recital

Seller desires to sell to Buyer and Buyer desires to purchase from Seller certain real property with all improvements located on it situated in Eagle Point, Jackson County, Oregon, having the following legal description (such parcels of real property being collectively referred to herein as the "Property"):

Parcel (1) - 1.2 acres free of wetland impacts; see general depiction on Exhibit "A" – Crown West

Parcel (2) - 5.3 acres free of wetland impacts; see general depiction on Exhibit "A" – McAndrews Properties, LLC

Parcel (3) - ___ acres commonly known as 351w34 DB 800; see general description in Exhibit "B"

Parcel (4) - ___ to the immediate West of Parcel (2) above and as indicated on map attached hereto as Exhibit "B"

Agreement

Now, therefore, for valuable consideration, the parties agree as follows:

1. Sale and Purchase. Buyer agrees to purchase the Property from Seller and Seller agrees to sell the Property to Buyer for the sum of \$85,000 for parcel (1) and \$260,000 for parcels (2), (3) and (4) (the "Purchase Price") **This sale is for the entirety of the indicated acreage and a sale shall only be consummated for all of the Property. Seller desires to retain the right to storm water detention on Parcel (4) for a maximum of 120 single family residential units to be erected on adjacent real property owned by Seller as indicated on the map attached hereto as Exhibit "A". That detention facility will require improvements to expand its storm water detention abilities. Buyer agrees to consider the Seller's desire to use such facilities for possible future storm water detention which considerations will include an equitable contribution by Seller of the costs to expand the capacity of such facilities to accommodate Seller's contemplated future detention needs refeneed above.**

2. Earnest Money. Seller hereby acknowledges receipt of the sum of \$1,000.00 paid by Buyer as earnest money and to be deposited into escrow to abide this agreement. The earnest money shall be applied to the Purchase Price for both parcels on the Closing Date, as that term is defined below.

3. Payment of Purchase Price. The Purchase Price shall be paid as follows:

3.1 At closing, the earnest money shall be credited to the Purchase Price.

3.2 At closing, Buyer shall pay the balance of the purchase price in cash less and except the sum of \$60,000 which will be held by Buyer until Seller satisfies the conditions set forth in Section 6 below on the terms and in the timeframes set forth therein. .

4. Closing. Closing shall take place on or before _____, 2013 (the "Closing Date"), or a sooner date at which time all the terms and conditions of this agreement can be satisfied. Closing shall be facilitated at the offices of First American Title as escrow agent. Each party shall pay one-half of the escrow fee. Patty White shall be escrow agent.

5. Preliminary Title Report. Within 10 days after full execution of this Agreement, Seller shall furnish to Buyer a preliminary title report showing the condition of title to the Property, together with copies of all exceptions listed therein (the "Title Report"). Buyer will have 10 days from receipt of the Title Report to review the Title Report and to notify Seller, in writing, of Buyer's disapproval of any exceptions shown in the Title Report. Those exceptions not objected to by Buyer are referred to below as the "Permitted Exceptions." Zoning ordinances, building restrictions, taxes due and payable for the current tax year, and reservations in federal patents and state deeds shall be deemed Permitted Exceptions. If Buyer notifies Seller of disapproval of any exceptions, Seller shall have 15 days after receiving the disapproval notice to either remove the exceptions or provide Buyer with reasonable assurances of the manner in which the exceptions will be removed before the transaction closes. If Seller does not remove the exceptions or provide Buyer with such assurances, Buyer may terminate this Agreement by written notice to Seller given within 15 days after expiration of such 15-day period, in which event the earnest money shall be refunded to Buyer and this Agreement shall be null and void.

6. Conditions

6.1 Buyer's obligation to purchase the Property is contingent on satisfaction of each of the following conditions to Buyer's subjective satisfaction on or before the _____ day of _____, 2013 or as otherwise specified herein. If any condition is not either timely satisfied or waived in writing by Buyer, then this Agreement shall be null and void.

6.1.1 Buyer's approval of its physical inspections of the Property. Buyer shall have until _____, 2013 to complete its physical inspections of the Property.

6.1.2 Buyer obtaining approval via appropriate non-appealable resolution or ordinance duly passed by City Council of Buyer.

6.1.3 Buyer and Seller each mutually agreeing upon surveyed metes and bounds description of real property and survey map thereto, the costs of such surveying and mapping to be at Seller's sole cost and expense.

6.1.4 Seller securing and providing to Buyer written approval(s) and certification(s) from all jurisdictions and agencies in any way pertaining to or having any authority or jurisdiction over wetlands currently or previously in existence on the Property, including but not limited to Oregon Division of State Lands, that unequivocally and undeniably establish that there are no wetlands on any portion of the Property or that any such wetlands have been mitigated so as to allow Buyer to utilize the Property without any regard for any wetland laws, rules or regulations of all applicable governing authorities. The responsibility for costs associated with and the implementation and completion of any wetland mitigation plan, shall be solely the responsibility of Seller. All activities necessary to satisfy this condition must be completed on or before the _____ day of _____, 2013. In the event Seller fails to satisfy this condition prior to the scheduled Closing Date, then Seller may withhold \$40,000 from the Purchase Price and close the transaction and the funds withheld by Seller may be utilized to pay the costs of satisfying this condition. Buyer shall release such portion of the withheld funds for legitimate, reasonable and appropriate receipts pertaining to the same and when this condition is fully satisfied, the remaining funds so withheld shall be released to Seller. , Notwithstanding the above, if this condition is not completely satisfied on or before the 30th day of September, 2013, then Buyer may utilize such funds as it deems appropriate to satisfy this condition and shall have no responsibility to reimburse Seller any excess portion thereof remaining after the wetlands are fully mitigated off site, such funds to remain at such time the sole property of Buyer. In the event the funds withheld are inadequate to fully satisfy this condition, then Seller shall pay any excess costs therefor promptly upon demand by Buyer.

6.1.5 Seller completing a final and non-appealable lot line adjustment application with City to create a unified and lawfully created parcel comprising the Property. All costs associated with such application, including all surveying and application fees and charges shall be borne and paid for solely by Seller. All activities necessary to satisfy this condition must be completed on or before the _____ day of _____, 2013.

6.1.6 Seller providing fee simple title, free of all liens and encumbrances, or easement in form acceptable to City allowing City unfettered access to and use of valve and diversion structure situated near the intersection of Crystal Drive and Diane Way as is generally depicted on Exhibit "A" hereto. Seller shall also provide dedication or conveyance via bill of sale of such diversion structure and associated facilities in form satisfactory to Buyer,

6.1.7 Seller completing to Buyer's satisfaction, all sidewalk improvements along Diane Way and Crystal Drive (the latter as it pertains to realty where the above-referenced detention structure is situated.) as required by and conditioned by Buyer previously but not completed to date by Seller as generally depicted on Exhibit "C" hereto. All activities necessary to satisfy this condition must be completed on or before the _____ day of _____