

CITY of LA GRANDE
City Council Regular Session
Wednesday, October 6, 2021

AGENDA

The meeting will be available for viewing via the City's scheduled Charter Communications channel 180 that will begin at 6:00 p.m. on October 6, 2021, on the La Grande Alive website at <https://eoalive.tv/city-events/> or on the Eastern Oregon Alive.TV Facebook page at <https://www.facebook.com/EOAliveTV>.

Any person may submit written comments or questions in advance of the meeting. Written comments must be received by 5:00 p.m. on Tuesday, October 5, 2021. The written comments will be read during the public comment section of the respective Agenda Item. Please email Public Comments to rstrope@cityoflagrande.org.

1. WELCOME to this REGULAR SESSION of the LA GRANDE CITY COUNCIL

- a. Call to Order
- b. Roll Call

- Per ORS 192.670(1), Councilors will be participating in this Regular Session by electronic communication.

2. AGENDA APPROVAL

3. CONSENT AGENDA

The Consent Agenda includes routine items of business which may be approved by one Motion of the Council. Any Council Member so desiring may by request remove one or more items from the Consent Agenda for individual consideration under the Unfinished or New Business portion of the Agenda.

- a. Consider: Approval of Regular Session Minutes; September 1, 2021

4. PUBLIC COMMENTS

Written comments received will be read during this portion of the Agenda for non-Agenda items. Written comments for Agenda items will be read when those items are considered.

5. PUBLIC HEARINGS

6. UNFINISHED BUSINESS

7. NEW BUSINESS

- a. Consider: Awarding Bid For City Hall HVAC Upgrade and Replacement Project

[Boquist]

8. UNION COUNTY COMMISSIONER'S UPDATE

9. STAFF COMMENTS

10. CITY MANAGER COMMENTS

11. CITY COUNCIL COMMENTS

12. ADJOURNED TO URBAN RENEWAL AGENCY REGULAR SESSION

Sandra Patterson
City Recorder

CITY of LA GRANDE
COUNCIL ACTION FORM

Council Meeting Date: **October 6, 2021**

PRESENTER: **Robert A. Strobe, City Manager**

COUNCIL ACTION: **CONSIDER CONSENT AGENDA**

1. MAYOR: Request Staff Report

2. MAYOR: Entertain Motion

Suggested Motion: I move we accept the Consent Agenda as presented.

OR

Suggested Motion: I move we accept the Consent Agenda as amended.

3. MAYOR: Invite Council Discussion

4. MAYOR: Ask for the Vote

EXPLANATION: A Consent Agenda includes routine items of business with limited public interest, which may be approved by one Motion of the Council. Any Councilor may, by request, remove any item of business from the Consent Agenda.

a. **Consider:** Approval of Regular Session Minutes; September 1, 2021

Reviewed By: (Initial)

City Manager _____
City Recorder _____
Aquatics Division _____
Building Department _____
ED Department _____
Finance _____
Fire Department _____

Human Resources Dept _____
Library _____
Parks Department _____
Planning Department _____
Police Department _____
Public Works Department _____

COUNCIL ACTION (Office Use Only)

Motion Passed
 Motion Failed; _____
 Action Tabled: _____
Vote: _____
 Resolution Passed
Effective Date: _____
 Ordinance Adopted
First Reading: _____
Second Reading: _____
Effective Date: _____

CITY of LA GRANDE
City Council Regular Session
September 1, 2021

The meeting was available for viewing via the City's scheduled Charter Communications channel 180, on the La Grande Alive website at <https://eoalive.tv/city-events/> and on the Eastern Oregon Alive.TV Facebook page at <https://www.facebook.com/EOAliveTV>.

MINUTES

COUNCILORS PRESENT:

Stephen E. Clements, *Mayor*
Gary Lillard, *Mayor Pro Tem*
John Bozarth, *Councilor*
David Glabe, *Councilor*
Nicole Howard, *Councilor*
Mary Ann Miesner, *Councilor*
Justin Rock, *Councilor*

COUNCILORS ABSENT EXCUSED:

STAFF PRESENT

Robert Strope, *City Manager*
Sandra Patterson, *City Recorder*
Stacey Stockhoff, *Assistant to the City Manager*
Gary Bell, *Police Chief*
Mike Boquist, *Community Development Director*
Carrie Bushman, *Interim Library Director*
Kyle Carpenter, *Public Works Director*
Emmitt Cornford, *Fire Chief*
Heather Rajkovich, *Finance Director*
Stu Spence, *Parks and Recreation Director*

Per ORS 192.670(1), Councilors and Staff participated in this Regular Session by electronic communication.

CALL TO ORDER/ROLL CALL
AGENDA APPROVAL

Mayor CLEMENTS called to order this Regular Session of the Council at 6:00 p.m. Roll Call was taken and a quorum was determined to be present.

CONSENT AGENDA

- a. **Consider:** Approval of Regular Session Minutes; *August 4, 2021*
- b. **Consider:** Approving OLCC Liquor License Application; *Brickyard Lanes*

The following Motion was introduced by BOZARTH; MIESNER providing the Second:

MOTION

MOTION: I move that we accept the Consent Agenda as presented.

VOTE

MSC. (unanimous)

With the OLCC Liquor License application approved for Brickyard Lanes, LILLARD asked if they were getting close to opening their facility, to which Mayor CLEMENTS stated that with the Liquor License approval, they were one step closer to operating. MIESNER also mentioned that Brickyard Lanes was currently in the process of hiring staff.

PUBLIC COMMENTS

Upon Mayor CLEMENTS request, STOCKHOFF shared two emails received for Public Comment; a copy of which is now a permanent document in the master file for this Regular Session and by this reference incorporated herewith as if fully set forth:

- Adeana Slater wrote in regards to the rights that each person in our Country possesses, for example: freedom and personal choice. She spoke in opposition to the vaccination mandate that Governor Brown had put in motion for health care workers and stated that these rights were worth fighting for.
- Kathy Kirby also wrote in opposition to the vaccination mandate which directly impacted her as a nurse and advocated for the right to choose.

LILLARD responded to the two emails that were read aloud. Though “my body, my choice” was ok, LILLARD voiced that he does not agree when an unvaccinated person falls ill from COVID-19 and potentially affects others because they chose not to have the vaccine.

PUBLIC HEARINGS

- a. Consider:** Close Out Community Development Block Grant (CDBG)

RULES OF ORDER

Mayor CLEMENTS announced that the Public Hearing was open at 6:09 p.m.

Upon Mayor CLEMENTS’ request, the City Recorder read the Rules of Order in their entirety.

STAFF REPORT

Mayor CLEMENTS requested the Staff Report.

Lisa Dawson, *NEOEDD Executive Director*

DAWSON stated the purpose of this Public Hearing was for the City Council to obtain citizens views about the project and to take comments about the local government’s performance. The City of La Grande was completing an Emergency Small Business and Micro-Enterprise Assistance Grant Program funded with Community Development Block Grant funds from the Oregon Business Development Department. The location of the project was

throughout Union County. It was estimated that the project benefited at least twenty-one (21) persons of whom 100% were low or moderate income.

DAWSON noted that the City of La Grande was awarded a \$150,000 grant in August, 2020, and Northeast Oregon Economic Development District (NEOEDD) began promoting the grant opportunity to businesses with low-moderate income employees and/or owners with low-moderate income levels the same month. Since that time, NEOEDD has made nine grant awards totaling \$104,000. Two of the grants were awarded to employers and five were awarded to income-qualifying microentrepreneurs. The grant awards range from \$9,000 to \$25,000. Seven of the grants were made to businesses in La Grande, one to a business in Union and one to a business in North Powder.

DAWSON stated that NEOEDD and the City of La Grande had requested an extension of time to disburse the remaining funds over the next seven months.

MIESNER asked if there were any potential businesses that were wanting to apply, to which DAWSON stated there was one business she reached out to urging them to start the application process. They were waiting to see if this business was eligible for the grant.

MIESNER asked if they were still advertising for the grant, to which DAWSON answered that they would like to do another press release to reach the community, especially with the new surge in COVID cases. There might be some businesses that could be experiencing an impact to their business who were not previously funded in another way. She added that they would also host another webinar.

PUBLIC TESTIMONY

None

COUNCIL DISCUSSION

None

Mayor CLEMENTS closed the Public Hearing at 6:17 p.m. and announced that there were no Public Comments received to be included in the grant closeout documents.

UNFINISHED BUSINESS

None

NEW BUSINESS

- a. **Consider:** Resolution: Declaring a State of Emergency

STAFF REPORT

Mayor CLEMENTS requested the Staff Report.

Robert STROPE, *City Manager*

STROPE stated that the Coronavirus (COVID-19) was a virus that can cause respiratory disease with the potential to cause serious illness and/or loss of life for individuals, especially individuals with underlying health conditions. On March 8, 2020 Governor Kate Brown, declared a state of emergency due to the COVID-19 outbreak in Oregon. (Executive Order No. 20-03), finding that COVID-19 created a threat to public health and safety, and constituted a statewide emergency under 401.025(1). On March 11, 2020, COVID-19 was declared a pandemic by the World Health Organization (WHO). On April 1, 2020, the City Council passed Resolution 4790 Series 2020 declaring a state of emergency and adopting procedures to prevent, prepare for, minimize, respond to, and/or recover from an emergency. This emergency declaration was renewed each time the Governor renewed the Statewide emergency declaration through June 28, 2021, when it was allowed to lapse given the lifting of restrictions related to the pandemic by Governor Brown.

STROPE noted that following the recent surge in COVID-19 cases, hospitalizations and deaths, Governor Kate Brown announced on August 11, 2021, State of Oregon reinstated mask mandates indoors statewide. Due to the surge of COVID-19 being a public health crisis that threatens the health, safety, and welfare of La Grande and the citizens of La Grande and constitutes an imminent threat of severe damage, injury, illness, human suffering, financial loss, and/or loss of life, City staff recommended that Council again declare a state of emergency for the City of La Grande.

MIESNER asked why another state of emergency declaration should be put in place again, to which STROPE explained it would give the City of La Grande the flexibility to act quickly; for example, if there was an immediate need to purchase emergency supplies to set up a facility for COVID testing, the City would not have to go through a bidding process which could be time consuming. The City exercised the previous state of emergency Resolution last year by changing the footprint for the Façade Grant program, which expedited funds to local businesses to allow for drive thru and walk-up windows through the pandemic. STROPE stated that he did not have any specific actions in mind that would be put into place using the authority of the declaration at the present moment, but thought it was prudent to have in place in case something changed.

Regarding section (3.i.) of the proposed Resolution, BOZARTH asked what 'adjusting work schedules' meant, to which STROPE answered it meant moving an employee to work remotely or changing an employee's shift to reflect working four (4) days each week, ten (10) hours each day, to minimize time in the office together. He noted this language was the same as the declaration that was previously in place for the City of La Grande and it would allow the flexibility to respond and act quickly in a timely matter.

BOZARTH asked if STROPE authorized employees to work from home during the pandemic previously, to which STROPE responded yes. BOZARTH followed up with

responding that he felt upstairs City Hall was spaced out enough for people to work and wanted to see City Hall open to the public, to which STROPE stated that in certain circumstances, an employee would need to work remotely; for example, when a parent was quarantined because their child tested positive for COVID. Though the parent might not get sick, they would still be able to do their job remotely. This circumstance could be authorized regardless of the declaration. This section of the declaration would authorize more extreme circumstances if the pandemic worsened.

LILLARD supported the motion and was hopeful that people understood the severity of the pandemic. He felt that it was prudent to have this declaration in place again.

HOWARD also spoke in favor of approving the declaration stating that it was a conservative approach. She felt it would be smart to put this in place again to allow the City the flexibility, in case of emergency.

In regards to exercising the declaration, ROCK asked if those decisions would be up to the City Council to decide, to which STROPE stated that it would depend on the severity of the action; for example, restrictions on occupancy and locking down City of La Grande. This would be a decision that the City Council would discuss and vote on. Other examples would be to set up emergency housing or purchasing high-cost supplies.

Regarding section (3.f.) of the proposed Resolution, BOZARTH asked what 'limiting the congregation and/or gathering of individuals' meant and would STROPE have the authority to exercise this if needed, to which STROPE stated that he would have that authority with this Resolution in place. Though he does not envision this happening, he voiced that this would be an extreme measure and would be an example where he would call for an emergency meeting of the City Council to discuss and vote upon, if needed.

BOZARTH asked how many people would be considered in a gathering in order to exercise this, to which STROPE explained it was not anchored towards a specific group or number, it was merely standard language for specific actions.

BOARTH asked if some of these procedures were already in place at the State level, why would the City have to duplicate them, to which STROPE stated that some measures might have to be imposed locally and with quicker action. Though he does not envision this happening, he voiced that this would be an extreme measure and would be an example where the City Council would discuss and vote upon, if needed.

With the declaration in place, LILLARD voiced that it would enhance more local control and expressed his support.

HOWARD stated the City of Umatilla just passed a Resolution declaring a state of emergency allowing them access to receive certain State and Federal funding, if needed. In the event that our city would find the need to

also seek State and Federal funding, during the pandemic, having a declaration in place for our City made sense.

Mayor CLEMENTS voiced that taping into funds that would be available to our City with a declaration in place and the ability to act quick on certain decisions during an emergency made sense and he supported the decision to approve the Resolution. He also stated that with STROPE's leadership, he was confident that the City Council would be kept aware of all situations that might arise, and if needed, an Emergency City Council Meeting could be held to make such decisions, as the Council sees fit.

GLABE stated that he was in favor of the Resolution, but would like to be notified immediately of any decisions that STROPE might exercise under the provisions of the Resolution, to which STROPE affirmed that he would keep the Councilors apprised of any changes or situations that might come about in the event of having to exercise any of the provisions made in the Resolution.

PUBLIC TESTIMONY

None

COUNCIL DISCUSSION

None

MOTION

The following Motion was introduced by LILLARD; HOWARD providing the Second:

MOTION: I move that the proposed Resolution to declare a State of Emergency be read by Title Only, put to a Vote and Passed.

COUNCIL DISCUSSION

None

Upon Mayor CLEMENTS' request, the City Recorder read the Proposed Resolution by Title Only:

A RESOLUTION OF THE CITY OF LA GRANDE, UNION COUNTY, OREGON DECLARING A STATE OF EMERGENCY IN THE RESPONSE TO THE COVID-19 PANDEMIC; AND AUTHORIZING THE CITY MANAGER TO TAKE ACTIONS NECESSARY AND APPROPRIATE TO PROTECT THE HEALTH, SAFETY, AND WELFARE OF THE CITY AND CITY'S CITIZENS [4813]

VOTE

MSC. (unanimous)

b. Consider: Resolution: Social Fees and Bet Limits for Social Games

STAFF REPORT

Mayor CLEMENTS requested the Staff Report.

Robert STROPE, *City Manager*

STROPE stated the City of La Grande received a request to update the City of La Grande Resolution to allow for increased bet amounts to accommodate "no limit hold'em."

This would require an update to the Social Gaming Resolution. The party who requested the increase indicated there was increased interest in the sport and they were currently in the process of securing a property to offer social gaming. The attached Resolution was structured more closely to other communities in the State of Oregon, such as Ontario and Veneta. The Resolution would also increase the fee amounts from \$15.00 to \$25.00 for special events.

PUBLIC TESTIMONY

Upon Mayor CLEMENTS request, STOCKHOFF shared one email received for Public Comment in regards to social gaming; a copy of which is now a permanent document in the master file for this Regular Session and by this reference incorporated herewith as if fully set forth:

- Ronald VERINI, former Mayor for the City of Ontario, spoke in support of social gaming stating it would allow an atmosphere for social gaming to be in an open and fun environment and the benefit of added revenue to the city in the form of fees as well as attract people outside the area to come to La Grande.

COUNCIL DISCUSSION

MIESNER noticed that the annual license fees remained the same, to which STROPE answered that he did not see a need to increase it at this time.

MIESNER asked if anyone has ever applied for a one-time special event application, to which STROPE stated that the only application received during his tenure as City Manager and to his knowledge, would have been a few years ago from the American Legion.

In response to MIESNER's question regarding the number of tables that could be used for social gaming in an establishment, STROPE answered that under Section One (1) in the Resolution, there was no cap listed for the number of tables an establishment could have, but explained that the annual license fee would be \$250 per establishment for one table, plus \$100 per each additional table.

In response to GLABE's request for clarification that the updated Resolution was merely to reflect the change in language regarding no bet limits, STROPE noted that he was correct.

Both GLABE and LILLARD voiced their concerns over the social issues that could be associated with gambling.

In response to BOZARTH's request for clarification regarding the title of the Resolution stating 'Establishing Bet Limits', STROPE verified that the Resolution indicates that each establishment would be responsible for setting the house betting limits.

Jacob BROWN, who was the individual that had requested the Resolution to be updated, stated that social gaming was already legal in the City of La Grande and the State of Oregon considered the game of poker as a social game and not gambling. With the updated language to the Resolution, the game of poker would be modernized. He also spoke his opinion regarding how some people might associate social gaming as unhealthy behavior but he did not agree and voiced that the gaming tables that he would be in charge of at his establishment would focus on community with a healthy environment.

BROWN also stated he had a building under contract within City limits that was ready to be modified into a social club, if the updated Resolution was approved. He also expressed that by having the social club, it would provide employment opportunities as well as stimulate the downtown area of La Grande.

MOTION

The following Motion was introduced by MIESNER; ROCK providing the Second:

MOTION: I move that the proposed Resolution approving Social Game Fee and Bet Limits for Social Games in the City, be read by Title Only, put to a Vote, and Passed.

Upon Mayor CLEMENTS' request, the City Recorder read the Proposed Resolution by Title Only:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA GRANDE, OREGON ESTABLISHING SOCIAL GAME FEES AND BET LIMITS FOR SOCIAL GAMES IN THE CITY OF LA GRANDE, OREGON; AND REPEALING RESOLUTION NUMBER 4294, SERIES 1997, AND ALL OTHER RESOLUTIONS OR PARTS OF RESOLUTIONS IN CONFLICT HEREWITH [4814]

COUNCIL DISCUSSION

None

VOTE

MSC. FIVE (5) of the SEVEN (7) Councilors voted in the affirmative; LILLARD and GLABE voted in opposition.

c. Consider: Appointing Citizen to Planning Commission; *Anne Morrison*

Mayor CLEMENTS explained that the Planning Commission consisted of five (5) members, all of whom reside within the City limits or the Urban Growth Boundary and briefly described the member's responsibilities. This Commission currently had one vacancy, which was due to a resignation.

MOTION

The following Motion was introduced by CLEMENTS; MIESNER providing the Second:

MOTION: I move that Anne Morrison be appointed to the Planning Commission for the remainder of a four-year term, expiring December 31, 2023.

COUNCIL DISCUSSION

None

VOTE

MSC. (unanimous)

UNION COUNTY COMMISSIONER'S UPDATE

Union County Commissioner Matt SCARFO stated that the Union County Board of Commissioners voted to lift the camping restrictions at Mt. Emily Recreation Area (MERA), with certain prohibitions. He also noted that additional burn bans in Union County were lifted regarding the use of charcoal grills and burn barrels.

SCARFO shared that the drive-through COVID-19 testing clinic was cancelled yesterday, August 31, 2021, stating that the Oregon Health Authority (OHA) were experiencing technical difficulties, but more testing clinics were scheduled to be held every Tuesday, from 10 a.m. to 3 p.m., in the Bi-Mart parking lot, La Grande, Oregon. These clinics were set up to help alleviate some of the stress that local hospitals and urgent care facilities might be experiencing. SCARFO also noted that Union County had six hundred and twenty (620) positive COVID cases for the month of August, which was the highest number recorded since the pandemic started. He also noted that, once more tests come back from the labs, there might be a slight jump in cases due to some of the tests coming in at different times and from different labs. SCARFO shared that Union County was at 51.9 percent vaccinated and was increasing about 1 percent each week.

SCARFO voiced that the Union County Board of Commissioners passed Resolution Number 2021-15 in opposition to the COVID Vaccine Mandate. He expressed that he personally supported the vaccine, but does not support the vaccination mandate that Governor Brown has put in motion for our health care workers, as of August 19, 2021.

SCARFO stated that Union County's emergency declaration Resolution Number 2020-05 coincides with the State of Oregon's Executive Order Number 20-03, declaring the state of emergency. As long as the State of Oregon extended the emergency declaration, Union County would do the same. There were many benefits to having a declaration in place and SCARFO echoed the benefits that were spoken of earlier by City Manager STROPE.

In response to MIESNER's question regarding a positive test result, SCARFO explained that if a person received a positive COVID test result, to err on the side of caution and use good judgement by staying home, regardless if that

person was showing symptoms. A person might have a mild to severe case, but either way, they are contagious and should quarantine for the recommended amount of time.

STAFF COMMENTS

CORNFORD stated that the La Grande Fire Department still had one Firefighter/Paramedic position open that has been advertised since December, 2020. The job was recently modified to allow students currently enrolled in a paramedic program to be able to apply, within certain guidelines. He also voiced his concerns regarding the vaccine mandate for health care workers. With the mandate in place, employers could potentially lose several employees leaving our community vulnerable and increasing the workload onto those that stay at their jobs.

HOWARD asked if instead of receiving the vaccine, could an employee perform weekly testing instead, to which CORNFORD answered no. That was no longer an option with the new vaccination requirements in place. The two options were either get fully vaccinated by October 18, 2021, or file for a religious or medical exemption.

LILLARD asked if the Fire Department personnel were wearing masks, to which CORNFORD stated yes. Whether they were vaccinated or not, all personnel were required to wear a mask. If the patient tested positive, the personnel also suited up with full gowns and goggles. They also follow the OSHA rules for mask wearing when inside the Fire Station.

LILLARD asked how many personnel were asking for a medical or religious exemption or if there were some employees with a different reason for not wanting to receive the vaccine, to which CORNFORD stated there were various reasons. Those that were choosing not to have the vaccine were taking the time to gather their exemption paperwork and the exemptions would be turned in soon.

SPENCE stated that the two ball fields were still under construction for the installation of the turf and he was hoping it would be complete by the end of September, 2021. SPENCE also thanked the La Grande Public Works Department for their help with the project.

CITY MANAGER COMMENTS

STROPE mentioned that the Work Session scheduled for Monday, September 13, 2021, for the ARPA funding was cancelled but would be rescheduled once the meeting could presume in-person and not over ZOOM due to the content of the meeting and likely high level of public interest.

MIESNER asked if there was a report that was due by the end of the month regarding the ARPA funding, to which RAJKOVICH confirmed that the Project and Expense Report

for ARPA funding must be filed by October 31, 2021, whether there was anything to report or not.

CITY COUNCIL COMMENTS

GLABE expressed that he felt the Grande Ronde Hospital (GRH) Virtual Town Hall (editorial note: Streamed live on EOAlive.tv on August 18, 2021, at 6 p.m.) had value. He suggested that having a platform like this available to the public to gain information from GRH as well as other medical providers would be beneficial on a regular basis. Mayor CLEMENTS agreed stating that he would help organize this with others who were interested in helping to facilitate the sharing of resources.

In response to GLABE's question, STROPE answered that only certain Fire Department staff were directly impacted by the vaccine mandate at this time.

BOZARTH urged those who have not been vaccinated to consider getting the vaccine in hopes that it would curb further infection.

Mayor CLEMENTS supported the idea of individual chose for receiving the vaccine, but with the high infection rate of COVID-19, he urged those not vaccinated to seek out answers from their health care provider and consider getting the vaccine to help protect themselves and others.

HOWARD applauded the leadership demonstrated by Superintendent George Mendoza and the La Grande School District with how they were handling school procedures and implementing them during the pandemic.

Mayor CLEMENTS mentioned that the City Manager evaluations were still being collected but all evaluations would be collected and ready by the October 6, 2021, City Council Meeting to discuss.

There being no further business to come before this Regular Session of the Council, Mayor CLEMENTS adjourned the meeting at 7:21 p.m. The Council is scheduled to meet again in Regular Session on Wednesday, October 6, 2021, at 6:00 p.m.

Stacey M. Stockhoff
Assistant to the City Manager

Stephen E. Clements
Mayor

APPROVED: _____

CITY of LA GRANDE
COUNCIL ACTION FORM

Council Meeting Date: October 6, 2021

PRESENTER: Michael Boquist, Community Development Director

COUNCIL ACTION: **CONSIDER AWARDING BID FOR CITY HALL HVAC UPGRADE AND REPLACEMENT PROJECT**

1. MAYOR: Request Staff Report
2. MAYOR: Request that Public Testimony be read into the Record
3. MAYOR: Invite Council Discussion
4. MAYOR: Entertain Motion:

SUGGESTED MOTION: I move that we award the 2021 City Hall HVAC Upgrade and Replacement Project to Valley Metal & Heating, Inc., in the amount of \$141,872.00; and, further, that City Manager Robert A. Strope be authorized to execute the contract documents for the bid for the 2021 City Hall HVAC Upgrade and Replacement Project.

5. MAYOR: Invite Additional Council Discussion
6. MAYOR: Ask for the Vote

EXPLANATION: The City Hall’s existing HVAC system is nearly twenty (20) years old and has exceeded its life. It has been subject to frequent services and repairs over the past couple years to keep the system functional. The existing system has proven to be inefficient, expensive to operate, and costly to maintain and repair. Separate office spaces are grouped together and share the same HVAC zone and thermostat. There is a significant amount of heating and cooling loss in some areas which creates additional challenges with regulating temperatures. These deficiencies sometimes result in the operation of heating and cooling systems at the same time to maintain reasonable temperatures. Additionally, as equipment fails, some parts are no longer available due to the age of the equipment, which then requires replacement vs. repair.

In preparation for this project, City Staff contracted with an HVAC engineer to evaluate and design an HVAC system that efficiently meets the needs of each Department and workspace within the City Hall building. The project will consist of removing the existing City Hall air conditioning units and related system components, retaining the existing heating system as a functional backup system, and installing a new HVAC mini-split system recommended by the engineer. Staff advertised for competitive bids and received two (2) qualified bids, with the low bid of \$141,872.00 from Valley Metal & Heating, Inc. of Baker City, Oregon.

This project was approved as a part of the current FY 2021-2022 Building Maintenance budget with an estimate project cost of \$100,000. The project cost was budgeted based on an estimate received around March 2021. Since that time the City had a professional engineer design an HVAC system for City Hall, which is considerably more detailed than the March estimates. Additionally, the impact from COVID has put a demand on materials and products creating material shortages as well as increasing labor costs. The combination of these has resulted in the low bid coming in at \$41,872 over budget, with the high bid coming in at \$51,311 over budget. In addition to the \$100,000 allocated for the project in the Adopted Budget, the City has \$300,000 budgeted in the General Reserve that is undesignated and can be used to address the increased costs for the project. Based on this, Staff proposes the project be funded as follows:

- \$40,000 – Building Maintenance Budget
- \$60,000 – General Reserve Capital Outlay for Building Maintenance
- \$50,000 – General Reserve – General Capital Reserve for Capital Improvement Projects
 (Note: This amount is above the \$41,872 required to fund the project to address any potential cost overruns that may be realized as part of the project. If not required for the project, the funds will remain in the General Capital Reserve for Capital Improvement Projects Budget line.)

The City Manager and Staff recommend that the City Council award this bid to Valley Metal & Heating, Inc. for \$141,872.00.

Bid Summary – 2021 City Hall HVAC Upgrade and Replacement Project	
Bid Opening: September 27, 2021; 2:15 p.m.	
Company Name	Bid Amount
Valley Metal & Heating, Inc.	\$141,872.00
Pendleton Electric Co.	\$151,311.00

Reviewed By: (Initial)

City Manager _____
 City Recorder _____
 Aquatics Division _____
 Building Department _____
 ED Department _____
 Finance _____
 Fire Department _____

Human Resources Dept _____
 Library _____
 Parks Department _____
 Planning Department _____
 Police Department _____
 Public Works Department _____

COUNCIL ACTION (Office Use Only)

- Motion Passed
- Motion Failed; _____
- Action Tabled; _____
 Vote: _____
- Resolution Passed
 Effective Date: _____
- Ordinance Adopted
 First Reading: _____
 Second Reading: _____
 Effective Date: _____