

**FINANCE/ADMINISTRATION COMMITTEE
MINUTES**

September 14, 2016

Meeting called to order on September 14, 2016, at 5:47 p.m. in the Philomath City Council Chambers by Charla Koeppe.

1. ROLL CALL

Present: Councilors Charla Koeppe, Jason Leonard and Candy Koetz.

Staff: Joan Swanson, Finance Director and Ruth Post, City Recorder.

2. MINUTES

2.1 Minutes of April 27, 2016

MOTION: Councilor Koeppe moved, Councilor Koetz second, to approve the minutes of April 27, 2016, as presented. Motion APPROVED 3-0.

3. NEW BUSINESS

3.1 Amendments to PMC Chapter 3.2 – Procurement Policy

Ms. Swanson summarized the need to update the City's procurement policy. She explained that in 2013, the State made changes in the procurement rules and the City adopted an ordinance based on the generic model that the League of Oregon Cities has provided. In reality, she stated, that model wasn't practical and the proposed amendments are to bring the City's needs into alignment with the actual ordinance.

Ms. Swanson reviewed the definitions and different types of quotes as proposed. She reviewed the sections on contracts for goods and services, noting that the dollar amounts listed typically match the state limits. She reviewed public improvement project contracts and explained the additional findings of fact language added by the City Attorney. She noted that the \$40,000 limit was to avoid exceeding the threshold that requires BOLI wages. Allowing 25% for exceeding the contract would still keep it under that \$50,000 threshold. She added that, generally, projects of \$40,000 are going to go to the Council anyway.

Ms. Swanson covered the sections on Offerer Disqualification and Personal Service Contracts.

On Disposition of Surplus Property, she explained this section required major changes. She described use of OSU for selling surplus property and stated both the Police Department and Public Works have had good success with disposing of property in the most advantageous way for the City.

In the Disposition of Real Property section, Ms. Swanson explained the expanded public involvement process. She noted this is basically out of the state statute. The current ordinance doesn't include direction on disposition of real property; and without it, the City is required to adhere to state statute.

There was additional discussion about the proposed amendments and, particularly the disposition of surplus property.

MOTION: Councilor Koeppe moved, Councilor Leonard second, to forward the proposed amendments to the City Council as presented. Motion APPROVED 3-0.

3.2 Urban Renewal project financing/Refinancing 2009 sewer obligations

Ms. Swanson reviewed the plans for selling bonds to finance the Urban Renewal Agency infrastructure project to be constructed next year and the proposal to refinance the 2009 sewer obligation bonds. She explained the process of hiring a bond underwriter who takes the City through the process and bond counsel. She stated there are not many firms that provide this service and described her process for coming to a recommendation for the Committee. She noted the projections that have been provided by D.A. Davison & Company that projects a major savings to the City by refinancing the 2009 bonds. She stated that by combining the two sums, a large bond sale will attract more investors. The first step in this process is to retain the bond underwriter and bond counsel and more specific financial figures will be presented at a subsequent meeting. She stated that the City Attorney did not believe a request for proposals was needed due to the specific type of service required.

MOTION: Councilor Koeppel moved, Councilor Koetz second, the Finance and Administration Committee recommend hiring D.A. Davison & Co. as Bond Underwriter for the upcoming bond sale; and, furthermore, moved the Finance and Administration Committee recommend hiring Hawkins, Delafield and Wood as Bond Counsel for the upcoming bond sale. Motion APPROVED 3-0.

4. ADJOURNMENT

Meeting adjourned at 6:30 p.m.

Recorded by: Ruth Post, City Recorder