



# City of Union

## Agenda

**Council Special Meeting Meeting**  
**Monday, October 24, 2022 @ 6:00 PM**  
**Leonard Almquist Council Chambers, 342 S. Main St,**  
**Union, OR 97883**

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	Page
<b>1. CALL TO ORDER, PLEDGE OF ALLEGIANCE, ROLL CALL:</b>	
<b>Mayor:</b>	Flint
<b>Councilors:</b>	Farmer, Hawkins, Cox, Richter, Denton and McMillan
<b>2. NEW BUSINESS:</b>	
Public comment is welcome on each subject addressed under the public comment rules stated below.	
2.1. CDBG project award	2 - 7
<a href="#">Award CDBG</a>	
<a href="#">Cost Reduction Summary</a>	
2.2. OMA - Homelessness Letter	8 - 10
<a href="#">Region 11, Final</a>	
<b>3. PUBLIC COMMENT</b>	
<i>Audience members may bring any concern before the Council at this time.</i>	
<i>Public comment rules:</i>	
<i>All public comment is subject to 3 minutes per individual and time may be cut short by the Mayor if the information addressing the Council becomes redundant. All persons addressing the Council must speak at the lectern and prior to speaking must state their name and address.</i>	
<b>4. ADJOURNMENT:</b>	

October 19, 2022

Doug Wiggins, City Administrator  
City of Union  
P.O. Box 529  
Union, Oregon 97883

RE: City of Union, Oregon - Water System Backup Power and System Control Improvements - 2022  
Construction Costs Negotiations Summary

Dear Doug:

As you are aware, one proposal was received, from Michael A. Becker General Contractor, Inc. (MBGC), for the City of Union, Oregon - Water System Backup Power and System Control Improvements - 2022 project. The base price proposal amount exceeded the available project budget by approximately \$235,000.

We have been working with MBGC over the past couple of months to collaborate on potential project cost-saving measures that do not impact critical system operations. In this process, we have been able to negotiate costs with MBGC to reduce the project costs to within \$52,836 of the original construction budget. The items that are proposed to be modified or removed from the project are summarized below:

1. Remove installation of the Well No. 2 generator from the Contract.
2. Eliminate the heater and associated louver from the Well No. 2 generator room.
3. Remove two 3/4-inch water service lines for the chlorine residual analyzer at the Well No. 2 pump station from the Contract. City crews will install these lines.
4. Modify sanitation certification and slightly modify pump performance criteria for the new Well No. 2 pump.
5. Eliminate the building around the Well No. 3 generator. Continue to provide grading work, concrete slab, and automatic transfer associated with the generator. Provide a metal weatherproof enclosure on the generator.
6. Eliminate the gas chlorination system vacuum switch and gas flow transmitter.
7. Reduce trips required for chlorination system and chlorine residual monitor startup.

With these reductions, the City needs to consider dedicating additional City Water Department reserve funds of \$52,836 to make the project award. This would allow the City to keep the construction contingency included in the project funding of \$179,542 intact. Business Oregon project funding staff have indicated that if the contingency funds are not expended on the project, then the City may be reimbursed for its contribution to the project from any remaining available contingency funds.

Because only one proposal was received on the project, a Notice of Intent to Award does not need to be published. Should the city council elect to award the Contract based on the price negotiations summarized herein, a proposed Notice of Award is attached for the city council to consider. With city council approval of an award, Contract forms can then be forwarded to MBGC for completion. Should the city council choose to approve an award to MBGC, the city council may also want to consider

Doug Wiggins  
October 19, 2022  
Page -2-

authorizing the future signature of the Agreement by either the city administrator or the mayor once MBGC completes the required Contract forms.

If you have any questions, please feel free to contact me.

Sincerely,

ANDERSON PERRY & ASSOCIATES, INC.

By   
David W. Wildman, P.E.

DWW/cd

Enclosure

cc: File No. 482-58-55 (w/encl.)

G:\Clients\Union\Water\482-58 Water System Backup Power\Correspondence\Wiggins-Cost Negotiations Letter.docx

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NOTICE OF AWARD

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Date of Issuance:

Owner: **City of Union, Oregon**

Engineer: **Anderson Perry & Associates, Inc.**

Project: **Water System Backup Power and System Control Improvements - 2022**

Bidder: **Michael A. Becker General Contractor, Inc.**

Bidder's Address: **P.O. Box 1159, La Grande, Oregon 97850**

**TO BIDDER:**

You are notified that Owner has accepted your Proposal dated June 30, 2022, for the above Contract, and that you are the Successful Proposer and are awarded a Contract for: the Base Proposal Price items with the cost reductions noted on the attached Exhibit A, Price Proposal Cost Reduction Summary, dated October 19, 2022.

The Contract Price of the awarded Contract is: \$1,855,182.00

You must comply with the following conditions within 15 days of the date you receive this Notice of Award.

**1. Notice of Award**

Acknowledge acceptance of the Project award in the space provided on this Notice of Award form. Be sure to include the date, as well as the signature and title of the person signing the Award form. **Return all 3 copies to the Engineer.**

**2. Agreement Between Owner and Contractor**

Date and sign all **3** copies of the attached Agreement form. **Return all 3 copies** to the Engineer.

**3. Payment and Performance Bonds**

Provide the Construction Performance and Payment Bonds. Enclosed are **3** copies of the Payment Bond and **3** copies of the Performance Bond forms. Include an appropriate Power of Attorney which is properly dated with each of the bonds. **Additionally, note that the date shown on the Payment and Performance Bonds must be on or after the date shown on the Agreement.** The date on the Power of Attorney should be the same as shown on the Bond. These Payment and Performance Bond forms must be used, and no others will be accepted. Return **3** completed copies to the Engineer.

**4. Certificate of Insurance**

Complete the enclosed Certificate of Insurance form. The enclosed Certificate of Insurance form is the only acceptable form to be used for this project. Standard ACORD forms from the insurance company will be required to be attached to this form. Be sure to include Worker's Compensation certificates. Return all **3** copies to the Engineer.

## 5. Statutory Public Works Bond

The Contractor and applicable Subcontractors must file a Public Works Bond with the Construction Contractor's Board in accordance with Oregon Laws 2005, Chapter 360, Section 2. Verification that this bond has been filed by the Contractor must be submitted to the Engineer.

## 6. Other requirements

Certified and dated materials supply invoices or bills of sale for materials subject to the material price escalation/de-escalation clause noted in Supplementary Condition 11.04.D.

Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your Bid security forfeited.

Within 20 days after you comply with the above conditions, Owner will return to you one fully executed counterpart of the Agreement and Contract Documents.

**City of Union, Oregon**  
(OWNER)

By: \_\_\_\_\_  
(AUTHORIZED SIGNATURE)

\_\_\_\_\_  
(NAME)

\_\_\_\_\_  
(TITLE)

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## ACCEPTANCE OF NOTICE

Receipt of the above NOTICE OF AWARD is hereby acknowledged by \_\_\_\_\_  
\_\_\_\_\_ this the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Copy to Owner

**EXHIBIT A**  
**PRICE PROPOSAL COST REDUCTION SUMMARY**

Updated October 19, 2022

Proposals Received: 2:00 p.m., June 30, 2022, at Union City Hall, 342 South Main, Union, Oregon 97883		Michael A. Becker General Contractor, Inc., Original Proposal Prices		Negotiated Cost Reduction Items			
Item	Description	Unit	Amount	Unit Price	Total	Description	Cost Reduction
<b>Well No. 2 Improvements</b>							
5	Well No. 2 Building (Mechanical and Generator Rooms)	LS	1	\$260,000.00	\$260,000.00	Remove heater and louver with associated electrical and wall blackout.	(\$5,000.00)
7	Vertical Turbine Well Pump and Motor	LS	1	\$211,000.00	\$211,000.00	Identify pump with reduced cost - potential NSF materials, but no certification.	(\$19,749.43)
8	Well No. 2 Chlorine Residual Analyzer	LS	1	\$26,000.00	\$26,000.00	Reduce shipping and startup time.	(\$1,320.50)
9	3/4-inch Water Service Line	LF	375	\$60.00	\$22,500.00	City to install this line.	(\$16,042.50)
12	Well No. 2 Generator and Automatic Transfer Switch (ATS)	LS	1	\$150,000.00	\$150,000.00	Generator can be eliminated in favor of Well No. 3 generator for chlorination. Cost reduction includes ATS to manual transfer switch conversion and increase in electrical gear price.	(\$50,000.00)
<b>Well No. 3 Improvements</b>							
17	Well No. 3 Generator Building	LS	1	\$118,000.00	\$118,000.00	Eliminate structure; includes grading, stairs, and slab for generator as well as \$10,000 increase for generator metal insulated enclosure.	(\$54,000.00)
19	Well No. 3 Chlorine Residual Analyzer	LS	1	\$26,000.00	\$26,000.00	Reduce shipping and startup time.	(\$1,320.50)
23	Chlorination System Equipment	LS	1	\$45,000.00	\$45,000.00	Eliminate vacuum switch and gas flow transmitter.	(\$14,585.00)
XX	Voluntary price reduction by Michael A. Becker General Contractor, Inc.						(\$20,000.00)
			<b>TOTAL</b>		<b>\$1,256,500.00</b>		<b>(\$182,017.93)</b>

Base Price Proposal Original Cost \$ 2,037,200  
Resulting Base Price Proposal Award Amount \$ 1,855,182

**EXHIBIT A  
PRICE PROPOSAL COST REDUCTION SUMMARY**

Updated 10/18/22

Proposals Received: 2:00 p.m., June 30, 2022 at Union City Hall, P.O. Box 529/342 South Main, Union, Oregon 97883				Michael A. Becker General Contractor, Inc. Original Proposal Price		Negotiated Cost Reduction Items	
Item	Description	Unit	Amount	Unit Price	Total	Description	Cost Reduction
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5	Well No. 2 Building (Mechanical and Generator Rooms)	LS	1	\$260,000.00	\$260,000.00	Remove heater and louver with associated electrical and wall block out.	(\$5,000.00)
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XX	Voluntary price reduction by Becker						(\$20,000.00)
			<b>TOTAL</b>		<b>\$1,256,500.00</b>		<b>(\$182,017.93)</b>

<b>Base Price Proposal Original Cost</b>	<b>\$ 2,037,200</b>
<b>Resulting Base Price Proposal Award Amount</b>	<b>\$ 1,855,182</b>



To convene, network, train, and empower Mayors

## MEMORANDUM

**To: Mayors and Chief Executive Officers of Region 11**  
**From: The Oregon Mayors Association**  
**Date: October 18, 2022**  
**Re: Partnership Needed to Solve Statewide Homelessness Emergency**

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This past May, the Oregon Mayors Association (OMA) formed a Taskforce on Homelessness. Twenty-five mayors, representing cities of all sizes from around the state, studied Oregon's homelessness crisis. And while the crisis may seem insurmountable, given that the symptoms and solutions look different between urban and rural communities and vary based on a city's size, geography and available service providers, local government leaders have developed a solution to Oregon's crisis of the unhoused.

The OMA Homelessness Taskforce's plan to humanely and timely address the homelessness crisis in Oregon is a partnership between the State of Oregon and its 241 cities. This partnership will allow for the establishment and expansion of local, community-based responses that provide immediate shelter, needed services, and secure safety for unhoused Oregonians. During the 2023 Legislative session, the OMA will *propose* two separate, yet parallel, budget proposals: (1) a budget package which provides direct allocation to cities for homelessness response and prevention services; and (2) a budget package that provides capital improvement funding for cities.

### *Direct Allocation*

A direct allocation of funding from the state to each incorporated city in Oregon for cities to use in their homelessness response and prevention services is being proposed by the OMA.

- It is proposed that each city will be allocated funds in an amount equal to \$40 per resident, in accordance with the latest official population estimates from Portland State University.
- The proposal requires that in no instance will an incorporated city receive less than \$50,000 in direct funding.
- OMA's proposal provides cities the ability to elect to use the funds for their own homelessness response and prevention services, or to redirect their funds to community partners who are required to use the funds for homelessness response and prevention services.



OMA's proposal states that funds must be used for homelessness response and prevention services, which may include:

- Abatement/clean-up
- Environmental mitigation
- Affordable housing
- Capital construction or improvement costs related to homelessness or affordable housing measures
- Community resource officers
- Education and outreach
- Food bank assistance
- Shelter and/or transitional housing
- Hygiene stations
- Operation costs
- Outreach workers
- Prevention

With a \$50,000 guarantee for all cities, and a \$40.00 per resident multiplier in place, based on the April 19, 2022, PSU population estimates, the total amount requested would equal \$123,575,800.00 annually.

For cities located in Region 11, a \$40 per resident allocation equates to an annual allocation of the dollar amounts denoted below:

- Adams - \$50,000
- Athena - \$50,000
- Boardman - \$173,520
- Cove - \$50,000
- Echo - \$50,000
- Elgin - \$68,680
- Enterprise - \$83,200
- Helix - \$50,000
- Heppner - \$50,000
- Hermiston - \$748,840
- Imbler - \$50,000
- Ione - \$50,000
- Irrigon - \$81,480
- Island City - \$50,000
- Joseph - \$50,000
- La Grande - \$523,480
- Lexington - \$50,000
- Lostine - \$50,000
- Milton-Freewater - \$285,800
- North Powder - \$50,000
- Pendleton - \$686,760
- Pilot Rock - \$53,120
- Stanfield - \$88,040
- Summerville - \$50,000
- Ukiah - \$50,000
- Umatilla - \$300,800
- Union - \$86,120
- Wallowa - \$50,000
- Weston - \$50,000

### *Capital Allocation*

In addition to the direct allocations, the Taskforce's proposal requires a meaningful allocation from the State for coordinated capital construction investments for specific shelter and transitional housing projects, statewide. It is expected that a final dollar amount for needed capital construction investments will equal between \$125 to \$175 million. The OMA is seeking information from Oregon cities about any needs they may have for capital construction investments from the state in their local responses to addressing the homelessness crisis.

### *Request for Support*

The OMA Homelessness Taskforce and the OMA Board of Directors seek the support of Oregon's 241 cities for the above-described proposal. In an effort to present the legislature

and Oregon's next governor with a truly coordinated and collaborative proposal, the OMA hopes to submit its legislative request with as many city partners as possible.

To explain the statewide nature of this crisis, the League of Oregon Cities (LOC), in partnership with the OMA, has secured the services of a communications specialist to work directly with cities interested in supporting the OMA proposal. The communications specialist will work directly with interested cities to develop a one-page document that outlines a city's unique experience with homelessness, and how the funding proposed by the OMA would help the city respond to, or even prevent, homelessness in their community. Work performed by the consultant in support of the OMA proposal will be paid for by the LOC.

Oregon's mayors are leading the on-the-ground response on homelessness, and the prevention thereof, but cities cannot do so alone and need joint leadership from state government to support cities and our county partners. The OMA Taskforce has called on Oregon's next governor and legislature to fund the services and housing needed to make an impact on Oregon's homelessness crisis; the support of Region 11 cities will go a long way to expressing the importance and impact of this proposal.

If your city is interested in supporting the proposal, please contact any of the LOC staff persons listed below as soon as possible, ideally cities wishing to provide support to the proposal should make contact no later than November 4th.

- Patty Mulvihill, LOC Interim Executive Director – [pmulvihill@orcities.org](mailto:pmulvihill@orcities.org)
- Ariel Nelson, LOC Housing & Land Use Lobbyist – [anelson@orcities.org](mailto:anelson@orcities.org)
- Angela Speier, Projects & Affiliates Manager – [aspeier@orcities.org](mailto:aspeier@orcities.org)