

CITY OF PILOT ROCK  
Special Council Meeting  
NOVEMBER 30, 2009  
7:00 PM

A. ROLL

Both the mayor and council president were absent from the meeting. On a motion by Standley and seconded by Lankford the Council appointed George Hall as the mayor pro-tem.

The meeting was called to order by Councilor George Hall at 7:00 PM. Council members present were Kacie Moss, John Standley, Nancy Lankford, and Michael Baleztena. Also present were City Manager Paul Koch, City Recorder Jackie I. Carey, Chief Richman, Mary Lue Slabik, Jim Carey, Jim Whittaker, Lorene Whittaker, Loraine Greene, Bill Liebe, Lynn Liebe, Samantha Bates and John Taylor.

B. INVOCATION

John Taylor gave the invocation.

C. PLEDGE OF ALLEGIANCE

D-1 BANK RFP

At the November 12, 2009, work session to review the budget, Council, by general consensus, directed staff to look into the possibility of a bank loan or line of credit to deal with the immediate need the City has to pay bills. During the discussion, the amount that was to be sought was determined to be \$300,000. The funds would both serve to help pay for the water project as well as for ongoing operations.

On November 18, 2009, Council took formal action to authorize an RFP for a loan or line of credit in an amount not to exceed \$300,000. On November 19, 2009, RFP's were emailed and US mailed to four local banks with a due date of November 30, 2009 at City Hall. Repayment would be through funds available and budgeted by the City.

One bank has responded within the deadline and one has asked for extension.

The Council felt because of the short time lines, they would not give an extension to the other bank.

Councilor Standley asked what banks were sent RFP's. Manager Koch advised Banner Bank, Sterling Bank, Bank of Eastern Oregon, and Community Bank. Standley stated 6.5% plus 1.5% for bank fees is probably the going rate.

On a motion by Lankford and seconded by Baleztana the Council adopted Resolution No. 502, authorizing negotiations for a bank loan or line of credit in an amount not to exceed \$300,000 with Banner Bank. And that Staff report projected use of loaned funds at each Council meeting during the bill approval and payment process. All members present voted yes.

#### D-2 GENERAL FUND LOAN

To be in compliance with budget law, the Council needs to approve a resolution to authorize a loan from the General Fund to the Economic Development Fund. At the present time the City is short on cash flow. To complete the water project the City needs to transfer \$50,000 to the Economic Development Fund. This transfer will be paid back when the City receives the bank loan or line of credit.

On a motion by Standley and seconded by Lankford the Council approved Resolution No. 501, a resolution allowing a loan from the General Fund to the Economic Development Fund for phase one of the water project. All members present voted yes.

#### E. ADJOURNMENT

On a motion by Standley and seconded by Lankford the meeting was adjourned at 7:30 PM. All members present voted yes.

APPROVED \_\_\_\_\_

ATTEST \_\_\_\_\_