

CITY OF SUTHERLIN
Regular City Council Meeting
Sutherlin Civic Auditorium
Monday, May 9, 2016 – 7:07pm

Executive Session 6:30 – 7:02

COUNCIL MEMBERS:

Wes Anderson, Wayne Luzier, Forrest Stone, Frank Egbert, Tom Boggs, Karen Meier,

MAYOR: Todd McKnight

CITY STAFF: City Manager, Jerry Gillham
City Recorder/HR Manager, Debbie Hamilton
Deputy City Recorder, Diane Harris
Finance Director, Dan Wilson
Community Development Director, Vicki Luther
Public Works Operations Superintendent, Aaron Swan
Public Works Utilities Superintendent, Brian Elliott
Chief of Police, Kirk Sanfilippo
Police Officer, Rob Manuel
Fire Chief, Charles Perdomo
Assistant Fire Chief, Lon Dragt
City Attorney, Chad Jacobs (Via Skype)

Audience: Susan Osland, Gail Swanson, John Lusby, Pat Fahey, Pamela Semas, Beth & Jim Houseman, Brian Burke Sr.

Meeting called to order by Mayor McKnight at 7:07pm.

Flag Salute:

Roll Call: Excused – Councilor Anderson

Introduction of Media: None present

PUBLIC COMMENT (agenda items only)

- None

PRESENTATIONS

- **Introduction of Officer Manuel**

Staff Report – Chief of Police, Kirk Sanfilippo – Introduced Officer, Rob Manuel, who has been an officer with the City since March 2015, graduating from Department of Public Safety Standards, March of 2016.

- Officer Manuel – Raised in Douglas County off and on for 33 years, he and his wife have two sons ages 10 and 8. He participated in the Regional Reserve Academy at UCC, graduating in 2009 and was a Reserve Officer for Winston for 4 years. He is active in outdoor sports, as well as watching his sons’ sports. Officer Manuel stated he is not only proud to be part of a great department but also a great community. Council, Staff, and audience members welcomed Officer Manuel with a round of applause.

CONSENT AGENDA

- **April 25, 2016 Minutes – Workshop Meeting**
- **April 25, 2016 Minutes – Regular Meeting**
- **IGA – Douglas County Inmate Housing**

MOTION made by Councilor Boggs to approve Consent Agenda as presented; second by Councilor Meier.

Discussion: None

In Favor: Councilors Luzier, Stone, Egbert, Boggs, Meier and Mayor McKnight.

Opposed: None

Motion carried unanimously.

PUBLIC HEARING

- **State Revenue Sharing Funds**

Mayor McKnight opened the public hearing – State Revenue Sharing at 7:12pm.

Staff Report – Finance Director, Dan Wilson – This Public Hearing is required to allow the public to voice their opinion on the use of State Revenue Sharing Funds.

Mayor McKnight called for public comment.

- Resident, Gail Swanson, asked for clarification on what the Public Hearing was about.

Wilson – The State collects Revenue Sharing Funds from various taxes and distributes them proportionately to cities. These revenues are received in the City’s general fund to fund public safety, parks, roads and similar services.

Mayor McKnight closed the public hearing at 7:14pm.

ACTION ITEMS/GENERAL BUSINESS

- **Resolution 2016.08 – Adoption of 2016-2017 Budget**

Staff Report – Finance Director, Dan Wilson – Budget Committee approved the budget April 20, 2016 in the amount of \$21,906,982.

MOTION made by Councilor Luzier to approve Resolution 2016.08 – Adoption of 2016-17 Budget as presented; seconded by Councilor Boggs.

Discussion:

- Councilor Meier – How can we spend more than what is taken in, but increase the ending balance?
Wilson – The projected beginning fund balance this next fiscal year is higher than last fiscal year. Reserves have built up this past year and will be spent down over next year.
- Councilor Meier – Concerned income from 2013-14 to 2016-17 FY has increased 6.9%, but at the same time personnel costs have increased by 19%. City cannot sustain that, am worried about getting it handled and over time will ending up with no money. ***City Manager, Jerry Gillham – One of the reasons we build up the cash carryover is to deal with fluctuations of revenue. Agrees with Councilor Meier’s concerns, at some point may see cash carryover cannot sustain us. However, we are not at that stage, cutting staff on the precept that something bad may happen isn’t a reasonable management decision.*** If you’re in business in the private sector this issue is dealt with right away or you won’t be in business. ***As a City Manager, my job is to look at the totality of the future. If operating as a business, am not going to make staff cuts yet. City is on a trend of economic growth, with that comes more tax revenue. There is a strong cash carryover of almost a million dollars over what we need. Should sustain the current model this year and next, then see if “Oregon Only” is still going to be digging ground, if not, then take a look at our sustainability.*** Not asking to cut staff, asking to look at the problem and start dealing with it rather than just going along with it. ***Capital investment is coming, therefore raising tax revenue. City has cut expenses other than employee costs. A very good point has been brought up and should be noted each budget year that this budget recognizes the issue and responds to it.*** In private sector you don’t anticipate income that you don’t have a contract on.
- Councilor Boggs – Goal of private sector is to make a profit; that is not the goal of cities. Government provides services to the best of its ability and works within that budget.
- Councilor Luzier – The point of concern tonight is well taken.
- Mayor McKnight asked Councilor Meier if there is something she would like to see done.
- Councilor Meier – Would like to have a workshop in 6 months, come back with some type of a plan to address the issues discussed.
- Councilor Egbert – A lot of the employees are at their top step, it’s important as new employees are hired they start at the lowest step. ***They do, unless they’re very experienced.***

- Councilor Stone – Value Analysis was completed last year, but it is in the budget again for \$85,000. ***This new budget shows Value Engineering, which is required; Value Analysis is not in this new budget.*** Is the Municipal Court Judge an employee? ***He is a part-time unbenefited employee.***

In Favor: Councilors Luzier, Stone, Egbert, Boggs, Meier and Mayor McKnight.

Opposed: None

Motion carried unanimously.

- **Resolution 2016.09 – Certifying City Services**

Staff Report – Wilson – This is the first of two resolutions required by the State in order to receive State Revenue Sharing Funds. This resolution allows the use of the funds for specific purposes.

MOTION made by Councilor Stone to approve Resolution 2016.09 – Certifying City Services as presented; seconded by Councilor Luzier.

Discussion: None

In Favor: Councilors Luzier, Stone, Egbert, Boggs, Meier and Mayor McKnight.

Opposed: None

Motion carried unanimously.

- **Resolution 2016.10 – Election to Receive State Revenue Sharing**

Staff Report – Wilson – This is the specific resolution to allow the sharing of State Revenues.

MOTION made by Councilor Stone to approve Resolution 2016.10 – Election to Receive State Revenue Sharing as presented; seconded by Councilor Luzier.

Discussion: None

In Favor: Councilors Luzier, Stone, Egbert, Boggs, Meier and Mayor McKnight.

Opposed: None

Motion carried unanimously.

- **Bid Award – N. Comstock Waterline Replacement Project**

Staff Report – Public Works Operations Superintendent, Aaron Swan – City received 5 bids for the N. Comstock Waterline Replacement Project; lowest bid is from Knife River for \$444,589.

MOTION made by Councilor Luzier to award N. Comstock Waterline Replacement Project to Knife River for \$444,589 as presented; seconded by Councilor Stone.

Discussion: Councilor Egbert – How far will this waterline extend? ***Central Avenue to just south of Laurel Avenue.***

Councilor Stone – How much in-kind is being done? Bid is \$60,000 under budget. ***Bid came in slightly over engineer's estimate for the construction portion.*** But wasn't \$505,000 budgeted? ***Yes, will also have expenses for engineering and inspections.***

Councilor Egbert – What is the waterline size? ***It will be a 12-inch water line; currently there are various materials and sizes used for the mostly 8-inch line.***

In Favor: Councilors Luzier, Stone, Egbert, Boggs, Meier and Mayor McKnight.

Opposed: None

Motion carried unanimously.

- **Franchise Assignment – Sutherlin Sanitary Service**

Staff Report – Community Development Director, Vicki Luther – Sutherlin Sanitary Service has sold; current (10-year) agreement was approved by Council last year. As stipulated in the agreement the franchise can be transferred with Council approval.

- Current owner, John Lusby addressed Mayor McKnight stating 30-years ago he stood in this very spot and addressed his father, Mayor Stan McKnight. When deciding to retire he looked for a family oriented company that cares for the public and community.

- New owner, Pat Fahey – His father started Southern Oregon Sanitation in Grants Pass in 1948. They have also recently acquired the Reedsport operation. His family will be moving to Sutherlin in about a month.

Questions:

- Will you be keeping the same staff? ***Absolutely, will also be adding a couple more people in order to expand customer service hours in the office.***

Mayor McKnight congratulated Lusby on his retirement.

MOTION made by Councilor Luzier to approve Sutherlin Sanitary Service transfer of ownership to Southern Oregon Sanitation as presented; seconded by Councilor Meier.

Discussion: None

In Favor: Councilors Luzier, Stone, Egbert, Boggs, Meier and Mayor McKnight.

Opposed: None

Motion carried unanimously.

REPORTS

- Street Overlay Options

Staff Report – Swan – At a previous [March] meeting, Council was presented overlay options approved by the Planning Commission. Several options were discussed; Council decided the eastern portion of Central was a priority rather than moving forward with other options, i.e. Umpqua Street and a portion of Terrace. After some discussion the project was shelved. Options have been brought back to Council as requested. We are now edging into the construction season, by the time a section is engineered and out to bid it would be too far into the construction season to get a competitive bid. Swan suggested rolling the \$137,000 into 2017-18 FY pavement plan which will be \$141,000, and add the sidewalk money for both years for an available total of \$416,000. Could then add it to the TOA money, giving us more “bang for our buck”. Another option is to move forward with the \$137,000, get it engineered, bid it over the winter, and do the project in May/June. However, will then be splitting that money out, bids might not be as competitive.

Questions and concerns:

- Where are we at with the TOA? ***Gillham – The TOA has been reviewed by ODOT and will be coming to Council at next meeting, they are bringing a check.***
- The actual TOA project (Central Avenue) will still start next year? ***Swan – Yes, money has been set aside for the Comstock to Calapooia portion. What we are discussing now is the pavement overlay money for the eastern portion of Central.***
- What is on the drawing board right now? ***N. Comstock will be during 2017 construction season, TOA portion of Central, and Valentine Avenue will also be engineered at that time. There will also be a sewer force-main project (in front of Murphy Plywood) during the TOA project.***
- We aren't doing any of the other overlay projects, such as Umpqua Street? ***We can if Council chooses. But that's not the discussion we're having. It is one of the options.***
- During the last discussion didn't Council agree Central Avenue was more important? ***Yes.***
- If all projects are planned for 2017, many of the routes will not be available, could be hard on the businesses in town. ***Storm drain project will be one street at a time with flagging to get around. Once overlay is started it goes fast; many times in the same or next day. I'm sure it will be trying at times, however the end result is worth it.***
- Since the east end of town won't have anything done, do we want to take \$25,000 to \$30,000 to do some patching in the meantime? Realize it would be a “Band-Aid”; however it will be another year and a half before construction may begin. ***Gillham requested Swan to look into the possible costs. City doesn't own paving equipment; suggest having a company on board for a maintenance program. Swan – would like to clarify you're not suggesting picking out some of the worst spots and getting them fixed but have a company on contract if there is an issue? Correct, at least a trial to see what the cost is and can budget for it.***

It was consensus of Council to move forward with looking into a contract for maintenance as needed.

Swan confirmed with Council that they would like to roll the budgeted \$137,000 over into the 2017-18 FY, in order to get a larger project done. Council agreed.

CITY MANAGER UPDATE

- City Manager reported he will be meeting with local library people this Friday to find out feasibility of a partnership with the City. Have invited Council Meier and Mayor McKnight to take part in the meeting. Intention is to come together, brainstorm and see what City's role could be in the process. Will share with Council what that role may be if that comes about.
 - What belongs to the City that is now in the library, do the tables and chairs? ***Don't believe so; however the building does belong to the City and can do what we want with it.***
- A Wastewater Q & A packet is being created and will be delivered May 19th to Council members to review and then discuss at the May 23rd Council meeting.
 - Richwine's report basically said "if you have Council's approval in April, and stick with a very strict schedule you can do this. ***We still can.*** Why can we, it sounded like we were past the point? ***We're not, it's based on where you are percentage-wise, and we are at the 25% which is still appropriate. Haven't even gotten pre-design back and shouldn't move forward until we know the method we'll be using, will be going through Value Engineering process.***

Discussion continued regarding recent [Design/Build] literature Councilor Meier sent to Staff explaining the processes, advantages and importance of moving forward and having a contractor and designer working together early in the process. ***It is staff's understanding that pre-design needs to be approved by DEQ before determining the method to be used.*** In the [Design/Build] packet it stated that change orders are very rare, we have 15% allocated for change orders. ***The reason they are very rare is because the way it's set up it just takes money out of their pocket. If a change order is legitimately needed there are actually questions that arise on whether the contractor will proceed with it because it means less money for them.*** That is one way to look at it, when the designer and contractor are working together you don't have those issues. Concerned if using the Design/Bid/Build process you don't get a price until it's 100% designed, what if the bid comes back at \$30 million instead of \$20 million? ***Will also respond to those questions in the packet, as well.***

CITY COUNCIL COMMENTS

Councilor Luzier –

- None

Councilor Stone –

- Weekly report stated Scardi Deed was being re-examined. ***Gillham responded explaining he misfiled the deed when it was received and hadn't thought of it until their attorney contacted the City needing the recorded copy. The deed was located, recorded and sent.***
- Why is Scarborough refusing to sign the Lot Line Adjustment document? ***Swan – He didn't disagree, he wanted to have his attorney review the document before he signed it. Gillham – That is our assumption of why he didn't sign the agreement.***
- Asking if anyone in the audience is part of or familiar with Parks & Recreation District? Have been questioned by the public regarding their proposed measure. They have never apprised the city about putting a taxing district measure on the May ballot.

Councilor Meier stated she attended one of their meetings; the funds (\$155,000) are for a Director, Assistant Director and possibly a part-time receptionist. They want to build a new building [near Fire Station] on land they want City to give them. They plan to construct the building using grants, but can't get grants until they can show they have income from a taxing district.

Mayor McKnight – The money wouldn't be to run that building, it would be for staffing?

Councilor Meier – And utilities; if they are using the tax, wondering if they would have PERS employees?

Mayor McKnight – They would still have user fees. When asked for information by the public I have directed them to the Resource Center, rather than give incorrect information.

Councilor Egbert – This biggest problem is Zada [Wright] has been running this for many years mostly as a volunteer.

Mayor McKnight – But she receives grant money also.

Councilor Egbert – But she is leaving and nobody is stepping up to take her place.

Councilor Stone – The public doesn't know what the Resource Center does.

Councilor Egbert – It's not the Resource Center that has the tax measure on the ballot, but the Parks & Recreation District.

- The Sutherlin sign located at Exit 135 is in need of cleaning, can that be pressure washed? *Swan – Will look into that.*
- Semi-trucks have been parking in the middle of the road in front of McDonald’s to get their coffee or food in the morning. It inhibits the ability to see eastward when pulling onto Central. *Sanfilippo – What time in the morning? 7:00-7:30am. I will send an officer there to check.*

Councilor Boggs – It’s not just in mornings but really any time of the day.

Councilor Egbert –

- None

Councilor Boggs –

- None

Councilor Meier –

- None

Mayor McKnight –

- None

PUBLIC COMMENT –

- Resident, Gail Swanson – Would like to know which cities are “sanctuary cities” in Oregon and what Counties have “common core”. Also understand there are greyhound dog tracks in Oregon and want to know what the State is doing to shut them down, because of the abuse to the dogs. *Gillham – The only sanctuary city I know of is Portland. Common Core is an educational component piece that City does not get involved in. The only dog track in Oregon that once existed was in Wood Village in Portland and is no longer there. There are no dog tracks in Oregon that I am aware of.*

ADJOURNMENT –

With no further business meeting adjourned at 8:13pm.

Approved: *Jerry Gillham*

 Jerry Gillham, City Manager

Respectfully submitted by,

Diane Harris

 Diane Harris, Deputy City Recorder

Todd McKnight

 Todd McKnight, Mayor

APPROVED BY CITY COUNCIL MAY 23, 2016