

CITY OF SUTHERLIN
Regular City Council Meeting
Sutherlin Civic Auditorium
Monday, January 27, 2014 – 7PM

COUNCIL MEMBERS:

Tom Boggs, Frank Egbert, Patricia Klassen, Todd McKnight, Karen Meier and Forrest Stone

MAYOR: Denny Cameron

CITY STAFF:

City Manager, Jerry Gillham
City Attorney, Chad Jacobs (via Skype)
Interim Finance Director, Andy Parks
City Recorder/HR Manager, Debbie Hamilton
Deputy City Recorder, Diane Harris
Community Development Director, Vicki Luther
Chief of Police, Kirk Sanfilippo
Fire District #2 Chief, Greg Marlar
Project Manager, Chris Berquist

Audience: Tami Trowbridge, Floyd Van Sickle, Mike Mahler, Wes Anderson, Brian Burke Sr., Tadd Held, Joe Matteo, Marc Nichols and Tom Spelgatti.

Meeting called to order by Mayor Cameron at 7:00 p.m.

Flag Salute:

Roll Call: All Present

Introduction of Media: None

PUBLIC COMMENT (agenda items only) None

ANNOUNCEMENTS / APPOINTMENTS

PRESENTATIONS / PROCLAMATIONS

CONSENT AGENDA

- **Minutes from January 13, 2014 Regular Meeting**

Mayor Cameron removed the regular meeting minutes from the consent agenda for discussion and referred to pages 12 and 16 in the Council packet for clarification. After a brief discussion it was confirmed the minutes reflected the correct information.

MOTION made by Councilor McKnight to approve the Consent Agenda as presented; second by Councilor Klassen.

Discussion: None

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

Opposed: None

Motion carried unanimously.

ACTION ITEMS/GENERAL BUSINESS

- **Sutherlin Area Chamber of Commerce Contract**

Staff Report – City Manager, Jerry Gillham, explained there are two documents before Council for approval; an Operational Agreement and a Lease Agreement between the City and Sutherlin Area Chamber of Commerce.

Sutherlin Area Chamber of Commerce President, Tami Trowbridge, reported requesting the City generate the documents and reviewed by City Attorney, Chad Jacobs. Gillham referred to exhibits A, B and C not included in the original Council packet, explaining A) is an overview of Triangle Park and Visitor Center, outlining key areas for City maintenance of the park and Chamber's maintenance area; B) the original "Proposal to Provide Tourism Services" document; C) Inventory of all items in the tourism building belonging to the City; if or when the lease ends these items will remain with the City.

Councilor Meier - Questioned information in Exhibit B regarding the SDDI (Sutherlin Downtown Development, Inc.) funds totaling \$8,000. ***Money is already committed to branding; it will require Council approval before spending.***

Mayor Cameron - Questioned the balance of \$7,030.40 remaining in the General fund for Tourism and if there are any other on-going costs to be paid out of the balance, such as insurance. Gillham stated insurance is paid at the first of the year (fiscal), this fund balance is for administrative support.

Mayor Cameron - Asked if Trowbridge was aware of a contract with ODOT regarding sign restrictions at Tourism property.

City Attorney, Chad Jacobs – There is language in the lease agreement restricting the use of any signs without City permission; not aware of ODOT's restriction.

Other points of discussion:

- Support or opposition from Sutherlin area businesses? ***Have not heard of any opposition, haven't visited all businesses yet, planning to meet with them for input regarding use of the Tourism Fund.***
- Referred to City surplus ordinance, questioned what happens if items on inventory list are replaced. ***Any new items purchased will be retained by Chamber, items that have been replaced will return to City for surplus.***
- Plans for housing? ***There has been a recent significant change, current Tourism Coordinator, Char Hendershott, has decided to retire; Chamber may plan to use the Visitor Center for office space, Hendershott has agreed to assist Chamber if questions come up during the transition.***

MOTION made by Councilor Klassen to approve the Commercial Lease Agreement and Operational Agreement between City of Sutherlin and Sutherlin Area Chamber of Commerce to take over TRT (Transient Room Tax) Fund as of February 1, 2014 as presented; second by Councilor McKnight.

Discussion: Councilor Meier - Do we want to pull SDDI's \$8,000 out of the agreement?

Councilor Boggs – Money is earmarked, SACC will need to come before Council for approval to spend those funds.

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

Opposed: None

Motion carried unanimously.

○ **Council Calendar**

Mayor Cameron explained he is requesting three items be added to the Council calendar, requiring approval; meeting dates for the Finance Committee and Annual Review of Finances and a reminder for Advisory Committee application deadlines.

MOTION made by Mayor Cameron for the meeting dates of Finance and Annual Review Committees and Advisory Committee application deadlines to be added to the Council Calendar; second by Councilor Egbert.

Discussion: None

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

Opposed: None

Motion carried unanimously.

REPORTS

○ **Red Rock Restroom Project –**

Staff Report – City Manager, Jerry Gillham, presented a comprehensive analysis, explaining the course of events concerning Red Rock Restroom project. Dates of critical activities and summaries were available in the report. Money for the project was not wrongly spent; however the process wasn't appropriately documented.

Points of concern:

- Incomplete documentation on project.
- Lack of communication initially between outgoing Staff and new Staff.
- Initial RFP came in over budget, therefore new RFP was requested.
- Lack of documentation regarding \$20,000 “in-kind” donation.
- Lack of communication with Finance Director.
- Accepting a bid for over the \$75,000 bid process limit as outlined in SMC.
- Notification of all changes to Council.

Points of needed improvement:

- Document all change orders.
- Review processes from the beginning to end of project.
- City to respond to specific areas of weakness.
- Create new purchasing and contract policies.
- Currently creating a grant and project check-off list.
- Include Department Heads, especially Finance Director in the process.
- Analyze, answer questions and institute corrective action.

Gillham assured Council, Staff is working to improve the entire process, eliminating any problems concerning future projects.

Mayor Cameron – Inquired about not receiving information from ODOT for Phase II of Red Rock Path. Gillham referred to his weekly report, stating he recently participated in a teleconference meeting with ODOT; they are still waiting for the environmental report regarding issues with changes in the path; new estimated date for reporting back to the City is in June.

○ **One Stop and Sewer Rate –**

Staff Report – Interim Finance Director, Andy Parks, updated Council regarding the “One Stop” meeting with Federal and State primary funding agencies (IFA, DEQ and USDA) in Salem, the meeting was attended by Gillham, Staff members and City Engineer, Steve Major.

Parks explained there are three “buckets” of funding:

- IFA (Infrastructure Finance Authority) offers 25 year funding that may be used for the land purchase, additionally there may be grant dollars associated with the funding; the present interest rate is around 3.18%.
- Balance of funding would be coming from DEQ or USDA. USDA offers 40 year financing, slightly more expensive than the 30 year financing offered by DEQ. Whether or not either entity could fund all as one package will be determined further into the process. It appears there is plenty of money between the two agencies to fund the project.

Discussed grant capabilities, explaining the interest rate on funding is higher when you receive grants. An analysis will be needed to determine if it is more advantageous to take grants and end up with a slightly higher interest rate or take a lower interest rate without the aid of the grant.

- When do we look at going for funding? *From the land purchase standpoint that could be fairly soon, as it relates to a 25 year deal, there is only one of these agencies that can do that, that would be IFA. The*

other programs are going to be at least 12 to 18 months away before City is able to “lock-in” interest rates.

Parks questioned the proposed sewer rates discussed at a previous Council meeting. Additional research needs to be done before establishing the rates, would like to bring findings back to Council and involve the budget committee. Council would then be ready to make a decision and involve the public regarding the increase. The originally proposed \$6 per year increase for 4 years may not be enough to take care of all the requirements. Parks cautioned Council, stating before acting on the rate increase, wait until his analysis is complete and presented for consideration.

Council discussed the following:

- The importance of informing the public, the community needs to know what they are facing.
- Currently creating a comprehensive review of the sewer rates, relative to the financial assumptions and requirements; present to Council in the next week or two.
- Priority is to focus on wastewater project, then have subsequent work sessions to discuss Fire, Water and Streets.
- Suggested providing the public a rate *or* rate range amount for the proposed increase and information regarding the need for the increase.

Gillham reported public outreach has already started, has participated in a radio talk interview, submitted articles for the local newspaper, in addition the City newsletter will be available to the public in February.

Parks would like to complete his comprehensive study before Council makes their final decision; asking if they would like to schedule a meeting to discuss his findings. Council suggested meeting prior to the start of next Council meeting, or early in the agenda; would like to involve Budget Committee in the process.

○ **Spur Road –**

Staff Report – Project Manager, Chris Berquist, distributed preliminary plans and cost estimates for the Spur Road project, reporting they were received by Staff earlier in the day. Berquist explained the project has been renamed “Central – Comstock Connector”.

Berquist reported there will be an ADA parking spot at the Visitor’s Center as well as an “island” to replace the large open space west of Triangle Park. Berquist informed Council, originally the plan was for Pedotti’s Italian Restaurant to have one driveway off of Spur Road into their parking lot, Berquist reported meeting with owner, Dave Pedotti, regarding any concerns he may have. Pedotti preferred having two driveways on Spur Road side, for traffic flow purposes. His request was agreed upon, Berquist explained because this is an existing, rather than new development.

Berquist informed Council they are the first to see the plans, Staff would like their comments and input. After documents are reviewed, they will be presented to ODOT for their review, then be put into contract documents and will go out to bid; after the bid, will be brought back to Council for approval. Estimate cost for the project is \$202,589, City received \$120,000 from ODOT for the project; \$25,900 has been spent from that amount for engineering fees.

Berquist answered questions and concerns, adding Staff would like input regarding a choice between landscaping or using stamped concrete on the island, it was by Council consensus to have stamped-concrete. Berquist informed Council, no utilities were planned however, there is concern regarding a water line that is located near the proposed construction area. They are working on the issues concerning the line. Council will possibly need to make a decision regarding their findings. The line is an 8” line, and ties into the 18” on Central Ave.

CITY MANAGER UPDATE

City Manager, Jerry Gillham, reported he was approached by the General Manager, Gregg Swanson, of Guesthouse Inn & Suites, who informed him the owners are planning to sell the hotel and property the hotel is on,

but would like to give the City, as a charitable contribution, Ponderosa Street, the parking lot in back of the hotel, and the access road that ties into S. Comstock (Hospitality Lane). Explained the streets and parking lot are on one piece of property and not included in the sale of the hotel. Gillham reported suggesting that owners talk to ODOT regarding the property, Swanson explained ODOT has been approached and are not interested.

Discussion continued regarding pros and cons of the property and current uses regarding semi-truck parking and possible maintenance. Mayor Cameron stated the only reason he would be interested is having the ability to control the property regarding IAMP (Interchange Area Management Plan) with ODOT. Council directed Gillham to look into the matter.

CITY COUNCIL COMMENTS

Councilor Boggs –

- None

Councilor Egbert –

- In the past, the Finance Director has provided a document to employees showing the total cost of compensation for the year. ***Information will be provided to them.***
- The finance report and check register was not included in the packet, concerned when there are changes in Staff, nothing is consistent, there is nothing written regarding the transfer of information to the next person. ***Currently looking into what is the value of producing certain documents, trying to make sure Staff is efficient in what they are doing and what needs to be done, I would like Council to communicate with me regarding documents they would like to see. Need to go into a policy review, and create financial policies that are easier to follow. Will also create a document that will help the next person that enters into this job that can follow the procedures.***

Mayor Cameron – There is a resolution that addresses Council receiving monthly reports. ***With the respect to the monthly report, I will prepare one that may not be when you're used to seeing it, the December report is a very significant report, it is a six month report, a document used to educate in terms of where the City is financially. Parks assured Council he will be working on creating reports, involving staff and giving Council what they want to see. Current focus has been working on the rate increase and Red Rock Path issues Council has requested. Will go through process with Council regarding what is important for them to review.***

Councilor Egbert – Referring to statement from last meeting concerned with contacting last year's applicants for Advisory Committee's open positions, does not believe they were contacted, wife was not contacted, or did not see it advertised in the paper either. ***Past applicants were notified, however we felt confident, Councilor Egbert would inform his wife, and Mayor Cameron's wife was present at that same meeting. Notices have been posted to the media; will include documentation in future Council packet.***

Councilor Klassen –

- Noticing some really tired faces out there, would like to thank the employees for hanging in there with us and wish there was a way of making the meetings shorter.
- SDDI's meeting time has changed to the third Wednesday of the month at noon. Recently met at Abby's Pizza, would like to invite anybody that is interested; we need help and input.
- Request letters to sponsors for the hanging baskets will be sent out within the next 2 weeks, 20 baskets are available for sponsorship, cost per basket \$103.

Councilor McKnight –

- Requested meeting with Gillham to discuss the 2014 Music in the Park events. ***Jo Barnes currently working on that, Music in the Park will be held on Friday nights this year, also working on Gospel Music in the Park, to be held on Sundays.***

Councilor Meier –

- Addressed Parks, requested full accrual and modified accrual funds specified in the budget documents. ***Those will be specified on the budget documents.***
- Received a notice in the mail regarding Fire District #2, assumed their board approved the last resolution from the City. ***Fire District #2 Chief, Greg Marlar- confirmed the board approved the resolution.*** Would like to confirm with City Attorney, Jacobs, Council will be able to have input concerning the wording of ballot and charter amendment resolutions prior to approval. ***Will be sending out a draft for Council to review and edit if needed.***
- Referred to statement in City Manager’s weekly report regarding conversation with former City Manager, Robb Corbett, asked for clarification regarding a past Council meeting while Corbett was City Manager. ***Corbett reported to Gillham no promises were made regarding mitigation to properties. Planning to meet people with affected properties in the next week or two, and discuss the issues with those affected. Our findings are only 4 yards in the entire area are a concern, out of the 4, there is only one City can justify needing a fence for safety purposes, concerned with cars having access to the path. Will not tear down a fence to put in the path, but some have exceeded the property line and exceeded into the right-of-way, fence would need to be on the property line.***

Mayor Cameron – Would like to be included in the meeting and walking the trail if possible. ***Would like to get the entire Parks Advisory Committee to meet earlier in the day or at the trail and do a “walk-about”, Council and Mayor are welcome to attend.***

Councilor Stone –

- Will conduit be installed across the road when we redo S. Comstock? ***Had a meeting with ODOT, there is no plan to put conduit in.*** Concerned with future need for traffic lights, will need to bore under the road then and concerned with the expense. ***Will bring it up with designers at next ODOT meeting.***
- Any updates regarding Clover Leaf Loop? ***Have not moved forward since last discussion. Met with Taco Bell and Dairy Queen property owners, they would like assurance there will be access allowed onto Clover Leaf Loop. In order to take the property, it needs to be in compliance with our Transportation Plan.***
- Fire District #2 sending out flyers to residents? ***Marlar - The local union has been sending out flyers, to all of the Fire District #2 residents.***
- Would like to send Certificate of Appreciation to ServPro for construction new buildings in Sutherlin. ***We will do that, great idea.***

Mayor Cameron –

- Referred to questions directed to Staff in an email last Friday.
 - Question #18 - Was digester surplus, and was there a payment for the equipment? ***Disposed digester #1, meaning hauling or dumping sludge, not getting rid of the digester.***
 - Question #17 - Which water truck was assembled for summer watering? ***The water truck that was used to water plants last year and was scheduled to be surplus this year, will not be surplus after all, will continue to be used for watering purposes. A tank will be installed in the bed of the truck, will no longer need to haul trailer.***
 - Question #15 – Continue to see the phrase “Risk Management” is Council receiving a report. ***No, this is an internal meeting required by OSHA dealing with trip hazards, safety equipment and other risk management issues.***
 - Question #13 - Valic Rep. visits? ***Our Deferred Compensation Representative comes to City Hall quarterly; the Conference Room is reserved for employees who wish to meet with him.***
 - Question #14 - Attending ServPro Dinner, this is a requirement? ***No, ServPro sent Staff and invitation, attended the dinner on a Saturday night, on Staff’s own time and no expense to City.***

PUBLIC COMMENT

Sutherlin resident, Wes Anderson, a Civil Engineer and works in wastewater and water industry at Orenco. As a resident he would like to comment on the sewer rates; agrees the current proposed rate increase will only cover the debt requirement on the project, not all other costs. Understands City has to raise the rates, can't stay at \$33 per month. If Council is raising rates to an enormous amount, would like to suggest speaking to Orenco as a possible solution, they deal with a lot of wastewater solutions all across the country, have engineers on staff and have invested interest in this community.

Mayor Cameron referred to previous conversations with Orenco and suggested speaking to them again. Gillham stated after looking at the analysis system, he doesn't think Orenco has a system that would solve our problems, however would like to revisit them and bring Steve Major and others in on the discussion

Mayor Cameron extended his appreciation to Anderson for sharing his concerns, commented that the issues have been studied, but encouraged Anderson in returning if he has any suggestions in the future.

Adjournment-

With no further business meeting adjourned at 10:53 pm. After approximately a 5 minutes break Council went into the Workshop session.

Approved: _____
Jerry Gillham, City Manager

Respectfully submitted,

Diane Harris, Deputy City Recorder

Denny Cameron, Mayor

APPROVED BY CITY COUNCIL FEBRUARY 10, 2014