

# CITY OF PILOT ROCK

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## **Council Meeting**

**March 3, 2015**

**7:00 PM**

### **A. Called to Order**

Having a quorum the Regular Council meeting was called to order by Mayor Carnes at 7:00. Council members present were Deacon Perkins, Raymond Doherty, Jim Hinkle, Kacie Moss and Bob Deno. Also present were Teri Porter, and Steve Draper. Citizens present were Mary Lue Slabik, John Taylor, and Deborah Frits.

### **INVOCATION**

Councilor Deno gave the invocation.

### **1. PLEDGE OF ALLEGIANCE**

### **2. APPEARANCE OF INTERESTED CITIZENS**

John Taylor submitted a statement which is [attached](#) to these minutes and read out loud by Councilor Perkins.

### **3. PRESENTATIONS**

Harry Bose of Read and Bose, covered the audit that was conducted for the 2013-2014 fiscal year. Each Council had a copy of the audit. The following was covered:

- Modified cash basis, with a clean opinion which is a great result.
- The net income is a breakeven. Remarkable achievement that the City knows what the revenue is and it allocates and spends in the amount that is roughly even with the revenue.
- It is important for the Council to be involved in a monthly review of the bank statements and returned check. Council does review the bank statements monthly.
- There have been times in the year when the balance in the checking account may have exceeded the \$250,000, FDIC insurance threshold. Not really a concern since we are covered by the state collateralization program. But we need to be sure that we are doing our annual filing with the state to ensure that we are complying with their rules.
- Suggested having the property tax income go directly into the Local Government Pool, where it would earn some interest and would help to keep the checking account balance down.
- Consider providing a list of new vendors to the Council each time the Council is presented with payables for approval.
- Be sure to remove the signature line from all voided checks.
- The \$25 Christmas bonus should be given through payroll and payroll taxes taken out.
- Ensure that there are oaths of office in place for each Council member.
- We transferred \$100,000 from Economic Development fund to pay the debt in the Water fund. We breakeven in Sewer and Water funds, so Harry suggested that the City could look at increasing utility rates to generate more revenue in these funds.

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- Teri does a very good job as far as book keeping, the books balance, you breakeven and operating the income is good. No concerns.

**On a motion by Councilor Deno and seconded by Councilor Doherty, Council accepted the results of the audit. All present voted yes.**

## 4. ACTION ITEMS

### F-1 Wage Increase for Budget Purposes

Teri and Steve asked Council to approve a 2% wage increase for Budget Purposes only. A report indicating the COLA (Cost of Living Adjustment) and CPI (Consumer Price Index) increases over the past 5 years was included to show how whether or not the City was keeping up. The following was discussed:

- Purpose of this is so that we know what to budget for in the 2015-2016 budget.
- It is not a guarantee of an increase. If the budget does not allow for a 2% increase it will be reduced to an amount that we can afford. It is up to the Budget Committee and Council at the time of the budget meetings to decide how much the budget can afford.
- This is not an approval of a 2% increase, it only allows us to proceed with the budget with a number that is acceptable by the Council.
- At the last budget meeting it was decided that we should visit wage increases every year and not wait so long without one, so that it take a chunk to get caught up.

**On a motion by Councilor Perkins and seconded by Councilor Corwin, Council agreed to approve a 2% wage increase for budget purposes. All present voted yes.**

### F-2 Cost of Umatilla County Dispatch

Council was presented with a staff report requesting approval for a \$6,000 annual charge for dispatch services. The following was discussed:

- Darren had mentioned during previous meetings that Umatilla County dispatch was going to be charging a fee over and above the 911 funds they are already getting.
- Umatilla County Dispatch had informed Sergeant Stallings that the fee would be \$7,000. After some negotiation Sergeant Stallings told us it had been reduced to \$6,000.
- Previously 911 funds came to the City. Which we then sent to the County for dispatch services. Annual 911 funds come to approx. \$7,300. Now the funds go directly to Umatilla County Dispatch for our dispatch services.
- Councilor Doherty asked for a breakdown to show what the services are that we are paying for.
- Mr. Taylor went to the sheriff's department last week with the neighborhood watch. They toured the facility and he was very impressed, but not necessarily in favor of paying the fee. He wants to know what everyone else is paying, and what the total budget is. The cost should be based on the total number of calls.
- We pay County taxes. The sheriff is paid out of County tax. They are shifting the burden of the cost of dispatch from the County to the Cities.

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- Do we have a choice? What are our other options? We could not have our own dispatch for \$14,000 a year.
- A majority of our dispatch calls are dog calls. We need to increase the fines for dogs at large.
- Ask Cathy Luellen to come to a Council meeting.

**On a motion by Councilor Perkins and seconded by Councilor Corwin, Council agreed to table this item and directed staff to come back with more information regarding a breakdown of services and what other cities in the county are paying. All present voted yes.**

## **F-3 Approve the Library Agreement**

Deborah Frits, a member of the County Library Board stated that the memorandum of understanding has not been renewed for a very long time. This new agreement brings everything up to speed. The district provides a lot more service and libraries work at different levels than they used to. Every library is a City library which works under the opus of the City Council, the district distributes the tax money that comes from the County taxes, it does not prohibit the City for also funding the library. Services provided are, Sage for books, library to go, digital, data bases, Ancestry.com, Rosetta Stone, The Ready to Read Program. It is a very unique system, there are only 2-3 like this in the country, where we have a district that provides services to 12 individual libraries. **On a motion by Councilor Doherty and seconded by Councilor Hinkle, Council agree to approve the library agreement. All present voted yes.**

## **G INFORMATION ITEMS, REPORTS AND PRESENTATIONS**

### **G-1 Department Head Report**

#### **City Hall:**

1. I want to thank Council and Staff for allowing me to be flexible with my schedule during my mother's last days. I am working diligently to get caught up.
2. Developed and gave the budget worksheets to department heads.
3. Working on projections for the budget.
4. I forwarded a flyer to Council, announcing a meeting on Feb. 27th. regarding Enterprise Zones.
5. As directed by Council the research has been done regarding A&V sublease. After a couple of hours reading and searching, Susan found that during the November 19, 2013, Council meeting Council approved the sublease for A&V ([see attached](#)).
6. I have received a response from LOC regarding the background check for Council and Planning Commission. ([see attached emails](#).) I have also attempted contact with CIS but they are at the annual conference ([see attached](#)).
7. I have also researched the question regarding the \$3 Water Project fee. I find that Phase 1 of the water project was approved (see minutes from 11-4-2008). *The Water Project fee is to pay off the water project loans from the Sewer, Economic Development, State Tax and Police funds as well as the LOCAP loan.* I will have the remaining amount owed by the Council meeting.
8. Have sent a letter to Mr. Liles to meet and discuss restitution for damage to the Welcome to Pilot Rock Sign. Now that Steve and I are both back we should be able to meet with Mr. Liles shortly to resolve this issue.
9. Sam and Jim Byrnes have retracted their request to annex and rezone.
10. The Bike Pit partition has been recorded. (Have to wait for the preliminaries to be reviewed first)
11. We are getting closer to having all the documents necessary for the Decision Ready program. It may be

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necessary to do a Phase I Environmental Report which will need to be prepared by the engineers. I will get a cost estimate and submit to Council in future meeting.

12. Working on several land use issues. Possible annexation, and new build.
13. Mary Koch has asked that the monthly payments be sent to her daughter Susan. After consulting with David I have sent her a letter stating that I would send the payments to Susan but that Council is still very interested in negotiating a settlement. (The letter was NOT sent prior to the Council meeting.)
14. The RV Park Ordinance is out for review and will be presented to Council very soon.
15. The officers applying for internal promotion have received a letter indicating their ranking along with the background check packet. They have been asked to fill out and return as soon as possible. Once we have their packets Stuart Roberts, Chief of Police of Pendleton will assign an officer to conduct the background investigations.

## Further Discussions:

- #5 Did Council have a copy of the lease that was approved? It was explained that the negotiations for the T-Mobile antenna was first started by the City and then transferred to A&V when they bought the property. The Contract does not state that A&V must provide a copy of the lease agreement, it only states that they must have approval from Council to sublease. There were provisions made when International Paper deeded the property to the City that must be abided by. Mr. Taylor is concerned that any sublease have the same stipulations.
- #13 Council did not feel this was a good idea and asked that no action be taken on this matter. There is concern that by doing this it might appear that Council is satisfied with the current arrangements, when in fact they would like to meet with Koch to negotiate a lump sum pay off for the easement and discontinue the payments. A brief explanation was offered for what the payments are for. *12 years ago... Originally it was thought that the proposed US Cell tower would set half on City and half on Koch property. It was decided that the revenue of \$600 would be split between the two. An easement was needed for a road to the tower, which Dr. Koch agreed to give the City at no cost. It was then determined that the cell tower would actually sit only on City property. The Council at that time voted to continue paying the Koch family half of the \$600 regardless of the fact that it was not on Koch property. US Cell sends \$600 a month to the City and the City sends \$300 to Mary Koch. Last year a letter was sent to Mrs. Koch's attorney requesting to meet to discuss a payoff, but we have gotten no response. Mr. Taylor asked if we are in agreement that we are paying for an easement? If so, why not have it appraised, Mary is a reasonable woman, if we showed her what it appraises for compared to the \$36,000-\$38,000 we have already paid and explain that we need to get away from this payment. The concern being that we are spending City funds inappropriately. Concern that the City could be sued because we cannot show that this money is for public purpose. Council feels that a work session might be needed to bring all of Council up to speed and discuss how this Council would like to proceed. There was a consensus of Council that we take no action in regards to Mrs. Koch's request.*

## Police

1. Sergeant Stallings has been in contact with Umatilla County dispatch to negotiate the cost of dispatching services. He was able to negotiate the cost down to \$6000 from \$7000.
2. Due to the severe weather back east, we are slow to get Officer Thompsons uniform.

## Public Works

1. Working on building a tack trailer.
2. Will start mowing soon.

## H. CONSENT CALENDAR

On a motion by Councilor Hinkle and seconded by Councilor Corwin, Council agreed to accept the consent calendar. All present voted yes.

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## I COUNCIL COMMENTS

Council Perkins has offered to act as liaison between the Council and Planning Commission. Teri will look into it to ensure that it is something we can do.

Teri informed Council that we have 2 positions open on the Budget Committee. Notice has been posted. Councilor Deno asked for an update on the Welcome to Pilot Rock sign. Steve explained that a down payment has been made and the sign is being worked on.

Mayor Carnes stated that the Downtown Association received a \$10,000 grant from Wildhorse for the concession trailer.

## J. EXECUTIVE SESSION:

## K. ADJOURNMENT

Council agreed to adjourn at 8:13pm.

APPROVED \_\_\_\_\_

ATTEST \_\_\_\_\_