

CITY OF PILOT ROCK

Council Meeting

June 7, 2016

7:00 PM

A. Called to Order

Having a quorum, the Regular Council meeting was called to order by Mayor Carnes at 7:00 PM. Council members present were Deacon Perkins, Raymond Doherty, Bob Deno, Ray Corwin, Terry Womack and Jim Hinkle. Also present were Teri Porter and Bill Caldera. Citizens present were Mary Lue Slabik, Josh English and Pastor Harley Jeffers.

B. INVOCATION

Pastor Jeffers gave the invocation.

C. PLEDGE OF ALLEGIANCE

D. APPEARANCE OF INTERESTED CITIZENS

E. PRESENTATIONS

Brad Baird and Jaddon Herron of Anderson Perry addressed Council using the [attached](#) outline.

1. Now that DEQ approved the revised plan to upgrade the lagoon system, Brad Baird and Jaddon Herron of Anderson Perry presented Council with a revised copy of the Waste Water Facility Plan and stated the Council would need to make a motion to adopt the plan.
2. Council agreed with Councilor Perkins that they would like to take time to review the plan and vote on it at the next meeting.
3. Councilor Womack asked about the need to keep the second pond lining moist. Jaddon explained that that concern was addressed during the design process. There will be a covering of soil on top of the lining so it will never be exposed to the sun and will remain moist for a long period of time.
4. Jaddon went on to review the funding and stated that Pilot Rock qualifies for the poverty special interest rate, which is trending very low right now at 1.75%.
5. There are two times that you can lock in your interest rate: When you submit your application and another opportunity when you finish the project if the interest rate is lower at that time.
6. The Rural Development funding is highly competitive so the sooner we can get the application and get the money earmarked for our project the better. Brad added that Rural Development gets about \$18million a year. Its first come first serve so getting in early is paramount. In answer to Mayor Carnes question, Brad stated that Pilot Rocks application is about half done and already ahead of other applications so we are in a good position.
7. The USDA Application and Environmental Report will be done and submitted by the middle of August.
8. The Environmental Report is driven by NEPA (National Environmental Policy Act) and requires notification to many agencies. Letters have been sent out.
9. The Environmental Report is covered in the cost of the plan.
10. Mayor Carnes asked if there were concerns of running into an archeological issue relating to Indian artifacts. Brad didn't think that was likely but it is anticipated and there is money set aside for that.
11. The CWSRF interim financing loan application has been submitted.
12. Although we will not get our funding until after January, they suggest that we consider doing some upfront work, such as; survey and mapping of our sewer system.

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13. The cost of the surveying and mapping would be \$35,000 which is included in the project and is reimbursable after the funding is received.
14. Brad met with Teri and Steve and they agreed that it would be beneficial keep the project moving forward and start the surveying and mapping. There is money in the budget to cover it. Encouraged Brad to come to the Council meeting to explain and that Council agree to the upfront work and the need to keep moving forward.
15. To build in 2018 we need to bid it in the winter of 2017, so anything we can do to gain time is wise. Timing is critical.
16. There is no master map of the collection system. Mapping the system will help the City out in the future. It will be a valuable document to learn the system.
17. Councilor Perkins asked Teri where the \$35,000 would come from? Teri stated that she is estimating by the end of this year we will have about \$70,000 in the Lagoon Fund and then another \$109,000 next year. There are funds available now and it would then be reimbursed after the funding is received.
18. Brad pointed out that there are upfront costs for the loan applications and ER as well so all total it would be about \$60,000 up front.
19. Councilor Doherty stated that he has seen Anderson Perry trucks around town and asked what they are doing? Brad stated that they have started the mapping and surveying but if Council has an issue it can stop.
20. The USDA engineer will review everything from funding application on.
21. Councilor Doherty pointed out that we hired Anderson Perry to develop an approved plan, which they have done. Do we need to now get a proposal from Anderson Perry and re-hire them to move forward with the next phase of the project? As a Council we hired them to develop the WWFP now we should make a motion that makes clear our intention to hire them to do the project.
22. Anderson Perry is the City's engineers of record and we can move forward with them without bidding it out unless we choose to do otherwise.
- 23. On a motion by Councilor Doherty and seconded by Councilor Hinkle, Council agreed to hire Anderson Perry to implement the approved lagoon plan. All present voted yes.**
- 24. On a motion by Councilor Deno and seconded by Councilor Womack, Council agreed to move forward with the advance work mapping and surveying and pay the cost for the Environmental Report as well estimated total cost \$60,000, that is reimbursable. All present voted yes.** The funds to come out of the Lagoon fund.
25. USDA funding requires Bonding Authority. There are two types: General Obligation and Revenue Bonds.
26. The General Obligation Bond is always going to require an election. You can pay for that bond with any combination of taxes or sewer rates. For example, you could add another .30 per thousand on assessed value of property. You could also increase the sewer rate along with the property tax.
27. The Revenue Bond does not necessarily require a vote. It only allows you to pay for that Revenue Bond through sewer rate increases.
28. There are two ways to gain authority for a revenue bond. 1. You could put it on the fall ballot for a vote. 2. You could pass a resolution prepared by a bonding attorney. The cost of the bonding attorney is covered in the cost of the project.
29. The resolution is passed at a Council meeting then you undergo a 45 day remonstrate period. If 5% of registered voters remonstrate then it is forced to a vote. If less than 5% remonstrate you have bonding authority.
30. The County has a count of all registered voters of Pilot Rock. The City Recorder would obtain and record all formal opposition.

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31. A lot of City choose to pass a resolution then do an aggressive public education process to let folks know what is going on. When folks understand that there is \$1.4 million in grants there usually is no problem.
32. Brad presented Council with an example of the resolution needed.
33. If you choose to go with the Resolution and remonstrative period we need to get it prepared and passed so that if it does go to a forced vote, it gives us enough time to get it on the November ballot. You would have to file the first week in September to get it on the November ballot.
34. Bonding attorney's fee is about \$15,000 and do not charge until the end of the project, which is also included in the cost of the project.
35. A brochure from Athena's Water System Improvement was presented as an example of what we should do to inform the public.
36. There is risk in going with the General Obligation bond is that it could be voted down. Which would delay the process and risk losing the grant. The project is required there is no question it must be done. So voting down the debt would place the city in a difficult position to find funding. Delaying could also mean a 5% inflation hit.
37. It was pointed out that we have done all we can to keep our citizens informed. Public meetings and work sessions, articles in the EO and in the newsletter. Most folks understand the need for the project and the need to fund it.
- 38. On a motion by Councilor Perkins and seconded by Councilor Deno, Council agreed to move forward with the bonding attorney and the resolution and the remonstrative period. All present voted yes.**
- 39.** Councilor Perkins stated that we currently have lower rates for low income residents. Will we be able to continue to offer them lower rates and still be in compliance with the requirements of the loan. Brad stated that you can provide certain breaks but you have to have the revenue to pay the loan. Teri stated that we only have about 20 citizens on the low income rate and should not affect the loan. Teri stated that she will be presenting the Sewer Rate Resolution at the next meeting which will list all the different rates. Council can choose to keep the low income rate as is or increase accordingly.
- 40.** Councilor Perkins summarized that at the next meeting Council will have read through the revised WWFP, Anderson Perry will have a Bonding Authority Resolution and a brochure. Brad stated it would be good if we could get the resolution adopted at the next meeting so that we can get the brochure out. Teri stated it would be good so that we can get it in the mass mailing that we are doing at the end of the month.
- 41.** Councilor Doherty stated that he understands why we moved forward with the upfront work (mapping and surveying) but cautioned that in the future to get Council's approval ahead of time.

F. ACTION ITEMS

On a motion by Councilor Corwin and seconded by Councilor Womack, Council agreed to move F-6 Wtechlink Franchise agreement to F-1.

F-1 Ordinance No. 576 Granting a Franchise to Wtechlink Inc.

1. Josh English with Wtechlink explained that the current wireless service relies on line of sight and it is limited on the capacity that can be sent. So once it gets to here it is then spread to all the repeater sights and the strength diminishes along the line. So the end uses get a poorer signal. With fiber optic there is no limit you will get 20x the service you are getting now.
2. The Franchise agreement is a standard agreement and has been reviewed by the City attorney.
3. The City will receive 7% of the revenues received annually from the provision of services within the City.
4. This is not an exclusive agreement. Other businesses can run fiber optics if the City agrees.
5. The agreement is for 10 years.

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6. Having been available to the public for one week the Ordinance was read in title only. **On a motion by Councilor Corwin, and seconded by Councilor Deno, Council agreed to approve the first reading of Ordinance No. 576 Granting a Franchise to Wtechlink Inc. Councilor Hinkle being an employee of Wtechlink, recused himself. Councilors Perkins, Doherty and Womack voted in favor.**
7. There was discussion regarding allowing Wtechlink to start work on the Pacific Power poles within the City limits to meet their July 1 deadline for the school. They already have permission from Pacific Power. **On a motion by Councilor Corwin and Seconded by Councilor Doherty Council agreed to allow Wtechlink to start work on the Pacific Power poles. Councilor Hinkle recused himself. Councilors Perkins, Deno and Womack voted in favor.** Councilor Perkins stated that if the second reading of the Ordinance does not pass they will have to stop work. Josh said he understood.

F-2 Pacific Power Street Light Options.

On a motion by Councilor Deno and seconded by Councilor Womack, Council agreed to approve option #1 HPS street lighting for Main St. All present voted yes.

F-3 Ordinance No. 574 RV Park Rules and Regulations.

Having been available to the public for one week, Ordinance No. 574 was read in title only. **On a motion by Councilor Hinkle and seconded by Councilor Womack, Council approved the first reading of Ordinance No. 574. All present voted yes.**

F-4 Ordinance No. 575 Prohibiting Marijuana Related Business in all Zones.

Although the Ordinance No. 575 has been available to the public for one week, Councilor Doherty asked that it be read in entirety. After the reading, **on a motion by Councilor Womack and seconded by Councilor Perkins, Council agreed to approve the first reading of Ordinance No. 575 prohibiting marijuana sales and production in all zones in the city. All present voted yes.**

F-5 Resolution # 588 Transferring Funds in the General Fund.

On a motion by Councilor Womack and seconded by Councilor Perkins, Council approved Resolution # 588 transferring funds in the General Fund. All present voted yes.

F-6 Ordinance No. 573 Amending Public Safety Surcharge

Having been available to the public for one week Ordinance No. 573 was read in title only and declared an emergency. Councilor Doherty asked why it was necessary to declare an emergency? Teri explained that it should be in effect by July 1 when the new surcharge rate would take effect. Councilor Doherty was concerned that we are declaring an emergency and felt it should have been presented at the last meeting which would have eliminated the need for the emergency. **On a motion by Councilor Doherty and seconded by Councilor Deno Council agreed to approve the first reading of Ordinance No. 573 Amending the Public Safety Surcharge and declaring an emergency. All present voted yes.**

Councilor Womack asked why is there a need for the Surcharge. It was explained that in 2010 the citizen of Pilot Rock expressed their desire to have a 3 man police department and understanding the City funds were limited, voted to establish a \$6 Public Safety Surcharge that would help to fund a 3 man police department. The funds go directly to fund the police department. The revenue from this surcharge is in the budget and it is allocated strictly to the police department. Councilor Doherty agreed that the General Fund should fund the police department, but stated that there does not seem to be enough revenue to fund a 3 man department, so that is why we need the surcharge. There was discussion that perhaps the property taxes should be higher rather than

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imposing an additional surcharge. It was explained that they property tax rate is a very low rate and it is a permanent rate that cannot be changed.

G. INFORMATION ITEMS

G-1 Department Head Report

CITY HALL:

1. Working on an Investment Policy, which is necessary if the City chooses to invest city revenue in a high interest bearing account.
2. Compiled election packets, placed notice in EO and in newsletter.
3. Set up cityofpilotrock.org emails for Council. Resolving issues.
4. Still trying to resolve Centurylink issues in the PD.
5. Working on Resolutions and Ordinances.
6. Working on RSIA (Regionally Significant Industrial Area) designation. Will help when applying for grants to improve our industrial property, making it more attractive for potential businesses.
7. Working on developing a 5-year plan. Hope to have a draft ready for July Council meeting. Council can review at a Council meeting or elect to hold a work session. The draft will be a jumping off point, Council and staff can brainstorm and add additional items to the plan.
8. Interviewed applicants for a Swim Bus director. Have 3 very good candidates. Calling on background checks.
9. Will start interviews for librarian.
10. Planning a retirement/farewell party for Susan Hilliard on June 30, 2016, from 4-6p. Refreshments etc. in the Library.
11. In Steve's absence I am happy to report that we have received notice that DEQ has approved the revised Waste Water Facility Plan.

Teri added to her report: We have hired Amylee Perrine as the Swim Bus Director.

POLICE:

1. Completed the testing and interview process for the vacant police officer position. A background investigation is being done on the top candidate.
2. Ofc. Badal has finished his field training and is now working solo.
3. An independent audit has been completed on the evidence room. The assessor noted vast improvement since Chief Roberts did his review in October of 2015.
4. The Chief and Ofc. Badal participated in firearms and emergency vehicle operations training in Pendleton.
5. The Chief is working with the property owner at 265 SE Elm in gaining compliance with city ordinance as it pertains to code violations.

Chief Caldera added to his report: That he is about to get the background check on the officer candidate and asked for Councils approval to make a contingent job offer if the report comes back favorable. He would like to move quickly on this so that he can get him in the next available academy.

On a motion by Councilor Doherty and seconded by Councilor Perkins Council approved Chief Caldera hiring the officer and enroll in the academy. All present voted yes. *Chief explained that we did not have any certified candidates. Councilor Deno stated he sat in on the interview and was very impressed with the young man and would recommend that we act quickly.*

PUBLIC WORKS:

1. Steve on Vacation.
2. Tim and Adam exercising hydrants.
3. Worked the burn pile, cleaning up the ash.
4. Tim working on the Backhoe.
5. Have had the house at the foot of the stairs inspected for Asbestos, waiting on results.

G-2 ELECTIONS

Teri explained that the notice of Council elections, that is included in their packet would be posted and asked, of the three up for election, if either of them were intending to run? Councilor Doherty said that he intends to run. Councilor Perkins said he would not, and Councilor Corwin did not have an answer yet.

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H CONSENT CALENDAR

Bills Total: \$50,220.02

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

J COUNCIL COMMENTS

Councilor Perkins stated that now that the Lagoon option has been approved, we are now in the position to deed the bike pit. Once the bike pit is deeded over who is responsible to police it? Since it is in the city limits it would be up to Pilot Rock PD to respond. Councilor Perkins also asked if it is a City Park, why is the gate locked? It was explained that earlier in the year Bike Pit requested permission to use the park for their events and to have it locked while they do preparation on the pit. Councilor Perkins also expressed his concerns regarding insurance issues once the pit is deeded over and asked for a letter from the Insurance Company outlining exactly where our liability is if there is any. Councilor Perkins asked if the deed had already been through legal review. Teri explained that it had, but was put on hold in case we needed it for the location of the new lagoon.

Councilor Corwin asked if the Gun Club is in City limits how are they able to operate if you cannot shoot a fire arm in City limits. Teri stated that she thought it was just out of city limits but would look into it and let them know at the next meeting.

Councilor Perkins said he understands that staff is working on the 5 year plan and suggested that perhaps we come up with a survey asking the community what they feel are the important issues for the community. It would be a good tool to have that input. Mayor Carnes stated that the Chamber did a survey about 6 years ago. Teri suggested that if we could come up with the questions prior to the end of the month we could include it in the mass mailing.

Mayor Carnes stated that the fire department did an outstanding job with a parade leading the girls softball team out of town. Bill lead them out of town then Jeff Hemphill met them at 2:30 in the morning leading them back into town, lights and no siren. Daniel did an excellent job in setting all that up.

K. EXECUTIVE SESSION:

None

K. ADJOURNMENT

Council agreed to adjourn at 9:10 PM.

APPROVED _____

ATTEST _____