

CITY OF PILOT ROCK

COUNCIL MEETING

JUNE 21, 2011

7:00 PM

A. ROLL

The regular meeting was called to order by Mayor Virginia Carnes at 7:00 PM. Council members present were Annie Tester, Kaci Moss, George Hall and Shawna Kirk. Also present were City Recorder Teri Porter, Chief Darren Richman, Public Works Supervisor Steve Draper, Mary Lue Slabik, John Taylor and Pastor Mike Nelson.

B. INVOCATION

Pastor Mike Nelson gave the invocation.

C. PLEDGE OF ALLEGIANCE

D. APPEARANCE OF INTERESTED CITIZENS

None

E. PRESENTATIONS

Mayor Carnes read a letter from Councilor Glen Snively stating that he is resigning effective today at 8:00am. He had decided after long deliberation, that he can no longer be an effective councilor. On a motion by Councilor Kirk and seconded by Councilor Hall Council agreed to accept Glen Snively's resignation. All present voted yes.

F-1 BUDGET CHANGES AND ADOPTION OF 2011-2012 BUDGET

Teri Porter reported that the changes to the budget are a result of applying actual year end numbers and finding that we had an additional \$31,000 to carry over into the new budget. Teri stated that the Mary Koch payment was put back into the budget because the issue has not been resolved where all parties are in agreement that the payment is no longer required. The transfer amount from the Economic Development Fund was reduced because of the additional carry over. Teri asked Council to review the changes that were attached to their packet. If everyone agrees we need pass resolution No. 529 to adopt the 2011-2012 budget. There was a motion by Councilor Hall and Seconded by Councilor Tester. In discussion John Taylor addressed the Council stating that he had 3 simple questions that could be answered by Yes or No. #1 Does the Budget you are about to vote on, increase employee's benefits 12% to 14% as defined in the budget message. He repeated the question. Councilor Tester stated that the insurance rates have gone up but we did not give the employees any increases. Councilor Hall since Mr. Taylor has put restraints on our answers to answer only Yes or

No and that this is the first opportunity we have been able to hear his questions, it is my recommendation would be for you to provide those questions to us in writing and give us some opportunity to respond. It appears at this time that we might not be able to give you a specific yes or no, I would want to make sure that we address those questions accordingly. John Taylor asked if he could ask the other two questions? Councilor Hall said "Well sure." Mr. Taylor #2 Does the Budget you are about to vote on, increase sewer rates \$1 a month and water rates \$1 a month? Yes or No? OK. #3 Does the Budget you are about to vote on, increase franchise fees \$28,900 over last year? Yes or No? The reason I asked these questions, I want it on the record, perfectly clear that we either answer those questions yes or no. It's pretty simple George. I don't think it is pretty simple, again I would make the same request that we have made of other people and we have made of you in the past, if you wish to present those things to us if we can answer them yes or no we will do so, if we can't we will let you know that we can't. And I believe we should be able to have answers to all those by the end of the week. Mr. Taylor asked is that a policy that the council is going to have from this point forward that if we have any questions for the Council that we should submit them in writing. Mayor Carnes stated that she thought that is an excellent idea. Councilor Hall stated he thought it was an excellent idea. Mr. Taylor stated well as long as we are going to change I want to know. Councilor Hall stated that is not a change. Mr. Taylor said it is not in the Councils rules. Councilor Hall: There is no change in my mind that if somebody has a presentation or a list of questions. You and I have been involved in the same thing that where you come in with a laundry list. It was the Councils vote at that time that the laundry list for lack of a better term be presented to Council for review and then we could provide the answers. Mr. Taylor asked if this is a Budget Hearing. Mayor Carnes stated that the budget hearing was at last Council Meeting. Mr. Taylor: So you are not taking any input to the budget at all? Mayor Carnes stated that you have given your input, we will answer your questions and get them addressed. Teri Porter asked if she can answer what she knows. Councilor Hall: You can Teri, but remember that we have attempted to do unless the rest of this Council wants to change, what we have voted to do a long time ago when we have a list of questions to come forward to us or a list of ideas or a presentation, that we request that to be submitted to us in writing so that we can respond. Mr. Taylor has defined or restricted our answers to a yes or no. We can either answer them yes or no or we can't answer them. Mr. Taylor: I was thinking that this was a budget hearing and you were open to idea's suggestions and questions. Councilor Hall: The former may not be true but the later is definitely true. Mr. Taylor: "Thank you." Mayor Carnes stated that we had a motion on the floor and a second. Mary Leu Slabik addressed council with a comment. "My opinion in view of our current economic situation I feel this is not a time for us to be putting more taxes on the citizens of Pilot Rock. I did not hear everything you said regarding the budget hearing. There have been several suggestions made to the Council as to possible cutting some areas in the budget. I would like to ask the Council to take a good hard look at what there is and possibly do more cutting before this budget is approved. I thank you for your time. Is there no more comments that can be made on the budget, the hearing is over with is that

correct? Mayor Carnes: Yes. Mary Lue: But it has not been adopted yet. Mayor Carnes: No. We have a motion we have a second, this is discussion on that motions. Mary Lue: I would appreciate it if you would talk into those micro phones. Mayor and Teri: Stated there are only two micro phones that work for the PA. Mary Lue: I can hear you now sitting here but I did not hear everything you said when you were talking before. Hall: That's why I had a little problem with John because I could not hear his comments. Mary Lue: Whenever you people speak why not just take that micro phone and speak into them? It is very important for some of us to hear you. There was a time when we had more people that were coming to our Council meetings, and they quit coming mainly, different ones told me on the street, you can't hear them anyway so why go. Mayor Carnes: "We have talked about portable mikes so that may be something we need to look into." Mary Lue: If it continues this way it will be the same way and if you remember, then I will quit, Mr. Whitaker said you need to have a PA system in this building. Councilor Hall: Don't quit. Again I want you to restate what you want the Council to think hard about before we finalize our vote tonight on the budget. Mr. Taylor left a list of questions and you had some other concerns, what were they, I forget very easily? All I said was that I don't think that this is the time for the City to impose more taxes on the citizens of Pilot Rock meaning increases. Hall: Specifically what? Now I know we have increases there and I can pull them out but do you have anything specifically in mind that you are targeting or are you saying all of them? Mary Lue: Well there are several things that can be cut. Hall: Ok. What are they? Mary Lue: Then I also said and I think all the council has all this information back hear of the that has of the suggestion that have been brought up to you people. I think this pretty well tells you all the things that some of us citizens feels could be dealt with. Hall: so you are not bringing anything new to the table, that has already been brought to the table. Mary Lue: I don't believe so because the main thing that I had talked about was the water and the sewer and that's in here too, that I remember and there is talk about caps on benefits plus other things, so there is nothing new that I am bringing. Councilor Tester stated: One thing that I had been thinking about over the week we had our budget committee and the Council meeting together and we went through the budget line by line and at the time that we talked about those increases there was only one suggestion brought up by anybody and that's a pretty wide expanse of people sitting on that group and there was only one thing brought up that could be done differently than the \$1 increase and it didn't even get a second out that group. I feel we are being responsible people, in that things go up and we have to cover them some way, and spreading it evenly through the entire community at \$2 a month to me seems a reasonable thing to do. But we are listening to what you are saying, but I just want you to realize we talked about this at length during our budget meetings with the whole budget committee. Mary Lue: Did you as a Council bring forth things, I was not here during the budget meeting because I was gone out of town, but did you the Council bring forth anything that you felt after the budget was presented to you, things that you felt could be cut out and make it better for the public, did you the Council have any input into that. Tester: We were all sitting here at the same table. Mary Lue: Did you bring anything to the budget committee. Hall: Those of us that were here brought

things to the table it happens every year. Those things that were brought to the table were accepted that have been brought to the table come under scrutiny at various times. But there is a time for it to be beat up on and changed and there is a time where it becomes a little bit late to do those kinds of things, and I think that is what Annie was trying to explain. That the Council in general, Staff as well as Council brought things together in a packet laid it on the table and started throwing things back and forth at each other. That was the time to make the changes, what you see before you are all those items unless there is something new, that were taken into consideration before they stated voting on the passage of the budget. So based on that unless somebody brings something new to the table, based on that I'll make not necessarily an over all inclusive statement that the answer to your question is Yes, Council has considered all those things we have approved them as they are and we are ready to move forward with the budget as it is. Mary Lue: One thing that has been asked of the Council that I don't think has been presented on the water and sewer we never did get the percentage that was charged to the water and sewer of the wages and whatever, I think that was asked. Teri stated as I remember Shawna had asked you to set up a meeting with me. Mary Lue: Stated it was not me, did you ever provide that. Shawna stated I think the motion was made that by the end of July she would have that information. Teri: What I did put together that Councilor Snively asked for was a year to day on how the losses were going in the water and sewer and that is included in the packet and you can see that it loses money all year long. Mary Lue: Yes I do see that. There was one thing that I was looking at on the water we were only \$4,000 in the hole and of course the other thing that I brought up and I think you Annie brought up that there is a smaller carry over on I forget which one of \$4,500 an of course on one of these were are already short and I don't mean that that is the only thing that on some of the comment that you had. If you delete the water and sewer charges to the people that don't pay water and sewer that almost \$5880 that would almost take care of it. That's an idea a possible solution. That's small I realize that that's a small situation. Just like really the \$1 isn't what's the big problem I don't feel I mean really a \$1 a month is not going to make or break any of us. But if you look at your water and sewer expenses and income of course naturally we all know your biggest expense is your wages and your benefits. And as Steve said before that everything is going up and I understand that and agree with it, but that also is not the biggest part of that water and sewer budget. Mayor Carnes: Mary Lue I have a motion on the floor thank you for your comments. Mary Lue: Fine thank you for answering my questions and listening to me. Councilor Hall: Don't stop bringing ideas. Mayor Carnes: Ok I have Resolution #529 I have a motion and a second any further discussion from the council. All present voted yes.

F-2 RESOLUTION NO. 530 TRANSFERRING FUNDS

Teri Porter explained to be in compliance with budget law, the Council needs to approve a resolution to authorize a transfer from the Legal and Audit line item in the General Overhead Dept. to the City Attorney line item in the Mayor and Council Dept. The City Attorney budget was \$5,000 and has come in at \$5,114. The Mayors Meetings and

Mileage budget was \$500 and has come in at \$931. So we are asking to move the \$500 over to that account to bring everything inline. Councilor Kirk and Tester clarified that that we would be covering both those accounts with that money. Teri stated yes it would. On a motion by Councilor Tester and seconded by Councilor Kirk Council agreed to pass resolution No. 530 to transfer the money. All present voted yes.

F-3 ORDINANCE NO. 550 APPROVE RECEIVING STATE REVENUE

Teri Porter explained that each year it is a state requirement to pass an ordinance to receive state revenue. On a motion by Councilor Kirk and seconded by Councilor Tester council agreed to pass Ordinance No. 550 to accept State Revenue. All present voted yes.

F-4 ORDINANCE NO. 549

Teri Porter explained that this is the second reading of this ordinance that would do away with the Vice Council position. On a motion by Councilor Hall and seconded by Councilor Kirk Council agreed to pass Ordinance No. 549. All present voted yes.

F-5 ORDINANCE NO. 548

Teri Porter explained that this is the Ordinance that would reduce the Public Safety Surcharge by \$1. This is the second and final reading. On a motion by Councilor Kirk and seconded by Councilor Hall Council agreed to pass Ordinance No. 548. All present voted yes.

F-6 FLOOD INSURANCE FOR CITY BUILDINGS

Teri Porter explained that our insurance as it stands right now has a \$500,000 deductible for flood damage and all our buildings downtown are in the flood plane. CIS our property insurance carrier was inquiring whether or not the City would like to consider a flood insurance policy that would cover that \$500,000. Teri included in the packet an estimate of what it would cost to cover all the buildings \$23,257 a year or you can break it down by each building and pick and choose each one. Teri acknowledges that it is expensive but felt that it was not a decision that she should make, that it should be brought to Council to ensure that they are all aware that coverage begins after \$500,000. Councilor Kirk asked if the deductible was \$500,000 for each building. Teri confirmed yes. Councilor Tester stated we don't even have a building that is worth much. Teri restated that she felt it was not a decision for her to make that it should be brought before Council. Mayor Carnes asked what you are looking for is an option either 1 or 2. Either to take out a Flood policy or not to take Flood insurance at this time. Councilor Kirk asked how would that be covered in our budget if it's not? Steve Draper stated that it is not in our budget. Councilor Kirk asked where would the money come from? Councilor Hall stated that either way we are in a pickle and suggested that we see what other communities are doing in comparison. On a motion by Councilor Hall and seconded by Councilor Kirk Council asked Teri to look into other options for flood insurance.

F-7 REQUEST TO USE UTILITY ACCESS

Steve Draper stated that there is a letter in the packet from AT&T requesting to use our utility easement. Councilor Hall asked the council to make sure that anything they do does not interfere with what we have the easement for and that the location of their utility be placed in such a manner that it will not interfere with our maintenance of our equipment. If it is difficult to locate to have some locator tape or wire put with it. Steve stated that as far a placement of utility I get to choose where it is placed in that right of way. As we grow those kinds of things can get too busy if we are not careful. On a motion from Councilor Hall and seconded by Councilor Kirk council agreed to allow AT&T to use the access to the utility easement. Hall also asked that when we make these presentations to council that all these things are included in the presentation so that council knows that you have taken it all into consideration. Councilor Tester asked for clarification between AT&T and Cingular Wireless, Steve stated that he called it AT&T since that is what everyone is most familiar with, but has been bought by Cingular. Councilor Hall amended the motion to allow Cingular Wire access to our utility road. The motion was seconded by Councilor Kirk. All present agreed.

G-1 DEPARTMENT HEAD REPORTS

Teri Porter stated that her training is ongoing and felt it was going well. Her biggest problem is not knowing what she doesn't know, but feels that all is going well. Capeco has approached us about allowing 2 individual on their Work Experience program to work for the City. Councilor Kirk expressed her concern that they be of appropriate age to operate the equipment they will be using. Council agreed to allow them to work for us. Mayor Carnes has submitted her registration for the Mayors Summer Conference. Teri stated that she did not get a recording of our last council meeting. But has been very careful to ensure that we are getting a recording tonight. A concerned citizen has requested a copy of the CD, but she explained that she did not get one and was willing to let him read through her minutes to ensure that she did not slant it in anyway. Councilor Hall, made the statement regarding Teri's question about being able to call the City Attorney, Auditors etc. to ask questions so that she can do her job more effectively. Councilor Hall felt that in the past Council had taken that ability away from staff and never given back. Councilor Hall made a motion to allow staff to have access to all resources necessary to do their job. City Attorney, Auditors, League of Oregon Cities, CIS and others as needed. Staff needs to keep council informed on the use of these resources. Councilor Hall asked for assistance that we don't give the impression to the community that we are abusing this so suggested keeping a phone log or something. Teri Porter agreed.

Chief Darren Richman stated that he had brought to you the new Employee Handbook and Council asked for more time to review it. He now asked that we move forward and get it approved. If it is approved would like to get it on the City website. On a motion by Councilor Hall and seconded by Councilor Tester the Councilor agreed to accept the

Employee Handbook. All present agreed. Councilor Hall all stated that in most organization the person who is the custodian of the Employee Handbook also keeps notes as to how we apply the rules and policies. Councilor Kirk clarified that the responsibility should fall to Teri. All present agreed with the motion to accept the employee handbook.

H. CONSENT CALENDAR

On a motion by Councilor Kirk and seconded by Councilor Tester the Council accepted the consent calendar as presented. All members voted yes.

I. COUNCIL COMMENTS

Councilor Tester asked that we set a date for Council to sit down with both Teri and Jackie to discuss Teri's progress. Teri stated that Jackie has 2 more days when she returns and suggested that maybe on the second day we can all meet. Councilor Tester volunteered to meet with Jackie and Teri. On a motion by Councilor Kirk and seconded by Councilor Moss council agreed to allow Councilor Tester to meet with Jackie and Teri regarding her 30 day evaluation.

Chief Richman asked for a motion to advertise for a new City Councilor. Mayor Carnes said that will be done immediately but that a motion was not necessary.

Councilor Tester stated that she would be gone July 5 and would not be available for the Council Meeting. Mike Baleztena would not be available so they would not have a quorum. There was much discussion regarding different dates, but it was finally decided that we would cancel the July 5th meeting. On a motion by Councilor Hall and seconded by Councilor Tester council agreed to skip the July 5th Council meeting.

Councilor Kirk expressed concerns regarding events with alcohol at the park. She stated that our ordinance states that if there is going to be an event at the park with alcohol it has to be approved by the council. There is an issue that people who will be serving alcohol will have to plan far enough in advance so that it can be brought before Council before the event. Councilor Tester stated that we have to get the word out so that people know; we need to put it in the newsletter. Councilor Kirk added that she would like to direct staff to inform all that would like to reserve the park and plan to have alcohol, that they must first bring it before council for approval. Mayor Carnes asked if it can be left to the discretion of Staff. Councilor Tester felt that it put staff in the position of making decisions on matters that should be black and white. Mayor Carnes stated that she would like to see the Event Forms that were put together, at the next meeting for further review and discussion.

Councilor Kirk also asked about the status of the cones down Main St. Is that going to stay like that? Steve Draper stated for 2 or 3 weeks but will be down by Community Days. It needs to settle and then we need to patch it.

Councilor Kirk also asked about the Hinkle project. Steve stated that it is done, has asked for a bill from Hatley but has not received it yet. Will let Council know when he gets the bill.

Councilor Hall asked about Flag Day, where are all the flags that we were supposed to be put up. Steve said that he thought Glen Snively was responsible for getting those put up. Teri Porter stated that Glen had suggested the flags through the Downtown Association, went before Council for approval but it falls apart as to who is actually responsible for seeing that they get up each and every time. Councilor Hall stated that we as a City should see that it gets done. Councilor Kirk volunteered to get them up for the 4th Councilor Tester offered to help.

Mayor Carnes stated that Pilot Rock will be hosting the Rural Symposium at the Community Center from 10-3, and all are invited. We received a check for \$1,500 from Umatilla County to help sponsor the event. Anyone who would like to help would be appreciated

Mary Lue Slabik asked about the Hinkle project and getting a detailed list of the cost. Mayor Carnes pointed out that it was just addressed.

Mary Lue Slabik also enquired about the A&V investment transaction and asked if it will be made public after you get all the agreements taken care of? Councilor Hall stated that those things will be addressed in executive session and what can be made public will be made public.

J. EXECUTIVE SESSION

The Council went into executive session under ORS 192.660 (2)(e) Real Property at 8:10pm. The Council came out of executive session at 8:30pm. On a motion by Councilor Kirk and seconded by Councilor Tester the Council granted the extension of the property close date per our attorney's request until July 26, 2011. All present voted yes.

On a motion by Councilor Kirk and seconded by Councilor Hall council directed Steve Draper Public Works Director to cap it out at \$7500 to cover cost of legal responsibilities of selling property to include surveys, deeds and easement records. All present voted yes.

K. ADJOURNMENT

On a motion by Councilor Hall and Seconded by Councilor Tester the meeting was adjourned at 8:35 pm.

APPROVED _____

ATTEST _____

