

CITY OF PILOT ROCK

COUNCIL MEETING

May 21, 2013

7:00 PM

A. Call to Order

The regular meeting was called to order by Mayor Virginia Carnes at 7:00 pm. Council members present were Kacie Moss, Misty Rowe, Josie Forster, Ray Corwin and Jim Hinkle. Also present were City Recorder Teri Porter, Public Works Supervisor Steve Draper, Police Chief Darren Richman and City Attorney David Blanc. Citizens present were Loraine Green, John Taylor, Charles Bonando, John Standley and Mary Lou Slabik.

B. INVOCATION

Pastor Jeffers gave the invocation.

C. PLEDGE OF ALLEGIANCE

None.

D. APPEARANCE OF INTERESTING CITIZENS

None.

Mayor Carnes made a recommendation to Council to go directly into executive session since David is on the clock. **On a motion by Councilor Hinkle and seconded by Councilor Moss, Council agreed to go into executive session. All present voted yes.**

E. EXECUTIVE SESSION

Council went into executive session under ORS 192.660(2)(h), at 7:05 present were Mayor Carnes, Councilors Hinkle, Moss, Corwin, Rowe and Forster. David Blanc, Teri Porter, Steve Draper and Darren Richman were also present.

Came out of executive session at 8:05. **On a motion by Councilor Moss and seconded by Councilor Hinkle Council directed the City Attorney to draft a letter for council approval. All present voted yes.**

F. ACTION ITEMS

On a motion by Councilor Moss and seconded by Councilor Rowe, Council agreed to move action item #2 to first and then follow with #1 and #3. All present voted yes.

F-1 American Tower Proposal

Steve Draper reminded Council that at the last meeting he had presented them with a proposal from American Tower to change the current lease to an easement, and they would like to purchase the easement for one lump sum ([see attached](#)). Steve feels that the current agreement creates a steady revenue source for the City. Currently we get \$1050 a month plus 50% of any attachment they add on. You can count on the current agreement for 25 years. We are a whole lot better off leasing it than we are selling it. John Standley

CITY OF PILOT ROCK

stated that there probably is a process for selling government property and cautioned Steve that he follow the proper procedure for it. Councilor Rowe asked why we would even consider selling it if it makes us a steady income. Steve stated that American Tower is making this offer, we did not ask for it, but need to bring it before Council for a decision. **On a motion by Councilor Corwin and seconded by Councilor Rowe, Council agreed not to sell the property at this time and continue leasing it. All present voted yes.**

F-2 LOCAP Loan payment and Water Main Extension.

Steve Draper stated that Staff has proposed in the budget to make a \$50,000 payment on the loan, but that it has been discussed to put the whole down payment from the sale of the industrial property onto the loan. It is up to Council what they want to do, but if we do the whole down payment we will not have enough cash to do the 820' water main extension. Mayor Carnes asked if we have heard anything from Packy Dougherty? Steve stated that we have not. Right now the water main runs up to Byrnes Oil, this would extend it another 820' taking it up to the entrance to the Masonite facility. Councilor Rowe asked why we want to extend it 820 feet. Steve stated that eventually we are going to connect to the north well. Councilor Rowe does not feel we need it right now if someone wants water they should have to pay for the extension. Steve stated the only reason he felt the City should pay is because it is going in the direction that we originally planned to hook onto the well. Councilor Rowe feels it is not justified since we are trying to build up our budget and pay off the loan and reduce the cost to the citizens. John Taylor stated that in the past citizens had been required to pay for extending the water main to their property and asked if these citizens would be reimbursed that money. Mr. Taylor then recited an old principal that is sound... "he who benefits... pays". Once the City puts it in there are the citizens going to pay to hook onto it? Mr. Taylor also stated that there has been a 10% decrease in population since the development of the water project master plan... the City does not need more water. John Standley stated that he was the individual who initiated the motion to fund and pay and support the first water project we just completed. In the process we found out that we were going to be short a couple hundred thousand dollars due to the lack of money we had expected to get on a debt that was owed the City. It was the intent of the Council that it was going to be self funded and that it would be paid for by revenue that was collected from the sale of the property. Mr. Standley also suggested that the City work toward getting a planning commission that would assist in making some of the decisions as far as annexation, growth and planning. We owe it to the people who are paying \$3 a month for the water line we needed, to pay off that debt. Mary Lue Slabik stated that when her property was annexed into the City they were required to extend it to their property line and increase the size of the line for future development. Loraine Green addressed Council stating that she was on the budget committee the last 3 years when the City went for the loan and had to pay for the water line. It is her recollection that there was a consensus that any money that came off of Masonite went to pay back the loan. As a citizen would like to see the City get out of debt, save your money then do the next step and stay within your means. John Standley stated that the City has a fantastic water system for the amount of money the rate payers had to pay, but it is because the Council spent the money that we had in capital. It is not how much you have to collect for water it's the service you provide for your public. **On a motion by Councilor Rowe and seconded by Councilor Hinkle, Council agreed to pay**

CITY OF PILOT ROCK

\$110,000 towards the LOCAP loan at the appropriate time that we don't get a penalty. All present voted yes. There was discussion whether we would be ahead to pay it in July even if there was a penalty. It was decided that the extension of the Water Main is a dead issue.

INFORMATION ITEMS, REPORTS AND PRESENTATIONS

G-1 Department Head Report

CITY HALL:

1. The 1st budget meeting went well. We are moving through the budget quickly. The next meeting will be May 22, 2013, with the public hearing June 4, 2013.
2. Met with Wheatland Ins. and was informed the property and liability insurance will increase by 9% instead of the 6% they had first thought. I will be adjusting the budget accordingly.
3. Sent annual renewal letters for Tresham and Arnie's.
4. The parking lot partition has been reviewed by the assessor's office and the county surveyor, I am waiting for my stamped copy of the recording. Will invoice A&V as soon as I get the recorded document.
5. Have invoiced the Waite's for their portion of the expenses incurred during the property / easement exchange.
6. Working with the County to get updated zoning maps.
7. Researched motions that indicate how the down payment for the industrial property was to be used. I cannot find a motion.
8. Have contacted David Blanc to be present for the May 21, 2013, for legal advice relating to the Koch payments.

Addition:

- *Teri handed Council the letter that was sent to the Bike Pit board, signed by Councilor Moss and sent on behalf of the Council (attached). John Standley stated that you cannot give away City property to someone who won't show up, be responsible or accountable. He challenged Council to remove the mobile home from the property. Steve clarified that he is no longer part of the Bike pit board and that the 501c3 has been mailed to the federal government last Friday. Councilor Rowe asked if we have a signed certified receipt. Mayor Carnes stated that they do. Councilor Moss feels that we are all on the same page in wanting to hold them accountable. Loraine Green would be leery about deeding over property to an organization that is run as loosely as it is. What happens if they dissolve? It was explained that if they become insolvent the property would revert back to the City. Councilor Moss asked that the letter be updated and sent certified mail. **On a motion by Councilor Moss and seconded by Councilor Corwin, Council agreed to revise the letter with a requirement that they be present at the June 4, 2013, meeting and that it be sent certified mail. All present voted yes.***

POLICE DEPARTMENT:

1. Continuing to work on ordinance issues.
2. Working on a couple major cases.
3. Increase of dogs running at large.

PUBLIC WORKS:

1. Working on getting the log benches out.
2. Routine maintenance.

CITY OF PILOT ROCK

G. CONSENT CALENDAR

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

H. CITY COUNCIL COMMENTS

Councilor Corwin stated that he had committed to go to and represent Council at the last Bike Pit board meeting but could not due to work issues. There was continued discussion regarding the City's liability as it relates to the Bike Pit. Lorraine asked how many Councilors are associated with the Bike Pit. Mayor Carnes is the only one on Council. There was lengthy discussion regarding liability. Teri explained that as long as there is no charge for the use of the bike pit the City is covered under recreational immunity. When the bike pit charges a fee they are required to have their own insurance and list the City as second insured.

Concerns were discussed that once the City deeds the property over to the Bike Pit, it would no longer be free to use it. The Bike Pit would have to charge a fee to pay for the cost of insurance which is approximately \$12,000 a year. John Standley suggested keeping it and return it to a park for the betterment of the community. Teri stated that she has spoken with Wheatland Insurance asking specifically if the Bike Pit puts the City at risk and was told it does not, that we would be covered under the recreational immunity. Teri went on to say that she was also told the building could create a hazard which would put the City at risk. Mary Lue addressing Steve, said that she understands that the Bike Pit has to have a 501c3. Steve explained that they don't have to have a 501c3, it is a requirement of the Council 7 or 8 years ago to get the 501c3. Mary Lue went on to state that it has been operating for 8 years without a 501c3.

Mayor Carnes stated that the blessing ceremony for the Mural will be May 30th at 2pm. The board of trustees from the tribe will be here. The board of Trustees will also be at our Council meeting for a joint meeting on June 18, 2013 at 6pm.

Ezra with Sterling Bank will be back in Pilot Rock on June 10th and is willing to facilitate the sale of the building.

I. ADJOURNMENT

On a motion by Councilor Forster and seconded by Councilor Moss, Council agreed to adjourn at 9:08. All present voted yes.

APPROVED _____

ATTEST _____