

Minutes of the Millersburg City Council Meeting  
Tuesday, March 14, 2017

**Meeting Call to Order**

**Roll Call** Scott Cowan, Dave Harms, Jim Lepin, Scott McPhee and Don Miller present

**Pledge Allegiance**

**Agenda Changes and Additions** – Mayor Jim Lepin advised that there would be an executive session at the start of unfinished business to address a property acquisition matter.

**Consent Agenda**

Approval of 2/14 & 2/28, 2017 Minutes and March 14<sup>th</sup> Invoices

Councilor Don Miller made a motion to approve both sets of minutes and the monthly invoices and seconded by Councilor Scott McPhee – motion approved unanimously.

**Guest Presentation**

Richard Perdue CPA with Koontz, Perdue, Blasquez & Company provided an overview of the annual audit report. He advises that in their firm's review they did not find any substantive issues that should be of public concern. He added, in their review they did note weaknesses in the City's finances that need further attention. Specifically, a need to segregate financial duties, scrutinize intergovernmental agreement convents, reconcile cash receipts on a daily basis, enhance oversight of personnel timesheets, provide transfer of receipt documentation and defend the awarding of contracts exceeding \$10,000. Barbara Castillo noted that she had prepared responses to these noted audit concerns that will be addressed later in the evening associated with Resolution 2017-7. Councilor Scott Cowen noted that some of these audit issues should be resolved by the hiring of more staff to attend to financial matters.

**Public Comment** No Comments

**Linn County Sheriff's Report**

Lt. Michelle Duncan advised Council that approximately 12 of the 101 hours the Sheriff's operation provides the City on a monthly basis were spent addressing traffic related concerns through focused patrol. She noted that one citation and two warnings were issued the previous month. She said that during that time period law enforcement addressed 30 complaints and she provided an overview of these complaints. Lt. Duncan said all told - there were no significant issue of concern during the month. Mayor Lepin noted that he had been meeting with representatives of six [6] cities located in Linn County concerning the law enforcement service contracts they had with the sheriff's office. He said these meetings had been ongoing since October and were productive.

He said the meetings have resulted in a reduction in hourly costs for Sheriff's services. Mayor Lepin noted the new rate for the City will be \$65.00 whereas previously the City had paid \$72.25 per hour. He said this hourly rate reduction will save the City over \$9,000 annually. He noted there was a letter in the Council Packet outlining these rate changes. The Mayor asked the Council that given the City will receive this level of savings, do we wish to purchase more hours of Sheriff contract support? He said that the hourly reduction amortized over the course of the year could purchase roughly 12 more hours of Sheriff support monthly. The Mayor also noted the contract might be for a two [2] year period. Councilors expressed support for taking the hourly rate saving and converting it to a greater monthly Sheriff presence. Considerable discussion followed concerning the types of service delivery that could be purchased.

Sharon Henschell asked Lt. Duncan whether or not the County had a leash law? Lt. Duncan responded that she believed the County's language was such that the animal has to be under the owner's control by either voice command or a physical leash. Mayor Lepin said he thought that area Cities had leash laws but the County did not have that authority. Lt. Duncan said she would research the matter. The Mayor advised the City recently procured a copy of Brownsville's leash law and was intending to adopt it at some future date.

Dennis Gunner inquired what had been resolved about the dogs that killed the animals last month? The Mayor advised that the owners had been cited yesterday for no licenses but did not know the particulars.

Craig Ziegenhagel inquired whether in circumstance such as occurred last month is it possible the owner can be cited for possessing a dangerous or vicious animal as opposed to citing them for animal-at-large. Lt. Duncan said there are certain parameters that must be followed to cite for vicious animal. She believed that first the animal had to be deemed vicious but she did not know that process and further it has to re-offend [two strikes and you are out]. She said she would look up the state statute to properly advise what constituted a vicious animal for citing purposes.

### **Councilmember Comments**

Councilor Don Miller said he walked around the park on Sunday and spoke with many individuals and thanked those present who had their dogs on a leash for obeying City rules. He noted in his encounters how many folks expressed how much they loved the park. He said he was surprised how many out-of-town persons visited the park.

Councilor Scott Cowan said he had requested fire study analysis from ESCI but has yet to hear from them. He said after receiving the information he plans to get together with Councilor Dave Harms and see where their discussions take us. He said then the plan is to meet with the two [2] fire district representatives.

## **Mayor's Comments**

Mayor Lepin called to Council and the public's attention the fact there was a vacancy on the Jefferson Fire Board and encouraged individuals to apply for that position. He said the vacancy position covered Millersburg and thus it was important we had a local representative on the board as we covered fire district issues. He also noted it was important to get agenda items to staff by Thursday the week preceding the Council meeting to provide Council member's sufficient lead time to digest the information. He said that since the first of the year, City actions have increased exponentially and so it ever so important we have information distributed timely. The Mayor noted that at the last meeting we increased CH2MHill's budget for the year to \$250,000 and that action causes him to believe we need to have a discussion about ways to reduce these engineering cost impacts. To this end he had asked Janelle Booth, the City's engineer, to assess ways these costs could be reduced. She determined there were many places where the City could have persons other than engineers doing this type of work. She estimated that 64 hours of work that CH2MHill provides every month to the City could be done by others at half the cost. The Mayor said that with the savings we could bring a person in house to provide for these and other services. He said the cost figures support Steve's suggestion we hire a planner to provide for these types of services. He asked Council to consider his remarks as food for thought. The Mayor also noted we have not updated our land use fees since 2008. He said that given the many studies the City is initiated to accommodate our fast growth they should be compensated in part by the charging of sufficient fees to cover these corresponding costs. He had asked Barbara and Steve to look at the fee charged for various tasks with an eye towards having them in align with these noted cost impacts. He added, we should be evaluating our costs on an annual basis rather than from time to time as has been the tradition.

Councilor Don Miller suggested the City evaluate what other cities charge in the way of fees for these types of services rendered. He noted that the City received 28 building permits today and that if the present fees are understated - then we are leaving money on the table that legitimately should help shore up the costs of doing business.

## **City Manager's Report**

Steve Hasson spoke to park and recreation needs. He noted that the City relies largely upon Millersburg Park to accommodate the City's recreational pursuits. He said sometime soon the park will reach a carrying capacity which beyond we will start to overwhelm its ability to satisfy the demands placed upon it. He said before this occurs we need to construct a park and recreation plan that determines what types of parks the community will need and where they should be located based on projected growth and recreational preferences. He said in order to accommodate future recreation demands we also need sufficient lead time to develop and implement a plan and suggesting this action, in its entirety, will take two to three years to accomplish. He said time was needed to construct the plan, identify potential land sites necessary to accommodate a host of different recreation needs and developing a capital improvement budget sufficient to develop these park areas. Steve said he was not suggesting we take immediate action to construct a park and recreation plan, but it needs to be on the City's radar screen.

He said as part of this year's budgeting process we should consider setting aside some money for this purpose. Councilor Scott McPhee inquired if this was an action where we would hire a consultant to construct or instead a need that could be accomplished in house? He also inquired about the formation of a committee to pursue this action. Steve Hasson replied that he saw this plan constructed in house with the formation of a committee to in aid in this pursuit.

### **City Attorney's Report**

Forrest Reid advised that Mae Yih had written a book and he had gone to her book signing and she had graciously provided him a book to present to the City. He noted that she and her husband were instrumental in forming the City of Millersburg and also noting her husband, Stephen, had founded Wah Chang Albany. He noted this book could serve as a first book towards the City's future library.

At this point in the meeting the Mayor announced the need to go into executive session. Attorney Reid noted that this evening's executive meeting is initiated reliant upon ORS 192.660 (2)(e) related to real estate transactions .

Later the Council reconvened and Attorney Reid advised the public that the City had been presented with a Memorandum of Understanding [MOU]. The MOU details how Morning Star Road would be realigned to access Old Salem Road at a different location than its present interface. The MOU would be between the City, Linn County and Samaritan Health. The agreement has to do with the purchase of about 2 ½ acres of land for purposes of realigning this roadway. Attorney Reid noted the MOU sets out the duties of the three parties. He said: "I am presenting this MOU so you may determine whether you wish to proceed with your participation, and, if so, I will need you to make a motion to participate in the MOU for realigning Morning Star Road and jurisdictional transfer."

Councilor Don Miller made a motion to move forward with this jurisdiction transfer and realigning of Morning Star Road and acceptance of the MOU with Councilor Scott Cowen seconding that motion. Councilor Miller added he thought this action was in the City's best interest – "a really-really good decision." Attorney Reid responded to a public comment by stating the MOU was, in part, a cost sharing between the three parties for purchase of land to realign this roadway.

After discussion the Council unanimously approved the MOU in accordance with the motion.

Mayor Lepin advised that Lt. Duncan had texted him advising that ORS 609.095 is the animal public nuisance statute that addresses the criteria for that determination. She said that a nuisance dog may be determined to be a potentially dangerous dog but that assessment is to be distinguished from a dangerous dog, which is defined in ORS 609.098. He added a dog needs to inflict serious injury or death to a person and not another animal in order to be designed as a dangerous dog.

### **SDC Future Project List**

Barbara Castillo advised that she had assembled an SDC project list for Council's review and noting the various items presently on the list. Councilor Scott McPhee asked that the development of a new park or sports field be expanded to include intermural fields, baseball fields [baseball/softball complex] and a

covered basketball area, lit ball fields, and additional lighting at Millersburg Park in those areas without lighting. He also expressed advocacy for the placement of small ½ acre parks to serve neighborhood needs. Barbara also noted that there were several street capital improvement items on the list. She suggested that City's participation to the realignment of Morning Star road be added to the list. The Mayor requested that \$30,000 in revenue be added to the list for purchase of solar traffic speed signs. After discussion there was consensus to remove the Knox Butte Avenue Reconstruction and widening proposal from the project list. There was also consensus to add sidewalk improvements on Old Salem Road to the list. Gary Keehn requested that the security cameras for Millersburg Park be added to the list.

Councilor Scott Cowan made a motion to modify the SDC lists to reflect the various requests and seconded by Councilor Scott McPhee; the motion was approve unanimously.

### **Generator Project Design**

Janelle Booth advised that the City Hall generator had been advertised for bid with the bid opening date set for April 11<sup>th</sup> and just prior to the next Council meeting. She noted that she did not expect the Council to make an award on that date.

### **Two budget committee vacancies**

Barbara Castillo advised that Craig Ziegenhagel had resigned from the budget committee and Jim Harry had moved and thus there were two vacancies on the budget committee to fill at this time.

### **Designating Barbara Castillo the City's Budget officer for upcoming budget cycle**

Steve Hasson noted that Barbara is the most learned person with respect to the budgeting process and she has agreed to assume this role. Councilor Scott Cowan made a motion to have Barbara serve in this capacity and seconded Councilor by Don Miller with Council members unanimously concurring.

### **Resolution 2017-4 Authorizing the Millersburg City Manager authority to expend public funds**

Steve Hasson noted that he was placing forth this financial curtailment action as a control measure. He referenced the auditor's earlier comments that with a smaller staff an agency is susceptible to fraudulent activity unless it has good financial controls in place to minimize wrong doing and this was another measure to assure protection of public financial assets.

Councilor Scott Cowan moved for approval of this action and seconded by Councilor Don Miller followed by unanimous Council endorsement.

### **A proposed scope and fee for a Storm water Master Plan**

Janelle Booth, the City's Engineer, handed out a draft storm water master plan for Council's review. She noted this document has been developed at the Council's request. She advised that the document still need some tweaking before it is considered in final form. Janelle said this evening's aim was to provide Council with a general awareness of what it takes to develop this type of a plan.

She said the total costs to provide this product were in the range of \$180,000 to \$190,000. She noted that the storm water plan was very customizable to the City's needs and would take 12 to 18 months to construct. Mayor Lepin asked Councilors to review this document with the understanding it would likely be on next month's Council calendar as an action item. Steve noted that given the length of time to construct the plan it could be financed over a two year period. Council members were amenable to moving forward with the plan.

### **A proposed scope for a Water Master Plan**

Janelle Booth, the City's Engineer, handed out the water master plan for Council's review. She noted that this was an update of the plan the City had constructed in 1999. She said from a regulatory standpoint there is a need to update this plan. Janelle said the cost estimate to develop the plan was \$37,500 and it would take about 4 months to assemble. She said this was a fairly simple plan to construct and would be developed in the local CH2MHill office. Councilor Don Miller inquired whether this is something we have to do for the State and Janelle replied that is correct. Mayor Lepin observed that the costs of all these plans furthered his argument – the City needs to develop an adequate fee schedule for costs recovery.

Councilor Scott Cowan made a motion that the City move forward with the development of a water master plan and Seconded by Councilor Don Miller; Council unanimously approved this action.

**Resolution 2017-5: A resolution for waving employment requirement on standard tax exemption investments made over 1 to 3 years costing \$25 million or more in an Oregon Enterprise Zone - relating to granting an enterprise zone exemption to Freres Lumber Company Incorporated**

**Resolution 2017-6: A resolution and exhibits "A"&"B" for waving employment requirement on standard tax exemption, based on rise in productivity and dedicated contributions to workforce training, in an Oregon Enterprise Zone - relating to granting an enterprise zone exemption to Freres Lumber Company incorporated**

John Pascone, Director of Millersburg Economic Development Corporation, advised the Council the enterprise zone concept affords three or more years of property tax relief in exchange for business investment. He noted when a large corporation invests in your community - creating a certain amount of productivity and job growth they are eligible for enterprise zone benefits. John was uncertain what level of investment Freres Lumber Company would produce so he has constructed two resolutions for Councilor's consideration and noting each resolution provides a different incentive package based upon the level of investment and job growth the business provides. John was pretty Gung-ho about this business noting they are making a new kind of plywood product that has great market place potential.

Considerable discussion followed about the nature of an enterprise zone and the City's participation in that concept. John noted the enterprise zone expires in 2018 and there needs to be discussions about its renewal and alignment with other jurisdictions.

Councilor Don Miller made a motion to approve Resolution 2017-5 and seconded by Councilor Scott McPhee and unanimously approved by Council.

Councilor Scott McPhee made a motion to approve Resolution 2017-6 and seconded by Councilor Dave Harms and unanimously approved by Council.

#### **Resolution 2017-7 City's response to Audit Findings**

Mayor Lepin advised that Barbara Castillo had gone through each of the audit findings and crafted a response. Councilor Scott McPhee made a motion to approve Resolution 2017-7 and seconded by Councilor Scott Cowan and unanimously approved by Council.

#### **Resolution 2017-8: A resolution adopting Millersburg Oregon City Council Rules of Procedure**

Steve Hasson advised he had constructed this document for Council's consideration noting the City had a new form of government and as it looks forward to how it conducts business - it is important to have rules of procedure. He noted these rules of procedure are essentially a variation of Robert's Rules of Order that many communities rely upon for procedural protocol. He noted there is also a need for the City to have rules of procedure for how staff conducts its business and so he intends to follow suit with construction of a new personnel manual that will outline that process. Steve noted that he had relied upon this rules of procedure in other jurisdictions and he has found that reducing the Council's methods of doing business to writing helped minimize conflict as they interact. He noted it was a work in progress so the rules could be modified as the need for that action arose. Mayor Lepin advised that the aim was to pass these rules of procedure this evening, but if that was not possible, we would attempt to do so at the next Council meeting.

The Council expressed concerns about several parts of the document and discussed this matter at length. Several of its components were compared to the City's Charter to assure agreement.

Finally, the Council agreed to the document's form with some minor text changes and deletions - with a promise that the modified rules of procedure would be made available at the next Council meeting and thereafter placed on the City's website and at the City Hall counter for public review. With the agreed upon modifications, Councilor Scott Cowan made a motion to approve Resolution 2017-8 and seconded by Councilor Don Miller and unanimously approved by Council.

#### **Ordinance Number 125 An ordinance adopting a process for the leasing of City owned Agricultural Land.**

Forrest Reid, the City's attorney, advised that a few years ago the City Council had determined to lease out some of its undeveloped property holdings for farming purposes. This action was done through an ordinance procedure. Forrest advised that he is presenting Council with a new ordinance that updates the existing document thereby providing a process for Council to follow when bidding out City land for agricultural purposes. He noted that the City owns 5 parcels of land that range in size from 20 to 63 acres, with a total property holding of 230 acres. Forrest said that all this land is presently leased to Paul Kuehne with the current leases coming up for bid renewal in June with the expectation of awarding one

year leases. He said, if the City Council is satisfied with how the land is managed - then you have the discretion to extend leases for two, one year timeframes [a total of three years] prior to going back out for bid.

Councilor Scott McPhee said earlier in the meeting the Council had discussed the need to look at City lands for park and recreation purposes. He said if we allocate all five City parcels for agriculturally related purposes, how can look at the same land for satisfying future park related demands. Forrest responded that the leases on any of the 5 parcels will be renewed annually. Accordingly, any parcel can be reauthorized for other needs on an annual basis and/or we could buy out an agreement we made with a farmer for use of the land at any time. Councilor Don Miller made a motion to approve Ordinance 125 and seconded by Councilor Dave Harms and unanimously approved by Council.

### **Closing Public Comments**

Bob Burns a member of Jefferson City Council inquired about Love's Truck Stop and the types of conditions that ODOT placed on that business concern with respect to the Interstate on and off ramps. Steve provided an overview of the conditioning process and the current status of that trucking development.

### **Closing Council Comments**

Councilor Don Miller enquired about the nature of change orders - when they were sought and the basis for accepting one. Janelle Booth provided Councilor Miller with an overview of what types of criteria served as the basis for change modification. She said, Councilors are not involved in that determination because change orders are of an engineering nature but Council was involved in the payment process.

Councilor Scott Cowan wished to revisit the invoices under rules of parliamentary procedure and noting the invoices had been approved unanimously earlier under the consent agenda and now he was having second thoughts about the ESCI fire study analysis payment. He said he would like to forestall payment until all the information he is requesting is received. After discussion it was determined that Councilor Cowan had the ability to make a motion to have the invoices reconsidered for this purpose. Accordingly, he made a motion that the City refrain from making payment to ESCI for their work associated with phases 1 and 3 until such times as they provide him that information and seconded by Councilor Don Miller and unanimously approved by Council. Councilor Cowan also advised he would not be in attendance at the next meeting due to work related activity.

Steve Hasson said there was one final matter to discuss that being: the status of the Millersburg Park playground ponding issue. Janelle Booth brought the Council up to speed on a possible drainage resolution noting the playground area has been surveyed and it appears a pipe could be inserted in the playground to redirect its waters to a ditch in Alexander Street where it could be dispersed in a storm drain.

**Adjournment:** Council adjourned at approximately 9:30 P.M.