

City of Lafayette
City Council Meeting Minutes
Special Session
May 28, 2009
6:30 PM

1. **CALL TO ORDER:** Mayor Chris Heisler called the meeting to order at City Hall at 6:30 p.m.
2. **FLAG SALUTE:** Flag Salute was led by Mayor Chris Heisler.
3. **ROLL CALL:** Diane Rinks, City Administrator, called the roll.
Present: Mayor Chris Heisler, Chris Pagella, Leah Harper, Nicholas Harris, Dean Rhodes, and Michael Roberts.
Absent: Bob Cullen.
City Staff Present: Diane Rinks - City Administrator.
Others Present: Don Leard, Mary Heisler, Al LeMay, Janet LeMaster, Patricia Rhodes, Paul Knobel, Chris Harper, and approximately 2 others.

4. PUBLIC HEARING RE: CHARTER AMENDMENTS:

Mayor Chris Heisler said that the purpose of this meeting is to hold a public hearing regarding a possible amendment to the current charter. He said that the Council will be considering replacing the current expenditure limitation with a debt limitation, and wants to solicit public comment regarding this issue.

Diane Rinks said that she has prepared a staff report on this issue, and suggested that the Council first determine if they want to change the charter from an expenditure limitation to a debt limitation, or have no limitation.

The charter currently states: "The City may not disburse, or obligate for expenditure funds in excess of One Million Dollars (\$1,000,000) on a capital improvement project unless such disbursement or obligation has been first approved by the voters of the City. 'Capital Improvement' shall mean improvement of a facility used for: water supply, treatment and distribution; sewage and wastewater collection, transmission, treatment and disposal; drainage and flood control; transportation; and, parks and recreation."

The way the current charter is written could prevent the City from pursuing grant money to pay for capital improvement projects because the City's ability to spend the money would be contingent on a vote of the people. Or, if the City had saved money for years to pay for a project, the City couldn't pay for a project unless the voters approved it. Mayor Chris Heisler said that many people don't even know that projects are being saved for, so this is a way to inform residents of what is going on.

There was some discussion about G.O. (General Obligation Bonds) versus revenue bonds.

Leah Harper said that the residents were promised a charter review committee, and since the City didn't get the stimulus money, she would like to see a committee formed.

Dean Rhodes said that the voters will get the opportunity to vote on this one change, and then a committee could still be formed to consider other changes.

Chris Pagella said that he thinks the limitation should apply, with the only exception being grant money.

Public Input

Al LeMay, 1155 N. Madison St.- said that he understands the need to remove the expenditure limit to receive grant money for things like capital improvement projects, but the City also needs to be responsible with the City money that is being spent.

Alan Manter, McMinnville- said that he went through something similar to this on a bond issue in Siletz, when they had to tie into a sewer line that was more up to date, so they tied into Salishan. He said that the community of about 35 homes passed the bond and the construction bids were an integral part of the bond issue. There was also a completion bond, with a penalty clause.

Mary Heisler, 1407 N. Madison St.- asked when the next election is and Diane Rinks said that the next general election is in November.

Nicholas Harris suggested that the Council direct staff to move ahead and come up with the proposed verbiage (for setting an expenditure limit, with an exception if it is grant money) so this charter change can still make the November ballot, and the Council can discuss it further at the next Council meeting. Diane Rinks said that the Council needs to decide whether there should be a debt limit, expenditure limit, or no limit. Discussion ensued.

Mary Heisler, 1407 N. Madison St.- said that there is a huge trust issue between the citizens of Lafayette and City Hall. She said that she applauds Mayor Heisler, and Councilors Harper and Pagella for asking for a little more time to look into this issue, to decide if it's in the best interest of the citizens.

Al LeMay, 1155 N. Madison St.- said that an expenditure limit is a good 'check' to make sure that the citizens are informed.

Chris Harper, 241 E. 16th St.- asked what some other cities that have set in their charters regarding debt/spending limits. Diane Rinks said that she could only find three examples of charters that have debt limits (included in her staff report), but could find none that included spending limits. Most cities don't have these limits in their charters, and they follow state law regarding this.

Michael Roberts said that he would like to see a debt limitation instead of an expenditure limitation. He preferred the \$1 debt limitation like the example shown from Brownsville.

The Consensus of the Council was that they don't like the current language in the charter on the expenditure limitation, but this issue needs to be researched and discussed further at the June 11, 2009 Council meeting.

- 5. ADJOURNMENT:** Nicholas Harris made a motion to adjourn. Chris Pagella seconded the motion and the motion passed unanimously. The meeting was adjourned at 8:32 p.m.

Minutes approved on this 11TH day of June, 2009.

APPROVED:

ATTESTED:

Mayor Chris Heisler

Diane Rinks, City Administrator