

**City of Lafayette**  
**City Council Meeting Minutes**  
**June 14, 2018 at 6:30 p.m.**

1. **CALL TO ORDER:** Mayor Pagella called the meeting to order at 6:30 p.m.
2. **FLAG SALUTE:** Mayor Pagella led the flag salute.
3. **ROLL CALL:** Angela Speier, Assistant City Administrator called the roll.  
*Present:* Chris Pagella, Doug Cook, Chris Harper, Stan Kosmicki, Wade Witherspoon  
*Absent:* Marie Sproul (excused) and David Sword (excused)  
*City Staff Present:* Preston Polasek, City Administrator; Angela Speier, Assistant City Administrator  
*Others:* Michael Factor, Mark Lagman, Greg Goularte, Dave Larmouth, Rate and Contract Analyst, Recology Western Oregon; Deputy Andrew McMahan, Yamhill County Sheriff's Office
4. **REPORT FROM YAMHILL COUNTY SHERIFF'S OFFICE:** Deputy McMahan is the City of Lafayette's newest contract deputy. He introduced himself to Council and noted that during the summer he will be working the day shift. He reported that he cited a male juvenile into court for a graffiti crime.
5. **APPROVAL OF MINUTES:** Councilor Cook made a motion to approve the minutes of the May 10, 2018 City Council meeting and the April 23, 2018 and April 30, 2018 Budget Committee meetings. Councilor Kosmicki seconded the motion. There was no discussion and the motion passed unanimously (4-0).
6. **ADDITIONS TO OR DELETIONS FROM AGENDA:** None.
7. **CITIZEN INPUT ON NON-AGENDA ITEMS:**  
Michael Factor, East 16<sup>th</sup> Street  
Mr. Factor said that the 40 mph sign as you are leaving Lafayette towards McMinnville on Hwy 99 is blocked by brush and asked if it could be cleared. He also mentioned that the park by his house is being maintained more frequently and is looking good.
8. **PUBLIC HEARING:**
  - a. **Possible Uses of State Revenue Sharing**  
Mayor Pagella opened the public hearing on State Revenue Sharing at 6:38 p.m. Preston Polasek noted that there was also a public hearing held during a Budget Committee meeting. It is required by the state to receive public input on the uses of state shared revenue. Currently these funds are deposited into the General Fund and are not dedicated for a particular purpose. The General Fund includes the fire department, law enforcement, administration, and building services, etc.  
  
Mark Langdon, 1038 E 16<sup>th</sup> Street  
He asked if the City has a projected budget on General Fund. Mr. Polasek said yes, and tonight is when next fiscal year's budget will be adopted. He explained the budget committee process and noted where Mr. Langdon can find the proposed budget on-line and at City Hall. He said the budget accounts for how every dollar is spent.  
  
Greg Goularte, 553 Jefferson Street  
Mr. Goularte said he would like to see the money spent on an electronic reader board to replace the current one in the City Hall parking. Mayor Pagella noted that the Budget Committee has

discussed purchasing an electronic reader board in the past, but it has not received approval from Council. Mayor Pagella closed the public hearing at 6:45 p.m.

**b. Adoption of Fiscal Year 2018-19 City Budget, Making Appropriations, and Imposing Property Taxes**

Mayor Pagella opened the public hearing on the adoption of the fiscal year 2018-19 city budget, making appropriations, and imposing property taxes at 6:45 p.m. Mr. Polasek noted that a public hearing on this topic also occurred in April during the Budget Committee meeting. Included in the budget is a \$2 million Capital Improvement Program. The total appropriation for FY 2019 is \$9.75 million. Each fund of the City is listed in Resolution 2018-14 which will be voted on later in the meeting. The budget was unanimously approved by the Budget Committee. There were no public comments received and Mayor Pagella closed the public hearing at 6:48 p.m.

Staff noted that Council could choose to add an electronic reader board into the budget tonight, or money would also be available during the year in the General Fund. Staff will provide Council with estimates and a budget augmentation regarding the cost of an electronic reader board and present that information at the July or August meeting. The current sign is hooked into the City's back-up power supply.

**9. ACTION ITEMS:**

**a. Ordinance no. 635, Amending the Land Development and Zoning Code to Allow Accessory Dwelling Unit (ADU) and House of Worship Residential Uses**

A public hearing on Ordinance no. 635 was held during the May 10<sup>th</sup> Council meeting. After Council discussion they directed staff to make the following changes: 1) set the maximum size for an ADU to 800 square feet or 40% of the primary dwelling's gross floor area, whichever is smaller; and 2) require three design elements from the list provided. These changes have been made in the Ordinance located in the packet. Cities are required under state law to allow ADU's by July 1, 2018 in all residential zones. Since Ordinances become effective 30-days after passage, an emergency declaration needs to be declared.

Mayor Pagella read the title of Ordinance 635. Councilor Harper moved to adopt Ordinance no. 635, amending the Land Development and Zoning Code to allow accessory dwelling unit and house of worship residential uses and declaring an emergency. Councilor Cook seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

**b. Resolution 2018-08, Approving Waste Disposal Rates Effective July 1, 2018**

Mr. Polasek explained that the waste disposal franchise is an exclusive franchise with Recology Western Oregon. The franchise allows annual rate increases based on operation standards such as CPI. This year Recology is looking at a 3.5 percent increase to most of their services. Staff introduced Dave Larmouth, Rate and Contract Analyst from Recology Western Oregon. Mr. Larmouth explained the challenges they have had with the China recycling market and why the rates need to be increased by 3.5 percent, in order to be back in-line with their operating ratio. He also explained their proposal to eliminate user provided cans. Mark Langdon asked about the frequency of rate increases and if it is too early to know about the China market. Mr. Larmouth explained that rates get adjusted at the same time of the year on an annual basis.

Councilor Harper made a motion to approve Resolution 2018-08, approving Recology Western Oregon rates effective July 1, 2018. Councilor Kosmicki seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

**c. Resolution 2018-09, Bond Reimbursement for Expenses**

Resolution 2018-09 will allow the City to be reimbursed for any expenditure made in relation to the November 2018 bond measure to build a new Lafayette Fire Station, prior to the sale of the bond. If the bond fails in November then there would be no reimbursement. This will fund costs such as consultant fees, bond counsel, financial advisor, and architectural expenses.

Councilor Harper made a motion to approve Resolution 2018-09, declaring official intent to reimburse the City from bond proceeds for expenditures relating to the November 2018 ballot measure to construct and equip a fire station. Councilor Cook seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

**d. Agreement with Orrick Financial Advisory Services**

Staff explained that this contract is with the same firm that the City worked with in 2017 and will need to be re-engaged for the November 2018 bond measure. The cost is the same as last year. Councilor Harper made a motion to approve a personal services agreement with Orrick Financial for Bond Counsel in an amount not to exceed \$24,000 and authorized the City Administrator to execute the agreement. Councilor Cook seconded the motion. There was no further discussion and motion passed unanimously (4-0).

**e. Agreement with PFM for Financial Advisor Services**

The City worked with PFM in 2017 and this is a new agreement for the November 2018 bond measure. PFM provides the temporary tax rate for the bond and the number of years it will be assessed. The cost of the contract is the same as last year, if the bond does not pass the cost for the service would not exceed \$2,500. Councilor Harper made a motion to approve a personal services agreement with PFM for Financial Advisor Services in an amount of \$30,000 in FY 2019 and authorized the City Administrator to execute the agreement. Councilor Cook seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

**f. Traffic Control Change at 12<sup>th</sup>/Monroe Streets to a 4-way Stop**

Mr. Polasek said that he received a request from a citizen asking to make the intersection at 12<sup>th</sup> and Monroe Street a 4-way stop. Gordon Munro, City Engineer evaluated the request and provided a technical memorandum located in the Council packet. Mr. Munro provided several safety reasons why this change is recommended. If needed, staff can stripe the curb in order to prevent cars from parking too close to the intersection once the stop sign is installed. Discussion ensued about other intersections around town where overgrown vegetation causes line-of-sight issues. Staff noted that these nuisance issues are regulated through the Lafayette Municipal Code. The Council and audience members discussed methods and tools to assist with slowing down traffic in neighborhoods.

Councilor Harper moved to approve a 4-way stop at the intersection of 12<sup>th</sup> and Monroe Streets. Councilor Cook seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

**g. Resolution 2018-15, Certification of May 15, 2018 Primary Election Results**

On May 15<sup>th</sup> Lafayette residents approved the construction of a water intertie with McMinnville Water & Light. It is customary for the Council to accept the certified election results after an election that pertains to Lafayette.

Councilor Harper made a motion to approve Resolution 2018-15, accepting the certified election of Ballot Measure 36-195 from the May 15, 2018 Primary Election. Councilor Kosmicki seconded the motion. There was no discussion and the motion passed unanimously (4-0).

**h. Budget Legislation for FY 2019:**

**1. Resolution 2018-10, Certify Eligibility to Receive State Shared Revenues**

Councilor Kosmicki moved to approve Resolution 2018-10, certifying eligibility to receive state shared revenues for fiscal year 2018-19. Councilor Cook seconded the motion. There was no discussion and the motion passed unanimously (4-0).

**2. Resolution 2018-11, Elect to Receive State Revenue Sharing**

Councilor Kosmicki made a motion to approve Resolution 2018-11, electing to receive State Revenue Sharing for fiscal year 2018-19. Councilor Cook seconded the motion. There was no discussion and the motion passed unanimously (4-0). Mayor Pagella requested that during the FY 2020 Budget Committee meetings that there is discussion related to dedicating state shared revenues for specific projects.

**3. Resolution 2018-12, Water Rate Increase**

Mr. Polasek explained that annual water rate increases are needed in order to fund the capital improvement projects in the Water Master Plan. This is a four percent increase on water rates only; the overall impact of the utility bill is an increase of 2.24 percent. Staff noted that the City has approximately six water accounts that are outside the city limits. Mr. Polasek explained how new development pays for new infrastructure through system development charges. Mark Langdon commented that he thinks that a four percent increase is too high. Council explained the types of water capital projects that have been funded over the last few years.

Councilor Cook made a motion to approve Resolution 2018-12, increasing water rates 4.0% for the billing cycle beginning in June 2018. Councilor Kosmicki seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

**4. Resolution 2018-13, Worker's Compensation Coverage for Volunteers**

Council is asked to approve the City's worker compensation coverage annually. This mainly covers volunteer firefighters, but additional city volunteers could be added when needed. Councilor Cook made a motion to approve Resolution 2018-13, approving the worker's compensation coverage for volunteers for fiscal year 2018-19. Councilor Kosmicki seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

**5. Resolution 2018-14, Adoption of Fiscal Year 2018-19 City Budget, Making Appropriations, and Imposing Property Taxes**

Staff noted that the resolution breaks out all the appropriations by fund for a total budget of \$9.752 million. The Budget Committee approved the FY 2019 Recommended Budget in April; however, staff needs to make two adjustments related to abatement. The total overall increase to the FY 2019 Budget would be \$17,170.

Councilor Witherspoon made a motion to approve Resolution 2018-14, adopting the City of Lafayette Budget for fiscal year 2018-2019 in the amount of \$9,752,545, making appropriations, imposing property taxes at a permanent rate of \$3.4857 per \$1,000 assessed valuation, and including a Capital Improvement Program in the amount of \$2,020,000. Councilor Cook seconded the motion. There was no further discussion and the motion passed unanimously (4-0). Staff will send a thank you note to the citizen members of the budget committee for their efforts in reviewing the budget and noted that there is a vacancy on that committee, as well as on Planning Commission. Mr. Polasek thanked all the city staff for their involvement and helping plan the FY 2019 budget.

**10. DEPARTMENT REPORTS:**

- a. **Administration:** Mr. Polasek directed Council to the letter addressed to Shannon Thorson located that the council stations. Ms. Thorson applied for a facade improvement grant for the Old Ferryman Building, which the Downtown Design and Review Committee awarded \$7,000 with conditions. There is a follow-up meeting scheduled in late July. This is the first facade grant that the City has awarded. The owner has also applied for grant funds through the State Historic Preservation Office to help with facade improvements and bring back the original character of the building.

This week the City received an updated contract for planning services through the Mid Valley Council of Government (COG) beginning July 1, 2018. Staff distributed a copy of the proposed contract to Council. The hourly rate for Jim Jacks, City Planner and secretarial services are increasing by \$2.00 per hour. Councilor Harper made a motion to approve the COG contract as written and authorized the City Administrator to execute the agreement for FY 2019. Councilor Kosmicki seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

The Yamhill Regional Water Authority (YRWA) held a meeting on Tuesday and staff noted that Newberg is interested in joining the YRWA. This would mean acquiring additional senior water rights for the Willamette River. The Water Resources Committee held their meeting last night. The Lafayette and Dayton staff will be meeting next week to go over water quality and other protocols. Staff reminded Council that the registration for the League of Oregon Cities Conference opens July 2, 2018. The pre-construction meeting for the Bridge Street sidewalks occurred and the contractor and staff discussed the project with an impacted property owner. The fence at Veterans Park will be installed in the coming weeks after repairs are made to the fence at Joel Perkins Park. Oregon Department of Transportation will present their pedestrian plan on Highway 99W to Council in September. Staff will add the vacant lot on 16<sup>th</sup> Street to the list of tall grass violators.

**11. COMMITTEE REPORTS:** None.

**12. COUNCILOR'S REPORTS:** None.

**13. MAYOR'S REPORT:** None.

**14. ADJOURNMENT:** Councilor Cook made a motion to adjourn the meeting. Councilor Harper seconded the motion. The motion passed unanimously (4-0) and the meeting adjourned at 8:55 p.m.

**Minutes approved on 12<sup>th</sup> day of July, 2018.**

CERTIFIED:

  
Chris Pagella, Mayor

ATTESTED:

  
Angela Speier, Assistant City Administrator