

City of Lafayette
City Council Meeting Minutes
June 8, 2017 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, Chris Harper, Stan Kosmicki, Doug Cook, Marie Sproul
Absent: two vacancies
City Staff Present: Preston Polasek, City Administrator; Angela Speier, Assistant City Administrator; Gordon Munro, City Engineer
Others: Shirley Burkett, David Sword, Paul Knobel
4. **REPORT FROM YAMHILL COUNTY SHERIFF'S OFFICE:** None.
5. **APPROVAL OF MINUTES:** Councilor Harper made a motion to approve the minutes of the Lafayette City Council dated May 11, 2017. Councilor Kosmicki seconded the motion. There was no discussion and the motion passed unanimously (4-0).

Councilor Cook made a motion to approve the minutes of the Lafayette Budget Committee dated April 25, 2017 and May 1, 2017. Councilor Sproul 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:** None.
8. **ACTION ITEMS:**
 - a. **Declare a Council Vacancy**

Mayor Pagella informed members that Larry Pritchett resigned from City Council. Councilor Cook moved to declare a vacancy on the Lafayette City Council for a term ending December 31, 2018. Councilor Harper seconded the motion. There was no further discussion and the motion passed unanimously (4-0). Staff distributed copies of the five volunteer applications that are currently on file from residents who are interested in volunteering to serve on City Council. Council should plan on making at least one appointment at the July 13th meeting.
 - b. **Contract for Bridge Street Sidewalk and Storm Drainage**

Preston Polasek reminded Council about the project and noted that the City received two bids that came in much higher than the engineer's estimate of approximately \$240,000. Staff is recommending that Council reject all the bids and repackage the project to be re-bid in January 2018. Councilor Harper made a motion to reject all bids at this time and consider rebidding the Bridge Street Sidewalk and Storm Drainage project in 2018. Councilor Kosmicki seconded the motion. Staff noted that this project will remain on the CIP for next year and could be included with another project to make it more attractive to contractors. There was no further discussion and the motion passed unanimously (4-0).

c. Contract for Sludge Disposal with Fire Mountain Farms, Inc.

This project will take multiple years to complete. There was one bid received, but it came in higher than the engineer's estimate of \$700,000. There are several reasons for that, including limited truck access and a 36,000-gallon per day limit at the Salem disposal site. Bigger trucks cannot make it into the disposal site which means they will have to take more trips, adding to the transportation costs. Currently the City is at capacity at the lagoons, so staff is recommending that Council approve a portion of the project in the amount of \$382,700 which will provide an estimated four years of lagoon capacity.

Fire Mountain is trying to find a beneficial use with a local farm for the disposal, but there is no guarantee that is going to happen. Farm application will be a cheaper alternative, so staff will spend the next month to see if there is an opportunity for beneficial use prior to signing the contract with Fire Mountain. Council discussed the possibility of the City hauling the sludge more frequently vs. doing it all at once, as well as discussing this project with the Budget Committee next year. Gordon Munro, City Engineer explained the process of removing the sludge and that sludge needs to receive a high level of treatment for beneficial use.

Councilor Sproul made a motion to award the contract for sludge removal to Fire Mountain, Inc. in the amount of \$382,700 and authorized the City Administrator to execute the contract. Councilor Cook seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

d. Resolution 2017-06, Waiver of Abatement Lien in Exchange for Development

This item was discussed at the May 11th City Council meeting and Council directed staff to move ahead with waiving the abatement lien on 434 Bridge Street and 422 4th Street for a new purchaser. The purchaser would be required to meet the development conditions listed on page two of the resolution. Resolution 2017-06 would only apply to a new purchaser, not the current owner or a family member. Councilor Harper recommended adding a time limit to the resolution in order to encourage the current owner to move forward with a potential sale.

Councilor Harper made a motion to approve Resolution 2017-06, a waiver of abatement liens on 434 Bridge Street and 422 4th Street in exchange for development conditions, with the addition of a two-year time limit. Councilor Cook seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

e. Resolution 2017-07, Budget Transfers for Parks Department and Water Fund

Mr. Polasek explained that this a financial housekeeping item to ensure that the City isn't going to go over the budgeted amount in a couple categories. The first is in the Parks Department and the second is in the Water Fund. Councilor Harper made a motion to approve Resolution 2017-07, transferring appropriations in the Water Fund and General Fund – Parks Department for the current fiscal year. Councilor Kosmicki seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

f. Resolution 2017-08, Approving Waste Disposal Rates Effective July 1, 2017

Recology Western Oregon has an exclusive franchise with the City. Included in this franchise is a built in rate structure that allows Recology to increase their rates on an annual basis based on a specific consumer price index (CPI). Council indicated that they would like to receive a proposal from Recology on adding yard debris to the basic monthly service. Recology is asking for a 2.3 percent increase to their existing rates, and there is a little rate difference in some services such as medical waste.

Councilor Cook made a motion to approve Resolution 2017-08, approving Recology Western Oregon rates effective July 1, 2017. Councilor Sproul seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

9. PUBLIC HEARINGS:

a. Possible Uses of State Revenue Sharing

Mayor Pagella opened the public hearing on the possible uses of state revenue sharing at 7:21 p.m. The Budget Committee held a similar hearing at their May 1, 2017 meeting and received one comment from a committee member who would like to see this money be used for a sidewalk on Market Street starting on 3rd Street and extending to Joel Perkins Park. Staff would look to design the project next fiscal year for construction in 2019. This project will likely require half street improvements.

Paul Knoble, 14206 Ballston Road

Mr. Knoble would like to see the City pave 3rd Street, because it is most visible street, or at least work with ODOT to fill the potholes prior to their major paving project in 2020.

Mayor Pagella closed the public hearing at 7:27 p.m. Councilor Harper suggested further discussion prior to beginning the design of a sidewalk on Market Street.

b. Adoption of Fiscal Year 2017-18 City Budget, Making Appropriations, and Imposing Property Taxes

Mayor Pagella opened the public hearing on the adoption of fiscal year 2017-18 City Budget, making appropriations, and imposing property taxes at 7:29 p.m. There was no public comment and Mayor Pagella closed the public hearing at 7:30 p.m.

10. ACTION ITEMS:

a. Resolution 2017-09, Certify Eligibility to Receive State Shared Revenues

Councilor Harper made a motion to approve Resolution 2017-09, certifying eligibility to receive state shared revenues for fiscal year 2017-2018. Councilor Sproul seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

b. Resolution 2017-10, Elect to Receive State Revenue Sharing

Councilor Sproul made a motion to approve Resolution 2017-10, electing to receive state revenue sharing for fiscal year 2017-2018. Councilor Kosmicki seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

c. Resolution 2017-11, Water Rate Increase

The four percent water rate increase was discussed at the Budget Committee with the 15-year Financial Plan for the Water Fund, and the Water Master Plan. This plan lays out how the City can fund the next 15-years of capital water projects entirely through the rate structure. Customers will see a 2.24 percent increase in their overall utility bill.

Councilor Cook made a motion to approve Resolution 2017-11, increasing water rates 4.0 percent for the billing cycle beginning in June 2017. Councilor Kosmicki seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

d. Resolution 2017-12, Worker's Compensation Coverage for Volunteers

This coverage applies mainly for the fire volunteers, but others could be added to the coverage where warranted. Councilor Harper made a motion to approve Resolution 2017-12, approving

the worker's compensation coverage for volunteers for fiscal year 2017-18. Councilor Kosmicki seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

e. Resolution 2017-13, Adoption of Fiscal Year 2017-18 City Budget, Making Appropriations, and Imposing Property Taxes

The fund numbers listed in Resolution 2017-13 are the same numbers that were approved by the Budget Committee. The budget includes \$500,000 for the Fire Station/City Hall which will be used for final engineering and design services. This will be reimbursed by the bond proceeds if approved in November.

Councilor Sproul made a motion to approve Resolution 2017-13, adopting the City of Lafayette Budget for fiscal year 2017-18 in the amount of \$9,669,072, making appropriations, imposing property taxes at the permanent rate of \$3.4857 per \$1,000 assessed valuation, and including a Capital Improvement Program in the amount of \$1,856,000. Councilor Cook seconded the motion. There was no further discussion and the motion passed unanimously (4-0).

11. DEPARTMENT REPORTS:

- a. Water Consumption/Production:** Mr. Polasek said that the bi-directional value will likely be installed at the end of month. Councilor Harper pointed out the production levels are really down at the Dayton wells. Staff said that could be because they are getting VFD's installed in both wells, so the City had to take the wells off-line. This will help both cities manage the wells more efficiently in the long term.
- b. Fire:** Mayor Pagella reminded the Council about the Pancake Breakfast on July 4th.
- c. Administration:** Mr. Polasek updated the Council on the Fire Station/City Hall design. In order to meet the parking requirements, the City will likely need to use the Community Garden lot. This will be factored into the cost that will be presented to Council on June 22nd. Staff also asked FFA to look into the cost of re-doing the shared parking lot with Martha's Tacos. The soil borings have been analyzed and the City will have to build-up the footings, which will be an extra expense. The architects will provide additional information about this at the June 22nd meeting. The parking lot could possibly be built at a later date through the conditional use permit process. The City's Five-Year Water Management Conservation Plan has been approved by the State. Staff will send a copy of the plan to Council. The next Water Resources Committee meeting will take place on July 11th. Staff took RSVPs for the Small Cities Meeting in Carlton next week. Mr. Polasek noted that the UGB decision was upheld by the Land Conservation Development Commission. The City is still waiting for the notice of final decision, once that is issued there is a 21-day appeal period. The Annual League of Oregon Cities Conference will be held in Portland on September 28-30, if anyone is interested in attending, please let Ms. Speier know by the end of June.

12. COMMITTEE REPORTS: None.

13. COUNCILOR'S REPORTS: None.

14. MAYOR'S REPORT: None.

15. EXECUTIVE SESSION: per ORS 192.660(2)(e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions, and ORS 192.660(2)(j) to carry on negotiations under ORS chapter 293 with private persons or businesses regarding proposed

acquisition, exchange or liquidation of public investments. Mayor Pagella read the executive session script and Council entered into executive session at 8:17 p.m.

Council returned to regular session at 9:21 p.m.

- 14. ADJOURNMENT:** Councilor Cook made a motion to adjourn the meeting. Councilor Kosmicki seconded the motion. The motion passed unanimously (4-0) and the meeting adjourned at 9:22 p.m.

Minutes approved on this 13th day of July, 2017.

CERTIFIED:



Chris Pagella, Mayor

ATTESTED:



Angela Speier, Assistant City Administrator