

City of Lafayette
City Council Meeting

February 23, 2012 DATE—6:30 p.m. held at the
Lafayette City Council Chambers at 486 Third Street, Lafayette, Oregon

I. CALL TO ORDER

Mayor Heisler called the meeting to order at 6:30 p.m. on

II. FLAG SALUTE

Mayor Heisler led the flag salute.

III. ROLL CALL

City Administrator Polasek conducted the roll call of the Council:

Mayor Heisler, present; Councilor Pagella, present; Councilor Harper, present; Councilor Joy, present; Councilor Smith, present; Councilor Sproul, absent (excused).

City Staff Present: City Administrator Polasek, present; Asst. to the City Administrator Maben, absent.

Audience Attendance: David Ulbricht, Douglas Goe, Mary Heisler, Duke Holderby.

IV. REPORT FROM YAMHILL COUNTY SHERIFF'S OFFICE

Captain Tim Svenson advised that there have been a lot of changes in their office including his promotion to Captain. He explained that Deputy Donahoo, generally patrols Lafayette will be working more in the jail and a different Deputy will be working in Lafayette. Mayor Heisler asked about a graffiti issue. Deputy Svenson advised that much of the graffiti seen is done by locals and not that they are trying to fit into a particular gang, but instead they are just doing something they shouldn't be. He advised that the McMinnville Chamber does something called a Leadership Tour and that during a portion of this tour they stop by the Sheriff's Office and they do a criminal justice type of tour. He felt that it would be great for some of the contract cities and have City Councilors and Budget Committee members go through this type of tour as well. He advised it would be in May or June and he would keep City Administrator Polasek informed.

PRESENTATION BY CUB SCOUT PACK 284, by CHRISTOPHER TRAPP

Scout member Christopher Trapp presented the City Council with a giant Thank You card, thanking the Council for their support. He explained that for the first time they were able to have a special fund to help scouts join if they needed financial assistance. He explained that they were proud to help any boy who would not otherwise be able to participate in Scouts. He also explained that with the City's support both financially and allowing them to use the back lot to sell Christmas trees they were able to raise \$1,200.

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He advised that they were able to donate 15 trees to families in the community. He thanked the Council and advised that the pack looks forward to further serving the community. The Council commended Christopher for his wonderful presentation.

V. APPROVAL OF MINUTES FROM PREVIOUS MEETING

Councilor Harper asked about the October 13, 2011, page 7, City Administrator Polasek was going to look at the cost of installing a half height fence in Veterans Park and she wondered if he has received any information on that. Public Works Foreman Anderson advised that they are getting bids and it will be installed soon.

Councilor moved Harper to approve the minutes of the October 13, 2011 and January 12, 2012 meetings. Councilor Pagella seconded. Motion carried (4-0). (Councilor Harper, aye; Councilor Joy, aye; Councilor Pagella, aye; Councilor Smith, aye).

VI. CITIZEN INPUT ON NON-AGENDA ITEMS

None.

VII. ACTION ITEMS

RESOLUTION 2012-01 REFINANCING 2000 SEWER LOANS AND BOND SERIES 2012

Councilor Pagella asked if this was similar to what the city did last year. City Administrator Polasek advised that it is very similar, but that it is a loan from the State and not a bond. City Administrator Polasek introduced David Ulbricht (Baird & Co.) and Douglas Goe (Orrick).

Mayor Heisler wished to clarify interest rate of 5.4% and that the proposed rate would be 3.54%. There was discussion on percentage differences.

The City borrowed \$5,826,096 from the State of Oregon for sewer system improvements at an interest rate of 5.4%. Currently there is a principal and accrued interest amount owed of \$3,139,916.

The positive points of going on a 10 year term was discussed, and that the further out it is extended, the larger the debt service. There was discussion on the details of extending to a 15 year and 20 year schedule.

Councilor Harper asked about putting it out for bid on a particular day or how the process works. She also asked about amounts listed by the Infrastructure Finance Authority.

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City Administrator Polasek advised it's a lock in rate. The actual sale of the bonds will not occur until April if market conditions are favorable. It would still be paid from the Sewer Enterprise Fund; however, the City is backing these bonds with the General Fund.

There was no audience participation.

Councilor Harper moved to approve Resolution 2012-01 Refinancing Sewer Loans and Authorizing the Issuance of Bonds, Series 2012. Councilor Pagella seconded. Motion carried (4-0). (Councilor Harper, aye; Councilor Joy, aye; Councilor Pagella, aye; Councilor Smith, aye).

ENGAGEMENT OF ROBERT A. BAIRD & CO. AS UNDERWRITER FOR BOND
SERIES 2012

This item is in conjunction with Resolution 2012-01, formalizing the consultant relationship with the underwriter as stated in Resolution 2012-01.

Councilor Pagella moved to approve the underwriting engagement letter with Robert A. Baird & Co. and authorize the Mayor and City Administrator to execute the agreement. Councilor Smith seconded. Motion carried (4-0). (Councilor Harper, aye; Councilor Joy, aye; Councilor Pagella, aye; Councilor Smith, aye).

RESOLUTION 2012-02, TRANSFER OF FUNDS TO MEET EXPENSES IN THE
BUILDING INSPECTION DEPARTMENT

City Administrator Polasek advised that the City had budgeted a low amount of Building Inspection activity due to an anticipated slow economy. He explained that the City has had several building permits come through the office and that a transfer of funds must be done in order to continue paying the Building Inspection Department. The cost is offset by revenues from building permits.

Councilor Pagella moved to approve Resolution 2012-02, transferring \$21,500 from Contingency to the Building Inspection Department within the General Funds. Councilor Smith seconded. Motion carried (4-0). (Councilor Harper, aye; Councilor Joy, aye; Councilor Pagella, aye; Councilor Smith, aye).

APPOINTMENT TO BOARD AND COMMITTEES

Mayor Heisler advised that he did some telephone interviews and was very impressed with Edna Weston's background. He advised that three applicants applied to serve on the Budget Committee. Mayor Heisler explained that he likes to see people get involved, but

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also likes to see new blood step up to the plate. Mayor Heisler nominated Edna Weston to the Budget Committee.

Councilor Harper moved to appoint Edna Weston to the Budget Committee. Councilor seconded. Councilor Pagella explained that he appreciates all those that volunteer, but he too likes to see new people become involved. Councilor Pagella seconded the motion. Motion carried (4-0). (Councilor Harper, aye; Councilor Joy, aye; Councilor Pagella, aye; Councilor Smith, aye).

Mayor Heisler nominated Jean Mead to the Budget Committee. Councilor Pagella moved to appoint Jean Mead to the Budget Committee. Councilor Smith seconded. Motion carried (4-0). (Councilor Harper, aye; Councilor Joy, aye; Councilor Pagella, aye; Councilor Smith, aye).

Mayor Heisler advised he has not yet interviewed the Council applicants. He expressed concern that none of the applicants have not attended a Council meeting to view the process.

City Administrator Polasek also advised that there is a vacancy on the Water Resources Committee, he explained that there have no applicants to date.

INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF AMITY FOR CITY ENGINEER SERVICES

City Administrator Polasek explained the difference from the original contract proposal of \$67 per hour, and that the contract had \$75. He felt it was a reasonable charge. Councilor Harper advised that it has been sufficiently resolved in her opinion.

Councilor Smith moved to approve the IGA with the City of Amity for City Engineer services and authorize the Mayor to execute the agreement. Councilor Harper seconded. Motion carried (4-0). (Councilor Harper, aye; Councilor Joy, aye; Councilor Pagella, aye; Councilor Smith, aye).

AGREEMENT WITH KENNEDY/JENKS FOR CITY ENGINEER SERVICES

City Administrator Polasek explained that this agreement was modified after the last Council discussion. The changes are as follows:

On the schedule of charges, the phrase under "Personnel Compensation" has been modified for clarification. A 3% charge to all personnel charges is the method proposed to cover all in-house expenses such as typical office supplies, copies, phone and other communications, and postage. Also modified is the explanation of "Direct Expenses" to reflect the clarification made to "Personnel Compensation."

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The City Attorney has reviewed the proposed agreement and has no objections.

Councilor Harper moved to approve the agreement with Kennedy/Jenks for City Engineer services and authorize the City Administrator to execute the agreement. Councilor Pagella seconded. Motion carried (4-0). (Councilor Harper, aye; Councilor Joy, aye; Councilor Pagella, aye; Councilor Smith, aye).

TERMINATE AGREEMENT WITH WESTECH ENGINEERING

City Administrator Polasek advised that the City has approved the IGA with Amity and a contract with Kennedy/Jenks, and that the current contract with Westech Engineering should then be terminated by the Council. Westech has been placed on notice of anticipated contract termination effective March 1, 2012.

Councilor Harper moved to terminate the current agreement with Westech Engineering effect March 1, 2012. Councilor Pagella seconded. Motion carried (4-0). (Councilor Harper, aye; Councilor Joy, aye; Councilor Pagella, aye; Councilor Smith, aye).

**APPROVE SCOPE OF SERVICES FROM PEI, INC., FOR TELEMETRY
INSTALLATION**

The Telemetry Installation is one of the major projects in our Capital Improvement Program (CIP) for this fiscal year. Currently, water from our reservoir is sent to bypass at times, because we do not manually manage our drinking water supply from Dayton on a constant basis.

There was Council deliberation regarding the telemetry.

Councilor Harper moved to accept the proposal from PEI (option 1) for telemetry installation in the amount of \$19,070. Councilor Smith seconded. Motion carried (4-0). (Councilor Harper, aye; Councilor Joy, aye; Councilor Pagella, aye; Councilor Smith, aye).

APPROVE PLACEMENT OF HISTORICAL MERKER IN JOEL PERKINS PARK

At the January 12, 2012 regular meeting, the Council discussed the costs, size and placement of the marker honoring Abigail Scott Duniway. The Council expressed their preference for Joel Perkins Park. The Planning Commission has approved the location proposal. The marker has been ordered by the City and associated costs paid to the Oregon Travel Experience. The cost to the City to manufacture and install the marker is \$6,800. The proposed location is handicapped accessible, does not block view for

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parents watching children on the play equipment from the covered area or other areas of the park, and seems to be a viable spot for placement.

There was discussion of accessibility, graffiti and other areas of concern.

Councilor Smith moved to authorize the placement of the Abigail Scott Duniway historical marker in Joel Perkins Park as presented in a map attached to the agenda item. Councilor Joy seconded. Motion carried (4-0). (Councilor Harper, aye; Councilor Joy, aye; Councilor Pagella, aye; Councilor Smith, aye).

AMEND CITY ADMINISTRATOR'S EMPLOYMENT AGREEMENT

City Administrator Polasek advised that at the February 9, 2012 Council meeting, he received a very favorable annual evaluation. He explained that he is asking the Council for an amendment to his employment agreement. He further explained that if the Council has him perform labor negotiations and his agreement is already completed, there would be no conflict of interest as other city staff generally follows union benefits and compensation. Below are the items asked for by City Administrator Polasek, effective July 1, 2012.

1% merit increase; 1% cost of living increase, fully payment by the City for the health insurance premium for employee and dependents including all future increases and an increase of one month severance. He advised that the overall financial effect would be an approximate increase of 3.3% in salary and benefits for next fiscal year.

There was Council deliberation.

Councilor Smith moved to approve the City Administrator's Employment Agreement with Amendment no. 2 as presented and effective on July 1, 2012. Councilor Joy seconded. Motion carried (3-1). (Councilor Harper, nay; Councilor Joy, aye; Councilor Pagella, aye; Councilor Smith, aye).

DISCUSSION ITEMS

HIRING TEMPORARY, FULL-TIME GROUNDSKEEPER FOR 2012

City Administrator Polasek explained that last year the city hired a Groundskeeper for temporary, full-time employment for six months. He further advised that the same provision was placed in the budget for the current fiscal year and asked for Council approval to proceed with again hiring a Groundskeeper.

There was Council consensus to proceed with hiring a Groundskeeper in April, 2012.

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City Administrator Polasek advised the Council that he plans to budget the same thing for next year, including the funds to convert to a permanent position midyear. He also explained that he had budgeted for that this year, but he did not bring forward a proposal for funding a permanent position.

REQUEST TO KEEP CHICKENS IN RESIDENTIAL AREAS

City Administrator Polasek advised that the City has received a request to keep chickens inside the city limits, as well as having submitted ordinances from other Cities pertaining to keeping fowl within city limits.

Councilor Smith advised he was here when chickens were allowed inside the City limits before, explaining the problems associated with the allowance.

Administrator Polasek advised that it is currently a trend to allow limited usage. He further explained that when considering changing standards of living it is helpful to consider public benefits v.s. private benefits. He advised that when Lafayette placed the current ordinance in 2006, it was because there were a lot of complaints for allowing chickens inside the city limits.

There was Council discussion of requiring a permit to have the chickens inside the city, but requirement of certain conditions would need to be met. There was consensus to have the Planning Commission review this item and report to the Council within 60 days and to also have the City Administrator contact the Ms. Naas, whom expressed interest.

DEPARTMENT REPORTS

The Council reviewed and discussed the department reports, which included Public Works, Water, Finance and Accounts Payable, Fire Department, and City Attorney Invoices.

City Administrator Polasek advised that the lot next to City Hall is getting cleaned up and he advised the Council that they may want to start thinking about what they would like to see there, whether it is a community garden or perhaps something else.

He also advised of remodel and repairs at the Community Center, he plans to get a list of what needs done and bring to the next meeting.

He also advised that the 4th of July parade is in the planning stages, and that more people are involved this year.

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EXECUTIVE SESSION

Mayor Heisler read the script to enter into executive session, which explained the process. He explained that the Council will conduct executive session per:

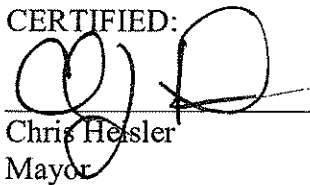
ORS.192.660(2)(d). To conduct deliberations with persons designated by the governing body to carry on labor negotiations.

ORS 192.660(2)(e) To conduct deliberations with persons designated by the governing body to negotiate real property transactions.

ADJOURNMENT


Councilor Pagella moved to adjourn the meeting. Councilor Harper seconded. Motion carried (4-0). (Councilor Harper, aye; Councilor Joy, aye; Councilor Pagella, aye; Councilor Smith, aye).

CERTIFIED:



Chris Heisler
Mayor

ATTESTED:



Melanie Maben
Asst. to the City Administrator