

City of Lafayette
City Council Meeting Minutes
September 9, 2021 at 6:30 p.m.

1. **CALL TO ORDER:** President Brungardt called the meeting to order at 6:30 p.m.
2. **FLAG SALUTE:** President Brungardt led the flag salute.
3. **ROLL CALL:** City Administrator Preston Polasek called the Roll:
Present: Christine Brungardt, James Drebin, Greg Goularte, Lee Gilgan (via Zoom), Sheila Neuman, Kayla Paulsen
Excused: Mayor Marie Sproul
City Staff Present: Preston Polasek, City Administrator; Kevin Perkins, Assistant City Administrator
Others: Larry Strober, Wendy Hackman, Andrea Fields, Deputy Andrew McMahon

4. **REPORT FROM YAMHILL COUNTY SHERIFF'S OFFICE**

Deputy McMahon presented the monthly report to the City Council and detailed each of the categories shown on the summary report. Councilor Goularte asked what the Lafayette deputies' radio numbers are. McMahon stated that he is unit 320 and Deputy Schmidt is 325. Councilor Drebin asked whether any changes have been made now that schools are in. Deputy McMahon stated that he has received some positive feedback about having Deputy Schmidt in the area during drop off and pick-up.

5. **PRESENTATION:** CERT, Wendy Hackman, Director and Andrea Fields, Secretary
Wendy Hackman discussed the activities and trainings that the local Citizen Emergency Response Team (CERT) team has attended. Lafayette's continued financial assistance has helped to fund training for an additional person, which increases CERT's response capability. She noted that while they are administered by the Sheriff's Office they do not receive funding through their normal budget process. Administrator Polasek added that CERT has helped with the drive through events the City put on last year and asked if she had been working with staff for this year. She confirmed and stated that they will wait until closer to the event to identify the volunteers who will participate. Council President Brungardt added that CERT also helps with events for the Fire Department, such as the Chief's run and pancake breakfast.

6. **APPROVAL OF MINUTES:** City Council, August 12, 2021
Councilor Gilgan noted a typo on page 4 in section 9, the second to last paragraph.

Councilor Goularte asked to have the statement "That provide a much more granular level of information" removed from item 4. After discussion consensus from Council was to delete the statement.

Councilor Paulsen moved to approve the minutes of the City Council Meeting for August 12, as amended. Councilor Neuman seconded the motion, which passed unanimously.

7. **ADDITIONS TO OR DELETIONS FROM AGENDA**

None.

8. CITIZEN INPUT ON NON-AGENDA ITEMS:

None.

9. ACTION ITEMS:

a. Resolution 2021-10, Inflationary indexing for Water, Transportation, and Parks System Development Charges

President Brungardt noted that when System Development Charges (SDC) are updated, they are indexed with the intent of meeting inflation. Administrator Polasek stated that the SDCs are the fees that a developer pays for its impact on City's systems and infrastructure. The fees are calculated depending on the type and use of a building and are charged when a building permit is issued. The SDCs do not include utility connection fees. The increases proposed are based on the Engineering News Record's Cost of Construction Index (CCI). The proposed increases are the maximum that can be set, Council may set them at a lower rate but they cannot set them higher. Councilor Drebin asked why the Sewer SDC is not being increased and when it could be addressed. Administrator Polasek stated that a new Sewer Master Plan and Sewer SDC Methodology would have to be created before it could be addressed. Councilor Drebin stated that he would have liked to have seen more precise information about the financial impact. Administrator Polasek discussed how the City budgeted for SDCs for the fiscal year. He added that SDCs are intended to fund construction costs for new infrastructure or upgrades to existing systems that have to be done before a development project is started. Councilor Drebin asked where the City's fee amounts fall in comparison to similar cities. Councilors noted that several cities in the County are higher than Lafayette. Councilor Gilgan stated that these costs are applied to construction companies and secure additional funding for necessary infrastructure as the City grows. Councilor Drebin noted that the current inflation rate, not the CCI, is about 5.2%, and he thinks that an increase of three times that may be excessive. The costs will be passed on to consumers and the new projects are already not affordable. Councilor Paulsen stated that she agrees with Councilor Gilgan, adding that these new residents will be using City infrastructure so there needs to be a way to pay for those increases rather than passing on the costs to all residents through a rate increase. President Brungardt agreed and stated that one of the only other ways to pay for improvements is utility rate increases. Other nearby cities have had their rates skyrocket when new infrastructure was needed. Councilor Gilgan added that these costs are coming from people largely currently outside of the City, so that is new money coming into the City rather than using money from existing residents. Councilor Drebin asked how the utility fees and SDC funds are related. Administrator Polasek stated that the SDC funds are largely used for building infrastructure and not as much for maintenance and repair, although it can be used for repair work in some instances. Utility fees are generally used to pay for current operations. The stronger the SDC fund is the less that comes out of operational revenue for capital expenses. There are also instances where outside funding could cover a project, such as a Community Development Block Grant potentially funding for a new reservoir, where neither SDCs nor utility revenues are enough to pay for an improvement. Councilor Drebin asked whether the increase to parks SDC is expected to be about 10% year over year. Administrator Polasek stated that he hopes not, but the current construction costs and the need for the increase is reflected in the higher bids that have come in.

Councilor Paulsen moved to approve Resolution 2021-10, Inflationary Indexing for Water, Transportation, and Parks SDCs effective October 1, 2021. Councilor Neuman seconded the motion, which passed 4-1 (Drebin opposed).

b. Financial Support for Creation of Non-profits

President Brungardt stated that Council has talked about creating community groups, such as creating a Lafayette Community Activities Team (LCAT) as a 501(c)(3) and a Downtown Business Association (DTBA), in previous meetings. Councilor Neuman was concerned that both organizations were combined into a single item and would like them to be addressed separately. Councilor Paulsen asked whether the requested \$10,000 was for each group or to cover both. Administrator Polasek stated that it is intended to cover both organizations. He has been speaking with a law firm in McMinnville that has a lot of experience setting up non-profits who suggested treating the two as a single body of work. Putting the two together allows them to combine some efforts and to complement the funding when necessary. Splitting the two up is possible; that LCAT was not budgeted in the work plan for the current year so it requires Council approval. Larry Strober discussed phase one of the DTBA project that was completed early last year, that surveyed business owners about creating such a group. After COVID hit the interested group members changed through departures and one owner passing away. Lafayette is the only city in the area that does not have a business or downtown association to promote the city and support businesses. He proposes working for six months to create a downtown business group, assemble a set of directors and get going forward to bring Lafayette up to date in its business group practices. Councilor Drebin asked how the Urban Renewal District will affect this effort. Strober replied that in the long term it will benefit an association; in the short term it will have no effect. He discussed the need to have a presence in the various industries in the area such as the wine and real estate. Once these industries know that Lafayette is open to their needs there may be more investment coming into the City. Councilor Drebin asked how many people he can count on already. Strober stated that the owners of the Carneceria, Lafayette Auto Body, the Roadhouse Pub, the Hamblin Eatery and Martha's Tacos have all expressed strong interest in participating. Administrator Polasek stated that if COVID had not hit this group would already be off the ground and running. Strober stated that he is very interested in seeing this succeed and has discounted his usual consulting rate since he is a Lafayette resident and really wants the group to succeed. Councilor Drebin stated that he supports LCAT and the Downtown Business Association; however, he believes that LCAT can succeed on its own but does not see similar support from the business owners for a business association. He does not see any information or indication that it will survive after Strober is not in the picture. Councilor Gilgan stated that he is supportive of the DTBA, but professionally he will not work to set up 501(c)(3) because the process are very complex and difficult. The City already has some very good activities, but there is no organization to support the businesses. President Brungardt stated that she has heard citizens almost literally begging for a vibrant downtown and healthy association.

Councilor Neuman stated that she agrees there are great activities, but the burden for planning and managing the activities fall entirely on the City staff. There has been interest in the community to help plan those events and take that burden off City staff, which would allow them to focus more on their regular work. There is also an interest in diversifying activities to appeal to seniors and other community members. Councilor Gilgan noted that the garage sale is put on by residents and the 4th of July celebration involves more than just the City staff; and even if there is a community group City staff will be involved in some way. In his opinion, the DBA has a much greater chance of positively impacting the City. Further, the amount requested is likely to be far less than what will really be needed to set up these organizations. President Brungardt stated that she has been involved in the community events in some way for the past seven years or so, but the events depend the same four or five people who are involved

in planning, some of which are City staff. She is concerned that normal life events will happen and as people leave or burn out the events are at risk of declining or disappearing. Councilor Gilgan stated that a formal 501(c)(3) is much more difficult to manage than people realize, he does not think it is necessarily a good idea. Councilor Neuman stated that part of the reason for a 501(c)(3) is so that it can take in charitable contributions. Councilor Gilgan does not think it is the City's place to choose or fund a charitable organization. Administrator Polasek clarified that the 501(c)(3) would be completely independent of the City, there may be participation on the Board, but it would be outside of the City's direct control. Councilor Drebin asked whether there would be a conflict if a City Councilor were on the board of a non-profit if they applied for a grant. Administrator Polasek stated that the conflict is possible, but that is a decision further down the line. Councilor Gilgan does not support spending public funds for the LCAT. Councilor Paulsen stated that she feels this conversation needs the input of Mayor Sproul before the City makes a decision. President Brungardt suggested postponing the discussion of LCAT until October when Mayor Sproul will be available. Councilor Drebin asked whether ARPA funds could be used to fund the DTBA work. Administrator Polasek stated that it probably can, but there needs to be some discussion on the projects to be funded by ARPA.

Councilor Neuman moved to authorize financial support up to \$5,000 for consulting services to create the DTBA non-profit in Lafayette. Councilor Paulsen seconded the motion, which passed unanimously.

The LCAT funding will be discussed at the October 2021 meeting.

c. Resolution 2021-11, Declaring Box Van Surplus Property

Councilor Paulsen stated that she is in favor of selling van if the City has no further use for it. Councilor Drebin asked whether the DBA could have use of it, but he does not support donating it. Council discussed various needs and possibilities, including retaining the van if it does not sell for community group uses.

Councilor Neuman moved to approve Resolution 2021-11 as amended, declaring the 1997 Chevrolet G3500 Cargo van surplus to the City's needs, and direct the City Administrator to dispose of the van in the manner most advantageous to the City, including but not limited to direct sale, and sealed bidding. Councilor Paulsen seconded the motion, which passed unanimously.

10. DISCUSSION ITEMS:

a. Proposal from Economic Advancement Group for Downtown Facilitation

The majority of this item was discussed in item 9-b, Councilor Neuman asked to have the full study previously completed sent to the Council. Administrator Polasek stated that he will send the full report to Council. Strober departed at 8:08 p.m.

b. Use of American Rescue Plan Act Funds

Administrator Polasek asked Council to review the summary that was developed by the National League of Cities to explain the possible uses, which was included in their agenda packets. He does not recommend considering items in category B and C in the listed possible uses. Councilor Paulsen asked whether the ARPA funds could be used for new customer meters or the new mainline meters. Administrator Polasek stated that it is possible that those could be approved uses. He asked Council to look mostly for projects that are not currently funded. He does not expect the first list of projects to expend all of this year's funds and

anything left over can be pooled with the second installment of the ARPA funds. Staff has been considering uses and he encouraged Council to work with staff to develop and vet ideas. Cities are using ARPA funds for very different purposes and there is still a significant amount of uncertainty over some allowed uses. Some cities are primarily using it for revenue loss recovery; Lafayette's revenues were not significantly impacted by the pandemic. Councilor Gilgan asked whether anyone had considered how these funds could be used to help small businesses. President Brungardt stated that it certainly isn't an either/or when it comes to business assistance or infrastructure. Councilor Drebin asked whether this could cover the credits issued under the Restaurant Relief Program. President Brungardt suggested grants or other direct support. Councilor Gilgan concurred and stated that first there was the pandemic and then the HWY99 construction that has impacted local businesses and a quality downtown has been an expressed desire of the residents for a long time.

11. DEPARTMENT REPORTS:

a. Public Works: Water Consumption

There was a leak in an 8-inch main that impacted the majority of the City that PW staff had to address. The broken main was very quickly repaired and service restored in less than an hour; the asphalt around the break will have to be dug out and repaired. There is another significant leak on 8th Street that staff had to track down yesterday and then found and repaired it today. There are two openings on PW staff right now and there is a very good pool of applicants to be interviewed.

b. Fire

One of the fire fighters received his EMT certification.

c. Administration: Accounts Payable and Code Enforcement

- Code Enforcement officer to be onboard by the end of the month.
- Jefferson Street property is progressing towards a pre-application meeting.
- Councilor Drebin asked for resolved cases to remain on the monthly summary report for the month they are resolved.

12. COMMITTEE REPORTS

Councilor Neuman stated that the Downtown Façade Grant Committee approved the façade grant for Martha's Taco to build an outdoor seating area and improve their exterior.

Administrator Polasek stated that there are other businesses waiting until after the construction before submitting a façade grant application.

Councilor Gilgan stated that he unfortunately missed the last meeting of the Parkway Committee but is happy to share the minutes to anyone interested.

13. Planning Commission will next be meeting on September 30.

14. COUNCILOR'S REPORTS

15. MAYOR'S REPORT

President Brungardt asked whether there is still interest in a work session with the Yamhill County Sheriff's Office. Consensus was to go forward with a work session; it appears the 28th at 6:30 p.m. may work best.

16. ADJOURNMENT

Councilor Paulsen moved to adjourn the meeting. Councilor Neuman seconded the motion. There was no discussion and the motion passed unanimously.

Minutes approved on 14th day of October, 2021.

CERTIFIED:

ATTESTED:



Marie Sproul, Mayor



Kevin Perkins, Assistant City Administrator