

City of Mt. Angel  
City Council Meeting Minutes

**CITY COUNCIL**

**7:00 PM**

**June 7, 2010**

The City of Mt. Angel's City Council met in a regular session Monday, June 7, 2010 at the Community Meeting Room, 290 E. Charles Street, Mt. Angel, Oregon.

**I. CALL TO ORDER:** The regular meeting of the Mt. Angel City Council was called to order at 7:06 pm by Mayor Rick Schiedler.

**II. FLAG SALUTE:**  
Mayor Schiedler led the salute to the flag.

**III. ROLL CALL:**

**COUNCIL**

Rick Schiedler, Mayor  
Ray Eder, Council President  
Darren Beyer, Councilor  
Michael Donohue, Councilor  
Kelly Grassman, Councilor  
Teresa Kintz, Councilor  
Andrew Otte, Councilor

**STAFF**

Susan Muir, City Administrator  
Michele Hall, Assistant to City Administrator  
Tracy Grambusch, Finance Director  
Brent Earhart, Chief of Police  
Travis Sperle, P/W Utility Lead Worker

**IV. PUBLIC HEARING FOR FISCAL YEAR 2010-2011 BUDGET:**

The Mayor opened the public hearing for the 2010-2011 Fiscal Year Budget.

Jim Kosel, Mt. Angel wanted to discuss the budget number for attorney fees. He feels the \$7,000 budgeted figure for attorney services is too low. It has been 4 years since the actual expenditures were that low. With the new attorney proposals, he felt that the \$7000 might not cover the cost.

Councilor Grassman answered that the staff has been trying hard to keep legal costs as low as possible. The staff also worked pretty hard to give a good estimate of how much the fees might be. In the recent past, there were extenuating circumstances that increased the cost.

He also wanted to express his support for 24/7 police coverage as there had been some discussion in the past about the need to keep police coverage at that level.

The Mayor closed the hearing as there were no additional questions or comments.

**V. PUBLIC HEARING FOR FISCAL YEAR 2010-2011 REVENUE SHARING:**

The Mayor opened the public hearing

Councilor Donohue asked what this money was typically used for.

Finance Director Grambusch answered that it is usually used for planning and sometimes for police services if there are remaining funds available.

**VI. BUDGET RESOLUTIONS:**

Finance Director Grambusch mentioned that there were some attachments that accidentally got left out of the packet. It was the budget notice that had been advertised in the Silverton Appeal and has been posted as required. The documents are available online if the Council is interested in looking at them.

Finance Director Grambusch explained that there was also a transfer item that did not get put into the right place on the budget. She explained that a transfer was taken out of one account but the whole amount does not appear in fund the money was transferred into.

Councilor Kintz asked for clarification. She also asked about the transfer into Parks Department. To her it looked like there was more money transferred than was in the account. Finance Director Grambusch explained that additional money out of general fund was added to the Park "fund" to increase it to approximately \$40,000.

Councilor Kintz also asked why the revenue projections were so much less when there was a 3% increase in the water and sewer billings. Ms. Grambusch answered that people are using less water and with the wet weather as well as the economy, people are using less water.

City Administrator Susan Muir added that these trends have been reported statewide, staff has been watching these trends unfold in the City. Staff will be reporting the trends to the Council on a more regular basis.

Councilor Kintz also asked about updating the budget item for Oktoberfest. She felt that since the police chief spends so much time pre-planning their charges should be increased. Susan stated that the Oktoberfest franchise is up for renewal, the discussion could take place in the context of working on that agreement.

**a. Resolution adopting Fiscal Year 2010-2011 Operating Budget.**

Councilor Eder moved to approve the resolution to adopt the Fiscal Year 2010/2011 Budget. Councilor Otte seconded.

The motion was passed with the following vote:

**AYES: 5                      NAYS: 1                      ABSTAIN: 0**

Councilor Kintz voted against the motion.

**b. Resolution approving Appropriations for Fiscal Year 2010-2010.**

Councilor Otte moved to approve the resolution for Appropriations for Fiscal Year 2010/2011 as amended. Councilor Beyer seconded.

The motion was passed with the following vote:

**AYES: 6                      NAYS: 0                      ABSTAIN: 0**

**c. Resolution imposing Ad Valorum taxes.**

Councilor Otte moved to approve the resolution imposing ad valorum taxes at a rate of 4.1918 per \$1,000 of assessed value. Councilor Beyer seconded.

The motion was passed with the following vote:

**AYES: 6                      NAYS: 0                      ABSTAIN: 0**

**d. Resolution certifying that Mt. Angel meets the requirements to receive State cigarette, alcohol and gas taxes.**

Councilor Otte moved to approve the resolution certifying that Mt. Angel meets all the requirements to receive State cigarette, alcohol, and gas taxes. Councilor Beyer seconded.

The motion was passed with the following vote:

**AYES: 6                      NAYS: 0                      ABSTAIN: 0**

**VII. STATE REVENUE SHARING RESOLUTION:**

Councilor Grassman moved to approve the resolution declaring the City’s election to receive state revenue sharing . Councilor Otte seconded.

The motion was passed with the following vote:

**AYES: 6                      NAYS: 0                      ABSTAIN: 0**

**VIII. APPEARANCE OF INTERESTED CITIZENS:**

Ross Willamson from *Local Government Law Group* introduced himself to the Council. He talked about the firm’s history and areas of expertise. They specialize exclusively in local government issues. They are sensitive to budgetary needs and will do what they can to work with the City. The four attorneys and the whole staff are very excited to be working with the City of Mt. Angel. They look forward to a long-term relationship with the City.

Dave Kohler, Mt. Angel Community Foundation encouraged the Council to continue to consider supporting a CBDG grant for Cleveland St. He reported that financial support for the Community Building has been encouraging. Oktoberfest is in the process of turning the building over to the Community Foundation. Total monies committed and received so far are 1.1 million dollars. The Community Foundation did receive the grant from the Ford foundation that they had hoped for. There are other grants they have applied for that look to the Ford Foundation as a “go-ahead” as to whether to invest their money.

Councilor Grassman asked when the building is projected to be started and completed.

Mr. Kohler answered that they hoped to start in October of this year and be finished as soon as the following July.

Councilor Beyer asked what the projected cost of the building.

Mr. Kohler said it is about 1.9 million, he feels it will be closer to \$2 million.

Councilor Grassman asked to clarify what they were looking for from the Council. She thinks that he wants a commitment from the Council for the CDBG grant.

Mr. Kohler said that essentially, yes that would help. The sooner they know, the better for their planning. He said that this community building is a real opportunity and will be an asset to whole community.

Councilor Eder asked what would happen if they do not get any more money after today. Mr. Kohler answered that they would take out a loan. Their goal is full financing or only taking out a loan on money they already have pledged to them.

**IX. CONSENT AGENDA:**

- a. Approve minutes of May 3, 2010 meeting.
- b. Approve Bier Haus Gaming License.
- c. Approve Street Closure for Mt Angel Sausage Co. for July 4, 2010.
- d. Approve Street Closure for 4<sup>th</sup> of July Parade.
- e. Resolution FY 09-10 Budget Adjustment for Elm St. Waterline Project.
- f. Resolution FY 09-10 Budget Adjustment for police equipment.

Mrs. Hall explained the corrections to the minutes that had been submitted. Page 2 had a sentence that was incomplete in the fifth paragraph. Page 3 had a word in an incorrect tense.

Councilor Otte moved to approve the consent agenda as amended. Councilor Grassman seconded.

Councilor Donohue stated that he had a question and asked about the waterline project. He requested and explanation of the need for a budget adjustment, he wondered if there was an estimate given from the engineer as to the anticipated costs.

Ms. Muir explained that there was a piece of this that the staff has had to address. Mrs. Grambusch explained that the estimate was the actual work, but the engineering fees came in higher than anticipated and the project itself ended up being more expensive because they found that the waterline need more work.

Councilor Grassman asked for another explanation of the transfers.

Mrs. Grambusch explained that there were two sources of money from which the money was being drawn. There are actually three funds affected in this transaction which makes it a bit confusing.

Councilor Donohue asked what the increased bid amount came in as. Mr. Sperle thought it was about \$4700.

There was some further discussion about the project.

The motion to approve the consent agenda was passed with the following vote:

**AYES: 6                      NAYS: 0                      ABSTAIN: 0**

**X. REVIEW OF ACCOUNTS PAYABLE:**

Discussion took place between the Council and staff about some specific invoices.

Councilor Donohue asked about the progress on the Water Master Plan. City Administrator Muir answered that the Water Master Plan is currently with State and County agencies for review. We are close to bringing the plan before the Council for adoption. The agencies have been asked to expedite the process. In researching this it was discovered that this plan is actually an update. It was not adopted as a land use action and so does not have to go through that process. It can just come before the Council.

**XI. COMMUNICATIONS /CORRESPONDENCE:**

A letter from Jim Kosel was included in the Council packet. The Council had no comments or questions.

**XII. UNFINISHED BUSINESS:**

**a. Park/Tree Board discussion.**

Mrs. Hall explained that since the last meeting, she has had the opportunity to contact the applicants that she had on file to determine their continued interest in serving on the Board. All but two of the applicants were unable to serve now. There was an additional person that expressed interest, but that person had not turned in an application by packet time.

Mrs. Hall, on behalf of the staff offered some potential suggestions for the Council to consider at this point as there are some projects connected with parks that will require attention soon. Among the suggestions was to 1)appoint the 3 applicants today and continue to recruit; 2)Continue to advertise the positions and appoint at a later date; 3)change the resolution and make the park/tree board a subcommittee of the planning commission.

The Council came to an agreement, after some discussion that they would like to actively pursue recruiting volunteers in the next month. Regardless of the outcome of the recruitment, they would make decisions in July to move forward on the Board and the necessary projects.

Margaret Hoffer asked to address the Council. She mentioned that a pin oak has blown down and needs to be replaced along the highway. Margaret would be willing to serve and her first goal would be to replant that pin oak. She would be happy to serve. Staff will get an application to her.

**XIII. NEW BUSINESS:**

**a. WaveCable Franchise Agreements.**

City Administrator Muir introduced Karen Dannon the WaveCable representative in the Portland area. Procedurally, Ms. Muir pointed out that a citizen had brought to their attention that the numbering had been messed up as they were editing. There were other corrections that make this feel too awkward to pass this ordinance tonight. She recommends that they do not try to pass this ordinance tonight as originally suggested.

As far as content changes, the franchise fee will be 5% which is standard and we cannot ask for more by federal law. The agreement will be for 10 years which is pretty standard. She also pointed out the side letter which will provide free cable to two city services. Also, it was discovered that a school had come in under the former contract. So, she has asked that the side letter to be amended to include the school.

Council consented to wait until next month for the Ordinance.

**b. Legal Services recommendation from Committee.**

Jim Kosel expressed that he felt the process for interviewing attorneys was very good. He wanted to know if the Council could describe how it will work to have two firms.

The Mayor and City Administrator explained that Harrang, Long, and Gary, and Rudnick will be for litigation and Local Government Law Group will handle all of our other issues.

Councilor Donohue asked about travel time since Harrang, Long charged us only from the Salem office. It was explained that Local Government Law Group offered a special travel rate. There was some question as to what that meant; Susan will clear up what they meant.

Councilor Grassman made a motion to direct the City Administrator to negotiate contracts or letters of engagement for legal services with two firms: Harrang, Long, Gary, Rudnick and Local Law Group and return to the Council in July, if possible, with the proposed documents. Councilor Otte seconded.

The motion was passed with the following vote:

**AYES: 6                      NAYS: 0                      ABSTAIN: 0**

Councilor Donohue made a motion to direct the City Administrator to draft a resolution terminating the existing legal services contract and return to the City Council with the proposed resolution at the same meeting as the new contracts or letters of engagement are considered. Councilor Grassman seconded.

The motion was passed with the following vote:

**AYES: 6                      NAYS: 0                      ABSTAIN: 0**

**c. Resolution for Special Cities Allotment – Taylor St. (Elm to Oak).**

City Administrator Muir explained that staff has identified that Taylor Street is an important street to try to get funding for. So public works did a block by block assessment of Taylor and felt that the block between Oak and Elm St. would be a section of street that would qualify under the limitations of the grants.

Travis explained that he walked that section with a representative from Cemex and he recommended the proposed method as the best method besides a complete replacement of the street.

Councilor Otte moved to approve the resolution authorizing a Special Cities Allotment Grant application for a portion of Taylor Street. Councilor Beyer seconded.

The motion was passed with the following vote:

**AYES: 6                      NAYS: 0                      ABSTAIN: 0**

**d. Resolution authorizing Inter-fund loans for FY 2010-2011.**

Councilor Otte made a motion to authorize Inter-Fund loans during Fiscal Year 2010/2011. Councilor Eder seconded.

Councilor Grassman said that she felt uncomfortable with this process and would like to see the Council have a little bit more control over this. She would recommend that the Finance Director have a set amount that she could transfer and then anything above that be brought before the Council.

Finance Director Grambusch explained that this does not cover any expenditure outside of the budget. This is basically borrowing money from one account for a short time until the money comes into that fund and then it is paid back. These transfers usually in emergency situations only and are most often related to payroll.

The motion was passed with the following vote:

**AYES: 4                      NAYS: 2                      ABSTAIN: 0**

Councilor Grassman and Councilor Kintz voted against the motion.

Councilor Donohue requested to hear an explanation of why people are voting against this and if there are other suggestions of what else we could do.

Councilor Kintz stated that the transfers are very confusing to her and she feels there are not enough Council controls over the money. She would like to see more actual controls.

Mrs. Grambusch explained that a lot of the controls are addressed in the audit.

Ms. Muir suggested that we do some research on how often this happens and for what reason and provide it to the Council.

Councilor Grassman clarified her concern about staff's ability to spend money without Council approval. Councilor Donohue mentioned that it sounds more like her concerns were with purchasing. Mrs. Hall explained that there is a purchasing ordinance that governs how money is spent by staff. Perhaps it would be helpful to look at that ordinance in order to understand how it works and decide if there are any changes that the Council would like to consider.

Staff will look at changing the wording in the resolution. Staff will do some research on the history of transfers and bring back to present it to the Council. Staff will also bring forward the purchasing ordinance for the Council to look at.

**e. Repeal Ordinance 708**

Councilor Donohue made a motion to repeal Ordinance 708 – the Urban Renewal Plan and directing the City Recorder to record this ordinance with the recording officer at Marion County, Oregon. Councilor Kintz seconded.

The motion was passed with the following vote:

**AYES: 6                      NAYS: 0                      ABSTAIN: 0**

Councilor Grassman made a motion to repeal Ordinance 708 – the Urban Renewal Plan and directing the City Recorder to record this ordinance with the recording officer at Marion County, Oregon. Councilor Otte seconded the motion.

The motion was passed with the following vote:

**AYES: 6**

**NAYS: 0**

**ABSTAIN: 0**

**XIV. CITY ADMINISTRATOR REPORT:**

Ms. Muir reported that Council Rules dictate that for in consideration of City holidays the July council meeting will be on July 6th. The September meeting will be scheduled for September 7th.

Last month Councilor Beyer asked if there was a way to bore under the road on the bypass project at the Benedictine Nursing Center when we do the bypass project and we let you know we'd get an estimate. The estimate came back about 'even' with the option to cut the road, so because it would jeopardize the integrity of the road, we're going to move forward with the boring option.

Ms. Muir met with Greg Savage who testified at your last meeting about the noise at the Willamette Valley Events Center. Staff also then met with Glenn Damewood who operates the business at that venue. What Glenn told us is that his lease expires in August and he is scaling back the business as he gets towards that time his lease expires. Mr. Savage was informed of the results of our meeting.

Staff has called PGE to start the ball rolling on an energy audit; this is something several of you learned about at the LOC Small Cities Support Network.

The work to bring the library doors into compliance with the Americans with Disabilities Act will start on June 14<sup>th</sup>.

On the rollover incident, Oregon State Police did an investigation and determined it was a 'no fault' accident.

The Police Department secured three emergency food baskets for families from the food bank.

**XV. REVIEW OF STAFF REPORTS:**

**a. Police Department**

A written report by Chief Earhart was included in the council packet.

Chief Earhart wanted to mention that the car thieves are out right now. The surrounding cities have had several stolen Hondas. Travis caught a thief getting ready to steal a car.

The Chief mentioned that the numbers on the State report are a little skewed because they did the study when we were down an officer, right after someone designs.

Councilor Otte asked about Officer Puente and the Chief reported that he is fine.

Councilor Kintz asked if we had the leased car yet. The Chief reported that we did get a very economical lease. He is trying to find a good used car but there are not many available.

**b. Public Works**

A written report by Dan Bernt, Public Works Director was included in the council packet.

Travis reported that there were a couple citizens asking what he was doing at the intersection with the thermal plastic. He wanted to report that they are going to be using that more as it is more durable at a reasonable price.

The 10 HP pump at the Wastewater treatment plant was mentioned in Dan's report. The 20 HP pump went out this weekend. They pulled it out and sent it for repair. The 10 will need to be replaced, so he is waiting for the report from the shop. We were budgeted for replacing the 20 Hp but now that the 10 need so be replaced.

The Inflow & Infiltration project is done. The company was able to go farther than was anticipated. They were able to reline the sewer to John's St.

Councilor Eder had a question about a fire hydrant that is on S. Main. It is in the middle of the driveway. There is a van that always parks in front of it, he was concerned about the safety of that situation. Travis explained that the hydrant was required as the buildings are so far back from the street. That is actually in the City right of way.

Councilor Donohue asked about the wastewater that the City is receiving from Pepsi. He asked how the billing is figured on the poor quality wastewater. Travis explained they have a way of measuring the volume and then they perform test for the other qualities in the water and their bill is adjusted based on the test results and the amount.

**c. Finance**

A written report by Tracy Grambusch, Finance Director was included in the council packet.

Some more discussion took place about the Pepsi bill.

**XVI. CITY COUNCILOR'S /COMMITTEE REPORT:**

Councilor Grassman with Ms. Muir and the Mayor went to the Small Cities luncheon. They heard about energy audits, police, and budgets. This fiscal year is difficult for everyone.

Councilor Eder commented on the Bier Haus whose flower bed is looking pretty shabby. The Chief will talk to him about it. The new owners will be painting next week and open June 18<sup>th</sup>.

Councilor Eder wanted to know when Councilor profiles were due for the newsletter and to whom.

**XIV. MAYOR'S REPORT:**

The Mayor spoke at the Memorial Service.

He attended the Small Cities Luncheon and did some networking.

He made two appointments to Library Board, Margie Inoue and Sara Walker

Thanks to Friends of the Library for the planting flower beds in front of the library.

**XV. RECESS REGULAR MEETING:**

The Mayor read the citations for the executive sessions.

Mayor Schiedler recessed the regular meeting at 9:55 p.m.

**XVI. EXECUTIVE SESSION:**

An executive session was called in accordance with ORS 192.660(2)(d) to conduct deliberations with persons designated by the governing body to carry on labor negotiations. Only those authorized by the Mt. Angel City Council may attend. The media is exempt from attendance.

The executive session was convened at 10:05 pm.

The executive session was adjourned at 11:03 pm.

*An audio recording was made of the meeting; it is exempt from public disclosure.*

**XVIII. RE-CONVENE REGULAR SESSION:**

The regular meeting of the Mt. Angel City Council re-convened at 11:03 pm.

No action was taken.

**XIV. ADJOURN REGULAR SESSION:**

Mayor Schiedler adjourned the regular meeting at 11:04 p.m.

Respectfully submitted by:

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Michele Hall, Assistant to City Administrator

ATTESTED BY:

\_\_\_\_\_  
Rick Schiedler, Mayor