

THE COMMON COUNCIL OF THE CITY OF ECHO HELD A REGULAR MEETING ON THURSDAY, JUNE 22, 2017 AT 5:30 P.M. AT THE OLD VFW HALL, 210 W. BRIDGE, ECHO, OREGON. THE MEETING WAS PRECEDED BY A BUDGET HEARING BEFORE THE BUDGET COMMITTEE ON THE FISCAL YEAR 2017-18 BUDGET.

COUNCIL PRESENT: Janie Enright, Jerry Gaunt, Karl Jensen, Lou Nakapalau. Eujeana "Jeanie" Hampton, Gayle Yoder.

LAY BUDGET COMMITTEE: Tammie Williams, Anita Dorn, Mel Wagner.

OTHERS PRESENT:, Kent & Laura Madison, Bill & Judy Webb, Mike Schulze, Madison attorney, unknown party, Vanessa Anderson, Jeff Slawson, Jade McDowell, East Oregonian.

STAFF/CITY CONTRACTORS PRESENT: Diane Berry, City Administrator-Recorder; Bill Kuhn, city attorney,

ABSENT: Robert Harris;

CALL TO ORDER: Jeanie Hampton, called the meeting to order and lead the pledge of allegiance at 5: 30 p.m.

Budget Meeting: Diane Berry, Budget Officer and City Administrator-Recorder arrived at 6 p.m.

Tammie Williams was named Chairman by accumulation.

Prior to Berry's arrival, the committee began discussing salaries. Several of the budget committee members including Karl Jensen, Anita Dorn and Tammie Williams were opposed to raises for staff members. There was concern about PERS costs increasing. Some members felt other things should be cut instead of employee costs. The mayor pointed out that the budget balanced, so cuts weren't necessary. Williams stated several times her concerns that taxes needed to be dropped for Echo residents, especially seniors and that with two staff members potentially retiring soon, raising their salaries would mean more money would be required for replacements.

Upon Berry's arrival she went through the printed budget and emphasized that salaries are set by the city council and the council will discuss salaries in the following regular session. She pointed out the section in the budget message regarding this. She then went through each fund and fund type and the message.

Reserve Funds: Reserve funds include water, sewer, golf course and community development.

Mel Wagner asked about receipts from recycling bins. Berry explained that the only recycling funds provided by Sanitary Disposal went for newspaper recycling to area non-profits. Recycling costs them money, it rarely makes money, but they are required by the state to make efforts in this area, so they maintain the bins. In Echo's case about \$40 to \$50 per year goes to Echo Boosters. The Garbage rates were discussed. The fact that the Water Reserve Fund was nearly depleted due to electrical and pump problems at the end of the previous fiscal year and first of this one was discussed. Golf Course equipment age and costs were discussed. Berry explained that the payments for the Golf Course irrigation system revenue bonds have limited funds available for equipment replacement.

Wagner pointed out an error on the salary page for last year's salary total. The spread sheet doesn't calculate this total and the wrong amount was typed in. It was corrected.

Berry explained that there was a proposed large increase to the Stanfield Police Contract. The second year of a two year contract with Stanfield expires this month. Berry said she couldn't quibble about the proposed increase after checking with other cities that contract with counties and other cities and found the rate we are paying, even with the increase, is reasonable. Williams recommended that the city contact Umatilla County to see if they could do the contract for less. Wagner asked about the number of hours provided. Berry said the contract is for a minimum of 112 hours. Several council members recalled that the county did not fulfill their contract with before as they could not provide officers to work the contract. The county still has problems keeping officers due to low salary. Stanfield has been making an effort to improve their salary schedule and the contract increase reflects this. The city will also have to pay either directly or through Stanfield the dispatch fee to the county. The fee the county wants will be implemented over the next four to five years.

Williams questioned the compensation package for the golf course manager. It was explained that he gets 25% of green fees, cart shed rentals, trail fees and memberships. The manager also gets a set contractual fee called a franchise in the budget. The pro-shop and snack bar revenues are the managers. He pays \$1 per year for use of the club house. Williams suggested increasing "rent" of the club house or reducing fees when his contract renews to find more funding for the city. Berry said that there has to be an incentive for a manager to do the job, especially when he absorbs the risk and employees are his and at his expense. Wagner agreed that the city could not cover all of the employees and still come out ahead.

There were no comments from the public or committee about the proposed use of state shared revenues.

Williams again said more funding is needed through new sources or reducing in existing areas. Salaries came up again. The mayor reminded Williams that meeting needed to keep moving forward.

Karl moved to accept the budget as presented; Williams said she wants the council to look at her recommendations regarding the police contract, salaries and the golf course manager contract. Lou Nakapalau seconded the motion to approve the budget. Vote: all ayes except Mel Wagner-nay. Berry said the budget committee also needs to adopt the statutory tax rate. This rate was assigned after the property tax limitations ballot measure (5) went into effect years ago. Hampton moved to approve the city tax rate as \$4.2332 per \$1000 of assessed value. Jensen seconded the motion. Vote: all ayes. Wagner moved to adjourn the budget committee meeting and Gayle Yoder seconded the motion; Vote: all ayes;

The Budget Hearing before the city council was set for 1 p.m. June 28.

Mayor Hampton closed the budget committee meeting at 6:43 p.m. and opened the regular session with the Pledge of Allegiance.

PUBLIC COMMENTS: Mel Wagner said that he thought that new business should be moved to the first of the agenda, as if the city has an executive session, he doesn't want to wait and come back. Karl Jensen moved and Lou Nakapalau seconded a motion to change order of business and to move New business forward.

Jeff Slawson, introduced himself as a new resident buying the Branch property on Gerone Street. He is concerned that drainage from Golf Course Road is eroding the bank behind that house. He said he is a top auctioneer, knows about construction and roads. He complained that he was not given a "warm reception at city hall when he wanted permission to open a business that would "help" the city at the Branch site. Berry said that he asked about opening a junk yard, which is not allowed in a residential zone. He said he asked to apply for a conditional use for his business and Berry explained that a conditional use could not be granted for that type of use in a residential zone.

Tammie Williams said she is still very concerned about the proposed Yunker condemnation. She is also concerned about city staff retiring over next few years and increased wage costs as a result. She is concerned about bonded debt costs. concerned about increased costs; increase tax revenue in the city and that the city's urban growth area is too small. She is also afraid that if the city doesn't work with the Madison's on the north city limits annexation the county will step in. She urged the council to please see the potential for this development.

Kent Madison said he plans to come to the next few council meetings and give a progress report each month. He has hired the JUB engineering firm to work on the project and passed around reports about their interpretation of the city's sewer project and problems with the system. He said they met with DEQ and from that meeting felt that there wouldn't be wastewater problems if the system was "managed properly". He said that there wouldn't have been a problem with the mixing zone study if wastewater had been taken from the last cell instead of mixed from the 3 cells. Berry said that is not how the system is operated. The wastewater that is discharged to the river comes from the final cell. Madison said that is not what DEQ said. Madison said Mike Yunker would be amiable to land application of wastewater. He also said the city shouldn't give up right the right to discharge to the river.

Old business: none.

NEW BUSINESS: Berry said there is an application from the H & P Café to allow wine and beer sales. Jensen moved to approve the license. Janie Enright seconded the motion. Vote: all ayes;

Outside seating for Butter Creek Coffee House was discussed and whether OLCC allows beer and wine to be consumed on the sidewalk. Berry didn't know.

Berry said that it is time to apply for a Small City Allotment Grant from ODOT for street improvements. Berry described the program and streets the city has resurfaced with these grants over the years. Dupont was first and the north section was about 30 years ago, so is need of a new overlay. She said we received a grant last year to use as a match for the North Thielsen project so it is unlikely we l get this one, but the local office feels it is important for cities to apply every year to show need. Mayor Hampton agreed and said at the Small Cities Regional meeting this was discussed and efforts to increase the allocation to the program. If the council wants to pursue this, she will prepare the resolution for the special meeting. Lou Nakapalau moved to have Berry prepare the Resolution for the June 28 council meeting. Jensen seconded the motion. Vote: all ayes.

The Marijuana Tax was discussed. Berry said she didn't put it in the budget, but soon after July 1 all cities and counties are supposed to get the first allocation, but the amount is unknown. Subsequent ones will only go to places with sales unless the legislature changes the law.

The Audit was presented, but discussion tabled.

PUBLIC WORKS: Berry said the city's Workman's compensation insurance is offering up to \$7000 for the city to purchase things like lift gates for pickups to help with keep Darin working light duty jobs. She reported on problems with Well #5

and that led to the pump being pulled twice. Also one of the control boards in the variable speed drive went out. It is believed to be because it got too hot. The room in the shop where the controls are located is not heated or cooled except with a portable heater and fans. The fans only move air, they don't cool it. She has asked for prices on a a.c./heater, such as maybe a splitter.

ADMINISTRATOR'S REPORT:

Nakapalau moved and Gayle Yoder seconded a motion to give all city staff, but the clerk a 4% raise and the clerk a 5% one in the 17-18 fiscal year budget. Vote: all ayes.

Jensen moved and Nakapalau seconded a motion to adjourn the regular session and open the executive session at 7:00 Executive Session for consultation with attorney pursuant to ORS 192.660 (2)(f) and (h)

The executive session closed executive at 7:39 p.m. and the regular session reopened.

Jensen moved to authorize the attorney and engineer to pursue the most cost effective option for wastewater disposal. Nakapalau seconded the motion. Vote: all ayes.

ADJOURNMENT: There being no further business, Jensen moved and Nakapalau seconded a motion to adjourn. Vote: all ayes. The meeting was adjourned at 7:45 p.m.

Respectfully submitted,

Mayor Eujeana Hampton

Attest:

Diane Berry/City Administrator-Rec.

