

**CITY OF UMATILLA
COUNCIL MEETING
April 05, 2016**

1. **CALLED TO ORDER:** Mayor Trott called the regular council meeting to order at 7:00pm.
2. **ROLL CALL**
PRESENT: Councilors Dedrick, Farnsworth, Ray, Ribich, Lougee, and TenEyck.
STAFF PRESENT: Recorder Sandoval, Manager Pelleberg, Deputy City Manager Ince, Planner Searles, Director Ward, and Chief Huxel.
3. **PLEDGE OF ALLEGIANCE:** Recited at 7:01pm.
4. **APPROVAL OF AGENDA:** Councilor TenEyck moved to approve the agenda. The motion was seconded by Councilor Lougee. Voted: 6-0. Motion carried unanimously.
5. **PRESENTATION:** Nate Rivera presented on the Eastern Oregon Trade & Event Center. He explained how it was a joint effort between the City of Hermiston and Umatilla County. They are seeking funds for construction, and are asking the City of Umatilla for contributions. Mr. Rivera explained how the current facilities for the Umatilla County Fair are outdated, currently does not meet code, need repairs, and lacks space. The EOTEC will be placed on 55 acres (39 acres for future development), 3 large animal bars – 81,060 sf, 586 animal pens and stalls, exhibitor and event center – 28,000 sf, 100 exhibitor extended stay spots, 506 parking spaces, and 3 ADA certified restrooms and shower facilities.
6. **PUBLIC HEARING**
Plan Map/Zone Change Amendment PA-2-2015 – Planner Searles explained that the Council had continued the hearing to this meeting to take more time to digest information and asses for themselves about how they felt about what was being proposed. The Council had two options. They could open the floor for public testimony or they could continue discussion amongst themselves. If they opened the floor they would need to vote on it.

Planner Searles explained that there were only really two criteria that essentially staff and the Planning Commission differed on. One was the whether there was more of a need for additional residential land or if it was important to keep the commercial land that is being proposed to be changed. The second issue is whether or not they believed if there were other sites within the City or vicinity that could accommodate the proposed use of a large single-family residential subdivision. If, they agree with the planning commission they would accept their findings that there are no sites within the vicinity, that there are other sites in the City, but there are no sites in the vicinity that could accommodate the proposed use. If, they disagree with the Planning Commission they would have to either accept the staff's finding or come up with their own that would demonstrate that there are other sites within the vicinity that could accommodate the proposed use.

Mayor Trott asked the Council what they would like to do. They could open the discussion for public testimony or they could discuss the issue amongst themselves.

Councilor Dedrick asked if it were possible to have higher-end bigger lots on the site. Could it be a stipulation to have bigger lots and higher-end houses? Planner Searles explained that not with this

process. The discussion at hand was amending the zone map. Once that was taken care then, the property could be subject to existing single-family residential regulations. The single-family residential zone allows for lots as small as 8,000 square feet.

Councilor Ribich stated he did not need to hear any more information. Mayor Trott asked each Councilor if they needed more information. All Councilors consented to not needed any further information. Mayor Trott then closed the Public Hearing.

Mayor Trott opened the floor for discussion.

Councilor Ray stated he differed slightly with one aspect of the staff report presented. He stated that when the staff considered a comp plan change, they are supposed to do an inventory of both zones. The one that is being proposed and the one they are trying to change. In this case, you would consider what the inventory of commercial property is and what the inventory of residential property. It is supposed to be current, and whatever staff used to do the inventory they did not take into consideration the golf course property. The golf course property is residential property.

Mayor Trott asked Planner Searles had a response. Planner Searles assumed that the point Councilor Ray was attempting to convey was that there was additional land in the vicinity that could accommodate the use. Councilor Ray stated that the staff report was wrong. Planner Searles stated that the staff report did not consider the golf course, it is zoned R-2, which does allow for single-family residential development also.

Councilor Dedrick stated that community members want higher-end homes built on bigger lots, and since they do not have that choice, she does not have another way to go with it.

Councilor TenEyck stated that they had debated over the new zoning for over a year and a half, and they needed to give it a chance.

Councilor Lougee stated his ideas were similar to Councilor Dedrick's. He would be the first one to say that he would love to see houses on those empty lots. He thinks houses would be great in that area. However, he thinks they need to be careful how they go about that. He feels like they shouldn't open that door.

Councilor Ribich stated he thinks he would love to see housing, but he would love to see higher-end housing. If, the goal was to increase the tax base, then that was a wonderful thing, but he was not sure that entry level housing would get them there. He would like to see higher-end housing, and they were not asked to vote on that tonight. So, it was a discussion that they needed to go back to when the plan has had an opportunity to be vetted.

It was moved by Councilor Ray to accept the staff's findings, and deny the request. It was seconded by Councilor Ribich. Voted: 6-0. Motion carried unanimously, the change was denied.

7. APPROVAL OF MINUTES: It was moved by Councilor TenEyck to approve minutes for March 01, 2016. It was seconded by Councilor Ray. Voted: 6-0. Motion carried unanimously.

8. PUBLIC COMMENT:

8.1 Elaine Shepherd - Ms. Shepherd wanted to thank the people who were responsible for Slam Dunk the Junk, and the people who cleaned the lot next to her home.

- 9. CONSENT AGENDA:** Councilor TenEyck moved to approve CRIS, Inc. as a paid invoice. Councilor Farnsworth seconded the motion. Voted: 5-1-0. Councilor Ray abstained. Motion carried.

Councilor Ribich wanted to know about item 433 – EOTEC. He asked if we currently contribute to EOTEC. Deputy City Manager Ince explained that we currently collect a dollar from each hotel for each room per night, and fifty cents from the RV Park.

He inquired about item 687 – Angie Hughes. He understood that there was a situation there. Deputy City Manager Ince explained that our former City Recorder, Angela Hughes' six month old daughter passed away. The funds they are seeing, was pass through money. The City Staff pooled it all together and wrote one check from the City.

Councilor Ribich stated that on pages 27 and 28 the court receipts could be found, and could not wrap his head around all the refunds and overpayments. He said the numbers don't jive with what he sees on page 28 refunds. So, maybe he shouldn't be asking here and now, but he just can't understand the two. Deputy City Manager Ince explained that it may just be a timing issue. Companies send the full amount of the fine, with a letter requesting a reduction. We deposit the full amount of the check, but sometimes Judge Krogh reduces the fine, in which case we must write a refund check.

Councilor TenEyck queried about item 1053 – Waterway Lease 33462 – ML. Deputy City Manager Ince explained that it was an annual payment that we have to make for our Marina. They send us a questionnaire survey on how many boat slips we have, and how much we collect on moorage.

Councilor TenEyck inquired about item 1698 –Blue Mountain Tree Service, LLC. Deputy City Manager Ince explained that we did not spend those funds on 3 trees. That is was split into 3 departments. Some were in the Marina, some were in City parks, some were from the street budget, and that's why they saw 3 separate line items. The total number of trees removed was 30 trees and 32 stumps throughout the City. Councilor Farnsworth asked if they were diseased trees. City Manager Pelleberg explained that some were diseased, some were hazardous, and some were already dead. A lot of the stumps were improvements to some of our properties. Councilor Farnsworth asked if they were going to be replaced. Manager Pelleberg stated they were.

Councilor Farnsworth inquired about item 1311 - Simplot Grower Solutions. Manager Pelleberg stated we bought weed control from them. Councilor Farnsworth then asked if was applied to ground water. Manager Pelleberg explained that it was EPA approved, which is why it was more expensive.

Councilor Lougee moved to approve 9.1(b) All Remaining Invoices and 9.2 Court Report. The motion was seconded by Councilor Ribich. Voted: 6-0. Motion carried unanimously.

10. COMMITTEE REPORTS: None.

11. UNFINISHED BUSINESS:

11.1 Plan Map/Zone Change Amendment PA-2-2015 was addressed under item 6 earlier in the meeting. Plan Map/Zone Change Amendment PA-2-2015 was denied and the Council adopted the Staff's findings.

12. NEW BUSINESS:

12.1 Ordinance No. 810 – An Ordinance Amending Title 3, Chapter 5 of the Umatilla Municipal Code to update the Transient Room Tax Code to Increase the Amount of the Tourism Promotion Assessment Charged to Fund Tourism. Deputy City Manager Ince explained that all 3 hotels were talked to about these changes and two of the three were on board. The City had not heard from Tillicum Inn, one way or another. A representative from Tillicum, Inn took the podium to address the Council. Ms. Josie Kepich explained to the Council that the Tillicum Inn's patrons did not want to pay the additional fee for staying at their inn. They feel like it is already too much for them pay since there is nothing to do here.

Mayor Trott explained that Council was also working on bringing in more businesses and events. He wanted to clarify for the record that the owners of Tillicum Inn, whom Ms. Kepich was representing, would rather not see the increase unless, they were able to do something to bring more people in.

It was moved by Councilor Ribich to approve Ordinance No. 810. The motion was seconded by Councilor Dedrick. Voted: 3-4. Councilors Ray, Lougee, and TenEyck voted for the motion. Councilors Dedrick, Farnsworth, and Ribich voted against the motion. Mayor Trott casted the tie-breaking vote against the motion. Motion failed. Ordinance No. 810 failed.

12.2 Resolution No. 20-2016 – A Resolution Amending the Pay Administration Section of the Employee Handbook. Councilor Ray questioned the bi-lingual incentive. Manager Pelleberg stated this was something Council had asked to be completed. This is something that will affect the police department and the public works department.

Deputy City Manager Ince explained that the union already had an incentive in place, but we do not have a way to test for it. It is offered to the union employees, but there was nothing in place for the non-union staff. They way that it is written in the union contract is based on a percentage of the pay. The reason that this references the pay scale as a flat rate, was because there was a bigger disparity in wages on our pay scale. So someone who uses more Spanish day in and day out, shouldn't be compensated less than somebody just because their normal pay is lower. We reached out to Umatilla County. They use a company named Linguistic Services. It is a recorded test and there is also written portion. Those test are sent out to Linguistic Services. The cost per test is sixty dollars per test per employee. Council Ray stated he had two concerns. One was who would administer the test. Deputy City Manager Ince stated Human Resources, essentially Recorder Sandoval, unless she herself wanted to take it, in which case, Manager Pelleberg or Deputy City Manager Ince would administer it. Councilor Ray asked who we would get the test from. Deputy City Manager Ince explained that we would get the tests from Linguistic Services.

Councilor Dedrick wanted to know how many other communities had this incentive. Most companies just found people with those skills. Councilor Ray stated he thought it was a common practice. His concern was that he did not want everyone to take this pay if they were not going to be available.

Councilor Lougee stated that he believed this to be commendable and thinks the school district needs to take a page from the City. He didn't see the quantity defined. Deputy City Manager Ince stated it was seventy five dollars per pay period or one-hundred fifty per month. She looked at the

qualifying employees and took 3% from all of them, and try to average it out. Councilor Lougee stated that they needed a reality check. Almost 50% of the community was Spanish speaking.

Councilor Farnsworth wanted to know if one-hundred fifty dollars per person was. Deputy City Manager Ince explained that it would be per qualifying employee.

Councilor TenEyck moved to approve Resolution No. 20-2016 - A Resolution Amending the Pay Administration Section of the Employee Handbook. Councilor Ray seconded the motion. Voted: 5-1. Councilor Dedrick voted against the motion. Motion carried.

12.3 Resolution No. 21-2016 – A Resolution Adopting a Compensation Plan for Fiscal Year 2016-2017. Councilor Ray wanted to know how much the increase was. Deputy City Manager Ince explained that it varied by position. They looked at job descriptions in comparison to the wage study they received. Some positions were 20% below whereas, others were only 5% below. She explained that not everyone was receiving the same sliding average because they were not comparable. She stated that they did not close the gap.

Councilor Dedrick wanted to know if she did just communities our size or other sizes as well. Deputy City Manager Ince explained that she looked at a state-wide average, Eastern Oregon, similar sized communities, and Hermiston. It was not just one large pool, they looked at several factors.

Councilor Dedrick did some checking just recently and thinks we are on the high-end. Councilor Ribich wanted to know if the previous pay scale was on the high-end or if the proposed pay scale was on the high-end. Councilor Dedrick clarified that the one being proposed was on the high-end. She just went with communities our sizes.

Councilor Dedrick wanted to know how many employees were at the top of the pay scale. Deputy City Manager Ince explained that over 50% of our employees were maxed out.

Councilor TenEyck moved to approve Resolution No. 21-2016 - A Resolution Adopting a Compensation Plan for Fiscal Year 2016-2017. Councilor Lougee the motion. Voted: 5-1. Councilor Dedrick voted against the motion. Motion carried.

12.4 Resolution No. 22-2016 – A Resolution Adopting a General Fee and Repealing Resolution No. 05-2013. Mike Jewett from Sanitary Disposal took the podium and addressed the Council. He explained that the last time they asked for an increase was in 2013 for a 2 year plan. They managed to stay away for an additional year and a half. What happened to them last year to extend out the agreement was that they had lower fuel costs, they had higher recycling in town, and additional work in the Morrow County area. Every day they do a rate study done by their CPA.

He does a mock rate study. With the mock rate study he thinks a 7.2% increase with a 2 year life. He is afraid those cost will be reflective upon the new increase in minimum wage. He believes their rates are very reasonable compared to other areas. He will be applying the increase system wide.

Councilor Ray believes Mr. Jewett has been really fair with the City over the years.

Councilor TenEyck sees that on garbage day some garbage cans are overflowed. He wanted to know if they were paid extra. Mr. Jewett explained that they do charge extra, if a driver has to get out to make sure garbage does not get dumped on the street.

Deputy City Manager Ince explained that the reason why we were analyzing our water and sewer rates on an annual basis because we have a greater challenge in providing services because we have a smaller user base, and it is critical to evaluate rates to ensure that revenues cover expenses. She stated key questions to ask were:

- Are revenues covering current expenses?
- Will revenues cover future expenses?
- Is there money available for unexpected expenses?
- Are we planning ahead for the future?
- Are the rates fair?
- Are we financially able to build new facilities?
- Are we going to apply for grants and/or loans?
- Is population increasing or declining?

She explained that the 10% increase that was implemented in the 2013-2014 fiscal year allowed for the \$100,000.00 transfer per year into reserves. It was always a goal in the past, but there was never enough revenue to achieve that. A subsequent 4% rate increase was approved for the current fiscal year to take a more proactive approach to rate evaluation. Those additional funds remained in the main Water Fund to support increased system maintenance costs. During the current fiscal year we anticipate costs of over \$200,000.00, which includes the interior recoating of the Coyote Reservoir. The total Water Reserve Fund is budgeted at approx. \$540,000.00 for the 2016-2017 fiscal year.

Deputy City Manager Ince further explained that current transfers of \$100,000.00 were not enough to cover the anticipated annual expenditures. Without increasing transfers, the City's Water Reserve will be depleted. Projects in the near future included Coyote Reservoir Interior Recoating for the 2015-2016 fiscal year with the estimated cost of \$225,000.00; a Pump & motor upgrade to Golf Course Well for fiscal year 2017-2018 with an estimated cost of \$130,000.00; Develop water rights; Build reserves to cover unexpected costs/improvements; and, Build reserves to avoid taking out long term debt.

Deputy City Manager Ince elaborated that the affordability index showed how affordable the proposed water and sewer rates are to the average median household in Umatilla (per U.S. Census Bureau). The City of Umatilla was sitting at 1.5%. That meant according to the index that we were fairly affordable.

The overall monthly difference in a utility bill would be about \$4.70 per month or \$56.40 annually.

Councilor TenEyck stated that our infrastructure was getting up there. We needed to be prepared for upgrades and possible repairs.

Mayor Trott recalled that several years ago in the McNary area there was a situation that was unplanned, he remembered writing a check out for \$557,000.00 dollars that were not anticipated.

Councilor Ribich moved to approve Resolution No. 22-2016 - A Resolution Adopting a General Fee and Repealing Resolution No. 05-2013. Councilor Dedrick seconded the motion. Voted: 6-0. Motion carried unanimously.

12.5 National Correction Workers Week Proclamation – Mayor Trott explained that there was no formal action needed for this. This proclamation would be presented at TRCI by the Mayor during their annual celebration.

13. CORRESPONDENCE: None.

14. PUBLIC COMMENT: None.

15. MAYOR'S MESSAGE: Mayor Trott wanted to thank the City Staff and others on the March 25th discussion on the homeless situation. They worked on a list for more invitees and hope to continue further discussion on finding a solution.

16. STAFF REPORT: Manager Pelleberg wanted to thank everyone for the cleanup week and everyone who participated.

17. COUNCIL INFORMATION & DISCUSSION:

17.1 Councilor TenEyck – He wanted to provide inside information on the cleanup event. About 9:30am he saw a truck back up to one of the dumpsters and unload, and at about 3:30pm he saw the same truck drive by with couches, loveseats, and a new refrigerator. So he thought to himself, not only are we doing something good for the community, we are also giving the local economy a boost.

17.2 Councilor Lougee – He had nothing new to add, except the same two items already discussed. Thanks to everyone.

17.3 Councilor Ribich – Wanted to thank the City staff for all their hard work. He stated his truck and trailer were filled twice, by a lady named Brenda and a van full of high-school kids. He feels like hotdogs were just not enough for them because they worked hard.

17.4 Councilor Ray – He thinks the Slam Dunk the Junk was a phenomenal event. He wanted to know when the workshop would be occurring. Manager Pelleberg explained that a date had not been set, but reminded him that the budget meeting was on April 19, 2016 at 7:00pm.

17.5 Councilor Farnsworth – Thanks to everyone who turned out. Thanked Ms. Shepherd for the plant and the card.

17.6 Councilor Dedrick – She wanted to thank everyone who helped out. A special thanks the Recorder Sandoval and Utility Clerk Caldera for all their hard work.

18. ADJOURN TO EXECUTIVE SESSION: ORS 192.660 (2)

19. RECONVENE:

20. ADJOURN: The next meeting will be held on May 3, 2016. It was moved by Councilor TenEyck to adjourn the meeting. The motion was seconded by Councilor Dedrick. Voted: 6-0. Motion carried unanimously. Meeting adjourned at 9:26pm.

David P. Trott – Mayor

ATTEST:

Nanci Sandoval – City Recorder