

**CITY OF UMATILLA
COUNCIL MEETING
August 16, 2016**

1. **CALLED TO ORDER:** Council President Dedrick called the regular council meeting to order at 6:00pm.
2. **ROLL CALL**
 - PRESENT:** Councilors Dedrick, Farnsworth, Ray, Ribich, and TenEyck.
 - ABSENT:** Mayor Trott and Councilor Lougee.
 - STAFF PRESENT:** Recorder Sandoval, Manager Pelleberg, Deputy City Manager Ince, and Planner Searles.
3. **PLEDGE OF ALLEGIANCE:** Recited at 6:01pm.
4. **APPROVAL OF AGENDA:** Councilor Ray moved to approve the agenda. Motion was seconded by Councilor Farnsworth. Voted: 5-0. Motion carried.
5. **PRESENTATION:** None.
6. **APPROVAL OF MINUTES:** It was moved by Councilor Ribich to approve minutes for July 19, 2016 and July 19, 2016 workshop. It was seconded by Councilor TenEyck. Voted: 5-0. Motion carried.
7. **PUBLIC COMMENT:**
 - 7.1 Janice Pullen - complained about Russian olive trees and sage brush across the street. She would like to know if there were was anyway to get it cleaned up. She has been told that it is CORPS property and she has also been told that it is City property. She just wanted to know who she needed to complain to about getting it cleaned up.
 - 7.2 Gail Pullen - There are transients who stay down there and he is concerned because a lot of the kids from the apartments go down there to play. It is a huge safety concern. He just wanted to ask Council what do they do and who do they talk to?
8. **CONSENT AGENDA:**
 - 8.1(a) Councilor TenEyck moved to approve CRIS, Inc. as a paid invoice. Councilor Farnsworth seconded the motion. Voted: 4-1-0. Councilor Ray abstained. Motion carried.

Councilor TenEyck inquired about item 92 Banner Bank MasterCard – Ince GFOA Conference on page 8. Deputy City Manager Ince explained that it was the Government Finance Officer Association. He asked how many days it was. Deputy City Manager Ince explained that it was 5 days.

Councilor TenEyck inquired about item 101 Baxter’s Lawn Services on page 9. He wanted to know that if we are doing some cleanup around town, were there any plans to get the City reimbursed for their efforts. Deputy City Manager Ince explained that any time we receive an invoice, Code Enforcement Officer Coffey gives her the invoice and Deputy City

Manager Ince sends out a letter to the property owner for the services plus an administration fee. If the invoice is not paid within a certain amount of time, a lien on the property is placed.

Councilor TenEyck asked about item 216 Caselle, Inc. on page 10. He wanted to know what Caselle was. Deputy City Manager Ince explained that it was our accounting software. Councilor TenEyck asked about the cash receipting module. Deputy City Manager Ince clarified that the annual software support, accounts receivable module, and cash receipting module were what had been approved during the budget process. This would give us the ability to invoice and cut down on the triple entry that we were having to do. Councilor TenEyck wanted to know how long the module would be good for, would it need to be updated or replaced. Deputy City Manager Ince explained that we had upgraded two years ago to Connect, which would give us free upgrades. That module would be good once we purchased it, but we would always have the annual support fees.

Councilor TenEyck inquired about item 245 Comp and Liab Insurance on page 10. Deputy City Manager Ince explained that it was one big invoice, because we actually prepay our liability insurance for the entire year. The reason why they see it spread out between many times is because it is spread out between all the departments. Councilor TenEyck asked about the 29K and 39K amounts, which departments were those? Deputy City Manager Ince explained they would be the sewer and water departments, because that was where we had the most value.

Councilor Farnsworth asked about item 1064 Oregon Travel Experience on page 17. Deputy City Manager Ince explained that when you come into town, the signs that lead you to the Marina, we get billed for those every year. That was the fee related to those signs. The Port used to pay those fees, but the invoice goes to the City now.

Councilor Farnsworth asked about item 1764 Cottage Even Rentals, LLC. on page 24. Was the Summer Reading Bounce House Rentals something we were doing in the parks now? Manager Pelleberg explained that it was something the Library had put on next to City Hall.

Councilor TenEyck inquired about item 1768 Frontier Precision, Inc. on page 24. He wanted to know what Geospatial Value Plan Subscription was. Manager Pelleberg explained that it was for the GIS software. Some of the big ticket items that Councilors were seeing on agenda were ones that had all been approved during the budgeting process. Councilor TenEyck stated that he recognized most of them, but the ones he asked about were ones he did not remember.

Councilor TenEyck moved to approve 8.1(b) All Remaining Invoices. The motion was seconded by Councilor Ray. Voted: 5-0. Motion carried.

Councilor TenEyck moved to approve 8.2 Court Report for July. The motion was seconded by Councilor Farnsworth. Voted: 5-0. Motion carried.

9. COMMITTEE REPORTS:

9.1 Planning Commission Goals – Planning Commission Chair Sharp wanted to ensure that Planning Commission Goals were taken into account when Council was working on the future Capital Improvement Plan. The current Capital Improvement Plan should expire at the end of the year.

10. UNFINISHED BUSINESS: None.

11. NEW BUSINESS:

11.1 Social Gaming License – Council President Dedrick stated that she did not see anything different from what was previously submitted and asked Mr. Troy Lindstrom to take the podium.

Mr. Lindstrom stated that he currently managed the Lamp Lighter Motel, he had conducted social gaming in Umatilla for 6 years, at Crossroads, at Amanda's, and at Nick's, under the same rules that he submitted to them. He thanked the Council Members for the opportunity to readdress the issue of his gaming license, which was held on July 19, 2016 when the Council denied his license. He didn't think there would be any problems since it had been approved six times before, six years. In addition, he contacted the City Code Enforcement Officer prior to submitting his application for his dealer school, O.D.I.N., and the gaming license, was told there would be no conflict of interest and that he was in compliance of the City Ordinance. Again, he regrets not being at the meeting.

Next, he wanted to thank the members of the community that were present to support his endeavors. Those were his players and his friends. Those individuals relied on his experience and knowledge to provide with a safe and secure game. They [his players] know that when they play a game that he runs, they are certain that the rules are always followed, and their assets are secured.

There were issues with zoning, he believes the first hurdle. At the last City Council meeting the business license hadn't been approved, it hadn't been approved. He didn't know how the Council could attach a social gaming license to a business that hadn't been recognized. He believes that has been taken care of. Oregon Dealers Institute of the Northwest is a career school as defined by ORS 345.010. He chose to do business as ODIN to associate his business with the Umatilla Vikings and support the community. As they enroll students and increase revenue there are many ways they intend to further their community support. In the past, he held tournaments to earn money, which he donated to the high school sports program, the Blue Crew and the Fire Department. He fully intends to expand these efforts and find other ways to bring positive growth to the community.

He shared some personal information about himself to the Council Members. He grew up in Ione, Oregon and graduated from Ione High School in 1983, and is an honorably discharged US Veteran, and he began working in the gaming industry in 1982 as a card room employee, from there he became a poker dealer, advanced to a poker room supervisor, moved up to poker room manager, and then he was promoted to assistant casino manager. He had also held a Washington State Instructor's License for dealing poker. He is qualified to teach this

course. He has been planning starting O.D.I.N for many years and he was looking forward to the tuition becoming his retirement plan. The concept of the school came to him, from the numerous times individuals have asked him to teach them how to deal poker.

Dealing poker is not easy. There are many things that go into the game, and you as a dealer must pay attention to what is going on. You have to secure and make sure that nobody can see each other's cards when you're dealing. You have to make sure that everybody puts the right amount of chips in the pot. You have to make sure that your impressed bank. You have accounting accuracy that you have to take care of. The school is going to teach these skills that they are going to need. Due to his many years of experience, he has many multiple contacts throughout the US, and can help his graduates with job placement assistance. These same contacts will refer potential students to O.D.I.N.. O.D.I.N.'s business plan includes expansion in 5 years, it includes relocating to a bigger building in 5 years. At the present location with which he has a lease, it would only allow for 2 tables. He will not be serving alcohol. His business hours will be set by the students. However, the majority of the time the business hours will be set at 6:00 pm to 2:00 am. He will be available by phone Monday, Tuesday, and Wednesday at a student's request. Thursday, Friday, Saturday, and Sunday he will be there from 5:30 pm to 2:30 am. They can come in any time they want. The reason he is offering those hours is because most students will already have a job that they have to go to. He will do his best and conform to get them through the course. It is a one hundred hour school.

He believes that the issue is not the school because it is zoned. There are issues with rules.

Councilor Dedrick stated that Mr. Lindstrom was telling Council that his business was a school, so why would he need to use real money. Mr. Lindstrom explained that the issue he applied for the social gaming license was because he feels it is an absolutely necessary experience for a student to know how to operate in a live environment or tournament environment. It will give them an advantage over other graduates of other schools.

Councilor Dedrick stated that he did not answer her question. If you're a school, why not use monopoly money. Mr. Lindstrom stated that they would in the beginning, but if he sends a student over to the Tri-Cities they would know that his student would have live experience.

Manager Pelleberg stated that the issue was the social gaming as a standalone business. The zoning allows the trade school, but the second you start the social gambling by itself it becomes an issue.

Mr. Lindstrom asked what he should sell in his school that would make council reconsider so it's not a standalone business. Manager Pelleberg stated that it was not up to him to make that decision. He stated that it was up to Council to make that decision, that he was just clarifying some facts.

Councilor Dedrick stated that as a Councilor she hears a lot of things, unfortunately. She had heard that Mr. Lindstrom had approached one of the business owners to set up a table or some tables. She wanted to know if it were true.

Mr. Lindstrom stated that Crossroads had had a gaming license, and he ran that table. Nick's had had a gaming license, and he had ran that table. Amanda's had had a gaming license, and he had ran that game.

Councilor Dedrick stated that those were inside a business in which they did something else.

Mr. Lindstrom stated that she was correct and that's what he was doing with the school, he was opening a business.

Councilor Dedrick stated that he couldn't have social gambling when he was doing that. He had to be in with another business, a restaurant for example.

Mr. Lindstrom then stated that the ordinance didn't define a business.

Councilor Ribich stated that it did. He directed the audience towards Title 3, Chapter 6, 3-6-4: Prohibitions: E - No social games shall be played or permitted in any private business, private club or any place of public accommodation unless such business, club or place exists for the purpose of providing other, substantial, legitimate commercial services which are not otherwise associated with gambling or social games. Councilor Ribich stated that in the mean content of that what they were looking at was that it is typically associated with a restaurant, or a bar operation that serves food or adult beverages.

Mr. Lindstrom asked if he was reading section E. Councilor Ribich stated that he was correct. Mr. Lindstrom stated that he wasn't teaching the students how to gamble. Councilor Ribich specified that he understood that and the idea of the school was fantastic, and he wholly supported that, but when he switch from a learning environment to a gambling environment, which it sounded like from the rules he submitted, they were poker house rules. There was nothing that he submitted to Council that tells them about his learning environment, about his curriculum, about his goals associated with achievements and measures of success. It's all about gaming from what they can see and so when they [Council] sees it from that perspective, it makes it hard for them to approve.

Councilor Dedrick told Mr. Lindstrom that if he went into Riverside, then he would be okay.

Mr. Lindstrom stated that he would like to go into Crossroads, but they say that there is no room, that they plan on remodeling, and that has been 3 years now. The Riverside he has called multiple times, and he is also not sure he would like to take his game in there. He doesn't want to take his game there because it is a strip joint. He has multiple women, and he thinks that is disrespectful to them, but that is his personal opinion. He wanted to know what other options were available to him.

Mr. Ribich stated that they [Council] was not trying to force him to do anything, or go anywhere, or go to an environment that he is not comfortable with, but they all support the concept of the school. It is a step towards gambling and this where they have a code issue, and based on the code they have a problem.

Mr. Lindstrom stated that he chose Umatilla because he could theoretically go to Hermiston. He wouldn't need a gaming license because there is a game running in Hermiston right now, an illegal game and he chooses not to participate. He wants to be legal and he can be legal in this town. He is not sure where they are crossing the line as far as standalone business. It is a learning institution. He is not teaching them how to gamble. He is teaching them how to be an NFL referee, and professional referee. They don't know how to play the game, they learn the rules on how to conduct the game. The game is an essential learning aid.

Councilor Dedrick asked why he would need to use real money, if he was just teaching students the rules. She stated that students can learn without the real money.

Mr. Lindstrom said that he does not believe that he would be running a standalone business. He has been through a lot in this town. His wife was diagnosed with stage 4 terminal cancer. She was on Hospice for 14 months. He was also running the motel, and he was running his game for Amanda at her establishment. He thanked the Council for their time.

Councilor TenEyck asked Councilor Ribich to reread the section he had read out loud earlier in the meeting and to slow down on the parts that emphasized the separation between what is allowed and what is not.

Councilor Ribich obliged, and read Title 3, Chapter 6, Section 4, Letter E: - No social games shall be played or permitted in any private business, private club or any place of public accommodation unless such business, club or place exists for the purpose of providing other, substantial, legitimate commercial services which are not otherwise associated with gambling or social games. Councilor Ribich also read Letter F: No private business or private club may operate for the sole purpose of providing a place at which social games are conducted.

Councilor TenEyck said that was where the hang-up was located. In his mind the two activities are directly related.

Councilor Ribich stated that he wasn't saying it was right, but that was how the code read.

Mr. Lindstrom asked how they could say that the two were directly related. He wasn't teaching the students how to gamble, he was teaching them how to account, professionally deal the game of poker. So, that they can go to Wildhorse and take some points there, or Tri-Cities and obtain an appointment. This could potentially be a 60,000.00 dollar a year job.

Councilor Ribich asked Mr. Lindstrom if he would have a roster, and if the students would be in the general population that would be playing the games. Mr. Lindstrom stated that it depended on how many people enlisted to play, it all depends on how many hours they can devote, because you can't just sit down. There are so many aspects to learn, you have to shuffle a certain way, you can't bridge the cards, and there were certain ways they have to cut the deck, in order to obtain an appointment. Councilor Ribich stated that at some point now Mr. Lindstrom students would transition to gaming, would the students have a potential to profit from their play? Mr. Lindstrom stated that the students wouldn't be gambling. If they

were to be gaming they would be doing it under Mr. Lindstrom supervision. Councilor Ribich asked if the general public would come in and sit with one of his students.

Mr. Lindstrom stated that he had a difficult time understanding why it would be allowed in a bar, but not a school. Councilor Dedrick stated that their main purpose was for selling liquor. Mr. Lindstrom stated that they were at a disagreement with what business could be associated.

Councilor Farnsworth asked if it mattered what type of business it was. Manager Pelleberg stated that it does not define. Councilor Farnsworth asked if it could be at the hotel, she wanted to know if Mr. Lindstrom had tried at the golf course. Mr. Lindstrom stated that he did that a long time ago. He stated that when Mr. Lindstrom is talking about a game, he is talking about multiple games.

A Ms. Kennedy gave testimony about poker dealers having to go on auditions for employment. She said that the Council was putting a hindrance on students. They have to perform in an environment that is extremely stressful. Monopoly money doesn't work. There are several people in the audience that are their players. They are not undesirable people, they are not people that are unwanted in the community, they are wonderful people, and they represent on their players. The reason why the school should not be considered any different than a bar, a gas station, they are defined by a federal tax identification number. They are defined as a career school. They don't determine anything about gambling or apprenticeship program. She was having a difficult time understanding why Council can say that players can go into a bar and play but not into a school and play.

Councilor TenEyck made two suggestions to Mr. Lindstrom. One, was for Mr. Lindstrom to find a location which supported both his school and his gaming license. The other would be to try to change the code so that it would accept a gambling school.

Councilor Ribich moved to approve the social gaming license. Councilor TenEyck seconded. Voted: 0-5. Motion failed.

11.2 Resolution No. 06-2017 – Adopting Supplemental Budget - Manager Pelleberg stated that this was an emergency. We had a total failure of the Port of Umatilla well. Deputy City Manager Ince explained that in an attempt to make sound financial decisions, it was more appealing to pull funds from reserve instead of taking out small debt services. We have several large projects on the horizon. Councilor TenEyck moved to approve the Resolution No. 06-2017. Councilor Ray seconded. Voted: 5-0. Motion carried.

11.3 Resolution No. 07-2017 – Making Appropriation for 2016-2017 Supplemental Budget – Manager Pelleberg stated that this was just approving the appropriation for that dollar amount. Councilor TenEyck moved to approve the Resolution No. 06-2017. Councilor Ray seconded. Voted: 5-0. Motion carried.

11.4 Land Division Application – Public Hearing - Councilor Ribich moved to have a continuance on the Public Hearing for the Land Division Application on September 6, 2016. Councilor Ray seconded the motion. Voted: 5-0. Motion carried.

12. CORRESPONDENCE:

12.1 League of Oregon Cities Donation Letter Request – Councilor Farnsworth moved to donate \$350.00 dollars to the LOC. Councilor Ribich seconded the motion. Voted: 5-0. Motion carried.

12.2 S&P Global Rating – Manager Pelleberg stated that the budget for the last several years has been in really good shape and a lot of that has to do with Deputy City Manager Ince and department heads for watching where they are spending their money. It's more of a pat on the back.

13. PUBLIC COMMENT: None.

13.1 Gail Pullen – Mr. Pullen wanted to know if he was talking to the right person or if the Council could direct him to the right people. Council President Dedrick stated that Mr. Pullen needed to make an appointment with City Manager Pelleberg and he would be better able to help him.

14. MAYOR'S MESSAGE: None.

15. STAFF REPORT: Manager Pelleberg said he approached the CORPS of Engineers with a creative idea for the reuse project. He threw an idea to them and they were extremely receptive that. The City was going to have JUB Engineers do the bulk of the work and have the CORPS look over the work.

16. COUNCIL INFORMATION & DISCUSSION:

16.1 Councilor Farnsworth – wanted to know why slumlords are not being held accountable to their tenants. She really thinks that they should be required to come before council and explain themselves as to why they are not giving their tenants what they need. It's a nightmare to say the least. She is really frustrated that these landlords are not brought into account.

16.2 Councilor Ray – The Council approved parks rules and regulations about sixth months ago, they have not been put up. Those were approved months ago, and nothing has been done about it. He would like to see the street right-away standards updated. He would like to see that updated to the comprehensive plan.

16.3 Councilor Ribich – he would like to see Public Comment moved to after the Mayor and Staff reports. He also stated that the 25MPH sign coming down the hill on Sixth Street (close to the RV Park next to Riverside Sports Bar & Lounge) headed west is not visible. He was wondering what it would take to see it cleaned up.

16.4 Councilor TenEyck – Said the triangle on Sixth Street and HWY 730 is an eyesore. Wants to know what they need to do to get it cleaned up. Manager Pelleberg stated that it

was part of State right-away and county property. Brownell coming off of the light at Crossroads, if we could clean between the road edge and the fence toward the freeway. Manager Pelleberg stated that it was county property as well. Councilor TenEyck stated that we have a lot of visitors coming into town and that is not the first thing we want them to see. The weeds in the Marina are getting so bad that people are starting to say that they are no longer taking their boats out because they are afraid of getting plugged up.

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

18. RECONVENE:

19. ADJOURN: The next meeting will be held on September 06, 2016 at 7:00pm. It was moved by Councilor TenEyck to adjourn the meeting. The motion was seconded by Councilor Farnsworth. Voted: 5-0. Motion carried. Meeting adjourned at 7:27pm.

David P. Trott – Mayor

ATTEST:

Nanci Sandoval – City Recorder