

**MILL CITY
MINUTES OF THE CITY COUNCIL
Tuesday, January 14, 2020**

Mayor Kirsch opened the meeting at 6:30 PM with the flag salute. Councilors present were Janet Zeyen-Hall, Brett Katlong, Dawn Plotts, Tony Trout and Steve Winn. Staff members in attendance were City Recorder Stacie Cook and Public Works Supervisor Russ Foltz and City Attorney Jim McGehee.

Citizens in attendance: Roel Lundquist and Sgt. Greg Klein, Linn County Sheriff's Office.

DECLARATIONS OF POTENTIAL CONFLICTS OF INTEREST: Mayor Kirsch stated that anyone who felt they may have a potential conflict with anything on tonight's agenda may say so at this time or at any time during tonight's meeting.

CONSENT AGENDA: City Recorder Stacie Cook said she would like to add two items to item 'b' Accounts Payable of the consent agenda; a check in the amount of \$325.00 to White Water Signs and Graphics for a banner ordered by the Sewer Authority and a check in the amount of \$459.00 to the Department of Revenue for fine disbursement.

Councilor Trout moved and was seconded by **Councilor Katlong**, to approve items a; Approval of Minutes of Regular City Council Meeting of December 10, 2019, b; Approval of Accounts Payable, c; Acceptance of Monthly Revenues & Expenditures Report for December 2019, d; Approval of Request for Reduction of Leak Charges for Daron and Daron McKenzie, 264 NW 5th Avenue, Mill City to the Highest Consumption in the Previous Twelve Months for the November and December Consumption, e; Approval of Request for reduction of Leak Charges for Grady Setzer, 48990 SE Kingwood Avenue, Mill City to the Highest Consumption in the Previous Twelve Months for the November and December Consumption, and f; Approval of OLCC Liquor License Renewals for the Following Businesses:

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|------------------------------------|------------------------------|
| i. Circe K No. 38796H | 200 NW Santiam Blvd |
| ii. Dollar General Store No. 17506 | 250 NW Santiam Blvd |
| iii. Giovanni's Mtn Pizza | 146 N. Santiam Blvd |
| iv. Sam's Krispy Krunchy Chicken | 218 NE Santiam Blvd |
| v. Stop N Save 6 | 250 NW 9 th Ave., |

Stacie Cook polled the council. The motion passed unanimously, (6:0).

CITIZEN COMMENTS AND QUESTIONS: None.

LINN COUNTY SHERIFF'S REPORT: Sgt. Greg Klein gave the Linn County Sheriff's Office report for the month of December, 2019. Sgt. Klein reported 130 incidents recorded in December with a total of 307 hours.

PUBLIC WORKS REPORT: Public Works Supervisor Russ Foltz gave a brief report on the following items:

Pump Report: The overall finding on the water pumped vs. sold was on track this year to previous years at about 30% loss.

Wall Street Pump: The Wall Street pump station went down on December 20th due to a transducer. The redundant system attached to the pump kicked in and kept any overflow contained. The transducer had been replaced approximately 5 years ago. Mr. Foltz said that he suspects that a recent power bump caused this as it is hard wired. It was suggested to contact PP&L to see if they can provide some reimbursement for this transducer.

Public Works Building: The building is looking great and it's almost time to move in. Final inspection is scheduled for Thursday, January 23rd. Pads need to be poured at each man door before occupancy will be granted. A meeting to create a 'punch list' is scheduled for next Thursday.

Year End DMR: Mr. Foltz stated that he included the year end DMR for DEQ because the Council seemed interested in it when it was presented last year. The WWTP is doing an excellent job. There was no detection in the Biological Oxygen Demand for September. The treatment plant removed all of the BOD, causing a lack of oxygen, therefore killing bacteria.

SW 5th Avenue/SW Broadway Street Storm/Man Hole: Linn County came out and located the man hole. It was discovered that eight inches of concrete was poured over the man hole in the past and then was paved over. Mr. Foltz said that he had the 12" line TV'd, which showed it to be in good shape and noted that when the storm water project and/or TIGER grant project is completed a larger 24" line may be installed.

Councilor Plotts asked what work was happening on SW Cedar Street and SW 2nd Avenue. Mr. Foltz explained that workers were digging down to locate utilities and get grade elevations. The truck was equipped with a large vacuum that removes the dirt, helping to make locating utilities easier.

Mr. Foltz said that the motor on the dump truck seized as sanding began last week. A motor was quickly located and is being installed.

CITIZEN COMMENTS/QUESTIONS LIMITED TO THREE MINUTES: None.

PUBLIC HEARING: None scheduled.

PRESENTATIONS: None scheduled.

OLD BUSINESS

LCSO MOU Revision: The Memorandum of Understanding between the City and the Linn County Sheriff's Office was sent to Sheriff Yon along with the contract that was approved by the Council. Sheriff Yon requested that the City consider a number of areas of concern that he outlined and sent back to the City.

A marked up copy of the MOU was presented to Council for review. Throughout the document the word Department was replaced with Office, which is the correct term for LCSO. Sheriff Yon requested that Section 3 be more generalized to address the need for refocusing efforts either by the City or LCSO when an uptick in crimes occur. A paragraph was inserted to address this concern. City Attorney Jim McGehee has no concerns with this document. Consensus to forward revised MOU to LCSO. Mrs. Cook will bring the MOU back before Council for signing once LCSO signs off on the modifications.

Ordinance No. 40X – Sewer Authority: A revised ordinance and IGA for the formation of a Sewer Authority was submitted to Council for review. Mrs. Cook stated that the task force group legal counsel, Christy Monson, had concerns with the many different versions of both documents after each city had an opportunity to review and revise them.

City Attorney Jim McGehee said that he and Ms. Monson had a long conversation about this issue. Language was added to address some of the City's concerns. However, Mr. McGehee indicated that he still has concerns that need to be addressed.

Once a revised draft is completed, this will be brought before Council for consideration.

TIGER Grant Update: Mayor Kirsch said that he and Mrs. Cook attended a meeting with Linn County representatives on the status of the TIGER project and design for the Railroad Bridge. Work is scheduled to begin this spring with the traffic bridge, which will be closed from approximately June through September for cleaning and painting. This will be a full closure. The bridge will be fully enclosed to protect any materials from falling into the river.

Linn County is in the process of discussing how the closure will affect Emergency responders and how best to handle any emergency situation on the north side of the bridge.

Roel Lundquist, SW Linn Blvd, said that Linn County is trying to work within the school's schedule so that bus routes are not disrupted.

Linn County has asked for Council approval on the following items to keep the project moving ahead:

- 1) Authorization for Mayor to sign environmental documents;
- 2) Authorization for temporary access to City parks and rights-of-way for completion of construction. The temporary access includes the following:
Right of Entry for Construction Purposes for Rehab of 1st Avenue Bridge
 - Right of Entry for Construction Purposes for Railroad Bridge
 - Right of Entry for Construction Purposes for Bus Stop Shelter
 - Right of Entry for Construction Purposes for Broadway Street Reconstruction, SW 5th Avenue Improvements, Pedestrian Path Improvements and Other
- 3) Request for concurrence of 30% engineering design.
- 4) Consensus for closing 1st Avenue Bridge during the months of June to September
- 5) Authorize City staff to begin working with Pacific Power to install underground power and decorative street lights throughout the project area.

Councilor Katlong moved and was seconded by **Councilor Plotts** to Authorize Mayor Kirsch to Sign Mill City Downtown Revitalization Project Environmental Documents and Authorization for Temporary Access to City Parks and Rights-of-Way for Completion of Construction Documents. The motion passed unanimously, (6:0).

Councilor Katlong moved and was seconded by **Councilor Zeyen-Hall** to Concur with the 30% Engineering Design of the 1st Avenue Bridge and Closure of the 1st Avenue Bridge Between the Months of June and September for Cleaning and Painting. The motion passed unanimously, (6:0).

Councilor Katlong moved and was seconded by **Councilor Plotts**, to Authorize Staff to Begin Process of Working with Pacific Power to Install Underground Power and Decorative Street Lights Throughout Mill City Downtown Revitalization Project Area. The motion passed unanimously, (6:0).

Councilor Katlong thanked Roel Lundquist for all his and the Planning Commission's hard work with this project.

Mr. Lundquist mentioned that he has a concerns with some elements of the project, specifically how the rails intersect between the two bridges and stabilization of the ground below. Mr. Lundquist said that he would like to see more detail in the final plans on the east section of Railroad Bridge and the transition to the 1st Avenue bridge. Mrs. Cook will send an email to Linn County outlining Mr. Lundquist's concerns.

Mr. Lundquist noted that the location of the bus shelter is an area of concern for some. Mayor Kirsch stated that there are additional issues that have come up which need to be considered

when determining the bus shelter location, such as the area in which the environmental study encompassed.

Councilor Katlong said that he does not see a problem with locating a bus shelter at this location as there are only a couple of buses a day that will stop there. Parking is at a premium in the area so this should be paid attention to.

Mr. Lundquist said that he believes that the pedestrian trail connection on the road near the Eagles needs to have a clear transition so that people know how to access the trail, possibly with added asphalt.

Mayor Kirsch thanked Mr. Lundquist for his always thorough review of City projects, stating that it is good to have someone with an eye for details.

NEW BUSINESS

Resolution No. 844 – I.R.S. Official Intent: There are multiple projects happening concurrently within the City; the TIGER project, the Santiam Canyon School District campus rebuild and the storm drainage work. These projects all have components that intersect and should be completed at the same time. This can result in significant savings to the City and avoid unnecessary reconstruction of newly constructed street improvements.

Mill City is the recipient of a \$1.88 million funding appropriation for storm water improvements. However, the funding will not be made available until after bonds have been sold, most likely in the spring of 2021. City Planner Dave Kinney and City Recorder Stacie Cook have met with the Infrastructure Finance Authority (IFA), to discuss this situation and provide an overview of the three projects. A specific request was made to receive authorization to expend dollars prior to signing the grant agreement and have them be deemed reimbursable by IFA. These pre-award costs can be covered if the City adopts an “official intent,” which needs to be adopted before the first expenditure, but can be adopted up to 60 days after.

Resolution No. 844 states the City of Mill City’s “Official Intent” as required by IRS regulations and outlines project elements which the City intends to expend dollars on prior to execution of the agreement, which include:

1. Preliminary engineering services for storm drainage improvements including:
 - a. Storm Drainage Facilities Master Plan update.
 - b. Pre-design services by the City’s consulting engineer.
 - c. Survey data collection and preparation
 - d. Final design of storm drainage facilities, including preparation of bid specifications and bid documents.
 - e. Final design of storm drainage facilities in the City’s public right-of-way adjacent to the Santiam Jr./Sr. High School campus and the Santiam Elementary School campus in Mill City, Oregon. Design and engineering services will be provided by Locke Civil & Structural Engineers, the Santiam School District’s consulting engineer. The City’s share of the design cost are for storm drainage facilities that are recommended by the City to be constructed concurrently with the school district’s public improvements.
2. Construction: A small amount of construction. This will include the city share for construction of storm drainage facilities adjacent to the Santiam Jr/Sr High School and Santiam Elementary School campuses that are identified in a written Development Agreement between the City of Mill City and the Santiam Canyon School District. The improvements may include storm sewers, catch basins, manholes, storm detention/retention facilities.

3. Maximum Expenditure: The preliminary services shall not exceed \$200,000.

Mrs. Cook said that there are Sections of storm work on SW 4th Avenue between SW Evergreen and SW Cedar Streets that will be the City's responsibility when the school project begins. There are several drywells that need to be dealt with in this area.

Staff will review the budget to find potential dollars to cover costs until a disbursement request can be made. Mr. Kinney, Mrs. Cook and Santiam Canyon School District Superintendent Todd Miller will meet to determine how best to proceed while ensuring that the work is done as efficiently and inexpensively as possible.

Councilor Trout moved and was seconded by **Councilor Katlong** to Approve Resolution No. 844 – A Resolution Adopting an I.R.S. "Official Intent" in Anticipation of Receipt of Bond Proceeds From the State of Oregon. The motion carried unanimously, (6:0).

Audit Contract; FY's 2020, 2021 & 2022: Accuity, LLC, has submitted a new contract for audit services, which covers three fiscal years; 2019/2020, 2020/2021 and 2021/2022.

Based on a recommendation given to a prior member of the Council that auditors should be changed every three to five years, the City issued an RFQ for audit services. Accuity, LLC was hired and a contract executed in 2014. Accuity has done a great job with the audits and staff has no concerns with their ability to continue providing excellent service to the City. Council has the opportunity to consider whether the City should go through the RFQ process at this time before signing a three year contract. Currently, the City pays \$16,500 per year for these services.

It was noted that having an auditor that comes year after year is nice because they get to know the City's way of doing things, whereas, bring in a new firm provides a 'fresh perspective' every few years.

Mayor Kirsch stated that audits can assist in identifying fraud and money mishandling errors as well as inappropriate use of the City's assets.

Councilor Trout moved and was seconded by **Councilor Plotts** to Approve Audit Contract with Accuity, LLC for Fiscal Years 2019-2020, 2020-2021, and 2021-2022 in the Amount of \$16,500 Per Year and to Authorize Mayor Tim Kirsch to Sign the Contract. Motion carried unanimously, (6:0).

Stacie Cook asked Council if they would like to have the auditor come to a meeting and present the audit or just call if they have questions. Consensus to schedule an audit presentation.

Marion County Intergovernmental Agreement for Community Prosperity Initiative and Canyon Project Fund: Mrs. Cook stated that Marion County's Community Grant Program is being dissolved and a new approach used to provide economic development funding for cities within the county. Mill City is being granted \$15,000 from these funds as well as an additional \$15,000 from the GROW EDC funds that Marion County had budgeted but will not be used as intended with the dissolution of GROW EDC. The City will receive an additional \$15,000 for the next two fiscal years from Marion County for economic development purposes. The only requirements to the City to receive these funds are that they be used for economic development purposes and that a meeting between Mrs. Cook and their coordinator be held once a year.

Mrs. Cook will place this item on the next agenda for additional discussion and possible approval.

STAFF / COMMISSION REPORTS

City Recorder Report:

List of On-Going Old Business Items – The list of on-going old business items was provided for review.

The Reid House Update – There is an interactive meeting set for Wednesday, January 22, 2020. Information will be gathered from those attending to assist with putting together a plan of action for needed projects and remodeling at the home.

Reid House Committee Chair Gary Swanson, Project Manager Dan Benjamin, Facilitator Tree Fredrickson and Mrs. Cook met with Marlene Gillis, Soderstrom Architects, to review the RFP for roofing on the house. Some changes are being made on the RFP based on this discussion. The hope is to have the RFP out for publication next week with a three week bid timeline. Recommendation for award is set to be brought before Council on February 25th so that a roofing contractor can complete the work during the summer of 2020.

A preliminary parking lot design has been submitted to the Planning Commission along with the necessary application for the Reid House.

Sewer Lateral Permits – There has been a miscommunication with Linn County Inspectors regarding inspections for the sewer lateral permits, which staff has been working to fix. Effective approximately one month ago, any sewer lateral permit issued will be inspected solely by Mill City Public Works staff. There were eight permits issued since July that Linn County has agreed to credit the City for on the next monthly invoice.

Point in Time Count – Mrs. Cook was contacted by the Santiam Outreach Community Center (SOCC) concerning their upcoming Point in Time Homeless Count, which is scheduled to begin January 29, 2020. SOCC wanted to be sure that the City was advised of this process and given an opportunity to participate should Council desire to do so. Ways in which someone can help are to sign up to volunteer for their mobile teams and stationary booths. SOCC is also accepting tents, tarps, sleeping bags, blankets, hygiene supplies and camping supplies.

City Attorney Report: Mr. McGehee said that litigation concerning the swimming pool is still in the works.

The complaint for SE 3rd Avenue has been served a response was due on Friday. If there is no response a default judgement will be requested.

Councilor Trout asked about the van next to the market and the property next to SW Swift Street. Mr. McGehee said that complaints have been drafted for both properties.

BUSINESS FROM MAYOR & CITY COUNCILORS:

Councilor Winn said that the school is looking to construct a cover for the play area behind the building. Due to the generosity of Frank Lumber Co it looks as though they will receive a donation of lumber to build the structure. It was stated that the City is blessed with having these very generous companies.

Councilor Zeyen-Hall said that she received a complaint about someone remaining in their vehicle or in the restrooms at Kimmel Park for hours and the complainant was concerned that it was a homeless person. After speaking with staff the complainant was advised that there are park hours which must be adhered to. Councilors Katlong and Trout said that they believe they know who the person is and he is a local resident who goes to various places during the week just to get out.

Councilor Katlong said that he and Councilor Plotts met with Mr. Aerni concerning the wood on the outside of City Hall. Mr. Aerni suggested that all raw wood be sealed and a top plate be put in place wherever water hits the top of a beam. Mr. Aerni is ready to complete the work if requested and indicated that he may donate some or all of his time if Councilor Katlong agrees to assist with the work.

Councilor Plotts noted concern with people being in the restrooms at night and asked if the lights are on is there in fact someone in there. It was explained that sometimes the motion lights come on when a bug crosses or car lights go by.

Mayor Kirsch said that he attended a commissioner's breakfast that morning in Stayton and found it very informational. Questions asked of Mayor Kirsch were all related to the proposed sewer district and quality of water as other attendees were from communities downstream from Mill City.

Councilor Trout had nothing to report.

EXECUTIVE SESSION

At 8:18 PM Mayor Kirsch adjourned into executive session under ORS 192.660(2)(e) to Conduct Deliberations With Persons You Have Designated to Negotiate Real Property Transaction and under ORS 192.660 (2)(h) – to Consult with Legal Counsel Regarding Current or Pending Litigation that is more likely than not to be filed.

At 8:29 PM Mayor Kirsch reconvened into regular session.

ADJOURNMENT

The meeting was adjourned at 8:29 PM.

Prepared by:

Approved by:

Stacie Cook, MMC
City Recorder

Tim Kirsch
Mayor