



Mayor Ila Skyberg

Council Members:

*Rita Baller, Council President
Gary Hill
Katie Vinson
Heather Stritzke
Allan Bramall
Theresa McKnight*

City Staff:

*City Recorder: Debbie Bernard
Accountant: Marilyn Coates temp
Office Specialist: Karen Justen
Library: Melissa Hansen & Amber Deibel
Public Works Director: Jeff Brown
Code Enforcement: John Kowolik*

**City Of Willamina City Council
Minutes of the Second Thursday of the Month Meeting of the City Council
September 10, 2015
7:00pm PM**

Location of Meeting:

City of Willamina City Hall
411 NE
Willamina, Oregon 97132

Present at Meeting: Mayor Ila Skyberg

Councilor Rita Baller
Councilor Gary Hill
Councilor Vinson
Councilor Stritzke
Councilor Bramall
Councilor McKnight

Others present:

Doug Colton, Citizen
Carole Crites, Citizen
Janice Allen, Citizen
Dennis Ulrich Planning Commissioner
Paul Daquilante paul@newsregister.com
Kathy Taylor Consulting

Staff Present:

City Recorder Debbie Bernard
Public Works Director Jeff Brown

The regular meeting of the City Council of City of City Council was called to order at 7:00pm on September 10, 2015 at City of Willamina City Hall by Mayor Ila Skyberg.

I. Approval of Agenda

The agenda for the meeting was distributed and unanimously approved.

II. Review of Previous Minutes

The minutes of the previous meeting were reviewed and unanimously approved.

III. Consideration of Open Issues

1. Public Input

Doug Colton Citizen

Handout delivered by Doug Colton to City Council

Doug Colton read the handout word by word:

RESTORE SENIOR WATER SEWER RATE DISCOUNT

WHY WOULD THE CITY COUNCIL OF WILLAMINA TAKE AWAY THE SENIOR DISCOUNT FOR SEWER AND WATER RATES, WHILE GIVING A 66 PER CENT DISCOUNT TO A COMPANY THAT IS NOT IN THE CITY LIMITS MOST CITY'S CHARGE DOUBLE THE RATE.

DOES THE CITY CHARTER ALLOW FOR OUT OF CITY LIMITS CUSTOMERS, OR DOES THE CUSTOMER IN QUESTION THAT PETITIONED TO BE OUT OF THE CITY IN THE 1980'S GET TO REDUCE THEIR TAXES, AND GET PREFERENTIAL TREATMENT FOR A SPECIAL REASON? DO ANY OTHER CUSTOMERS GET THIS SPECIAL TREATMENT? FOR INSTANCE, DOES THE SAW FILLING SHOP FOR SAID CUSTOMER HAVE A SEPARATE ACCOUNT? ARE SEWER RATES FOR BUSINESS' BASED ON USAGE FOR FULL OCCUPANCY?

ACCORDING TO YOUR OWN CONSULTANT, RAY BARTLETT OF VANCOUVER BASED, ECONOMIC AND FINANCIAL ANALYSIS, IT WAS A SWEET DEAL. CITY RECORDER, DEBBIE BERNARD, CALLED IT A "FRIENDS AND FAMILY PLAN".

NOW IT IS SUPPOSED TO BE FAIR TO ALL CUSTOMERS, NOT AS BARTLETT CONCLUDED, THAT THE CITY'S SCHOOL DISTRICT AND IT'S ONE INDUSTRY, WILLAMINA LUMBER, ARE BEING SUBSIDIZE BY THE REST OF THE CITY'S CUSTOMERS.

AT.86 CENTS PER 100 CUBIC FEET COMPARED TO \$2.87 PER 100 CUBIC FEET FOR SENIOR'S AND OTHERS, IT STILL SOUNDS LIKE A FRIENDS AND FAMILY PLAN IS IN PLACE AND IT'S STILL BEING SUBSIDIZED.

WE THE SENIORS FEEL THAT IT MIGHT BE A BETTER IDEA TO EITHER START OVER TO MAKE "FAIR FOR ALL" AS WAS STATED IN THE NEWS REGISTER ON 5-29-15. OR RESTORE THE SENIOR DISCOUNT NOW AND REVISIT THE RATES AND RATES HIKES BEFORE THE NEXT INCREASE. THE INCREASE MIGHT NOT NEED TO BE AS HIGH OR NONE AT ALL. WE ALL DRINK FROM THE SAME WELL AND OUR SEWAGE WASTE GOES TO THE SAME LAGOON.

AFTER ALL IS SAID AND DONE, THE PEOPLE, AND BUSINESS THAT PAY TAXES INTO THE CITY SHOULD BE SERVED BEFORE AND AT LESS EXPENSE THAN THOSE THAT ARE OUT OF THE CITY LIMITS.

Doug stated what it amounts to is the seniors would like the rates structure redone. He said there is no one in the state that gives an industry outside the city a special rate.

(As written in the handout)

Mayor Skyberg responded to Doug Colton's statement and said that the City did do a rate

study and hired Ray Bartlett. The Mayor deferred to Debbie and said so the rates would stay in effect which will continue until the time for change and the city are looking into the rates structure.

Debbie then shared that she did talk to Ray Bartlett in research and preparation of the meeting in response to citizens' concerns. Ray responded via phone that consideration of returning the senior rate discount would affect the whole community and raise the commodity rate to \$3.00.

Councilor Stritzke explained that Hampton had their rates increased substantially. Heather said she could not speak to all of it but Ray Bartlett explained to the Council the rate structure. Heather further explained that Ray Bartlett advised the council that the rates developed for any one customer needed to not exceed more than 9% of the City revenue and the reason for that is if the City loses that customer the percentage of loss that would have to be absorbed by the citizens would not be greater than 9% burden.

Debbie supported Heathers comments and added that the rate study took into consideration the high usage volume of Hampton Lumber and that was the basis for the .86 commodity rate.

Doug said if they pay .86 cents then the citizens should get that rate.

Doug responded that no one in town is saying that Hampton should pay more than their share. He stated that Hampton is paying .86 cents and that is not fair; they should not get a special rate. He said bring them back into the city; they got out of the city to not pay taxes and now they get rewarded by a special rate. So they get the benefit of not paying any school taxes and then reward them with a special rate; he said it does not compute. Councilor Vinson then added those are all very good points and the Council will be talking about the rates as the rates were just implemented.

Doug had more questions, are vacant buildings being charged for their meters? The Dentist office just went out of business. Are they being charged for meters?

Doug said the easy way out is to say let's raise the rates on everybody. He said he did not know who was on the Council when Hampton took them out of the city. The Council responded none of them.

Next Carole Crites spoke.

Carole spoke and noted that a friend of hers who gets \$700 a month income now pays a bill of \$120.00. It was bad enough when the rates went up to \$82.00 now \$120.00. Rita acknowledged, and suggested that she recommend to her friend to have her meter checked for a leak.

Doug added no one here wants to beat up on Willamina Lumber it is about the seniors getting their discount back. Doug asked did the City pass a resolution to take the senior discount away. Debbie responded we had a water master plan approved by resolution but

not a specific resolution for the senior discount. Carole asked does Ray Bartlett from Vancouver understand this is a poor town unlike Vancouver. Katie responded that the Council was advised it was Consumption based, and 1/2 the homes might see their bill go down. Doug asked if we have information on bills going down. Debbie responded no not yet and there is not enough time for review to establish a comparison.

Doug asked the question is there any other customers outside the city getting water. The response was no.

Janice Allen then spoke. She said she agrees that seniors should have their discount back. She said what she sees in small communities rates are always higher. She said what she sees here is rates went up so fast instead of gradually. She asked if there was a shortage of water or is there a lot of repair needed. Mayor Skyberg explained that yes there are lots of infrastructure repair needed shown by the water master plan and rate study.

Ila said that the City has ongoing communications with Ray Bartlett. Rita added that the citizens' concerns did not fall on deaf ears even though there is nothing being done tonight.

Citizen Crites asked if the money that paid for research on all the past audits came out of the water fund. She asked if any monies came out of water fund to pay for research on audits. Kathy Taylor responded to that question and said it came out of the General Fund.

2. Old Business - Kathy Taylor CPA - An Oral Progress Update On Visit To Secretary Of State Last Month, Process And Progress On Creating 6/30/15 Balance Sheet Values.

Kathy Taylor CFO to Go

The Mayor introduced Kathy and explained that the City has been behind on the audits and Kathy Taylor has been invaluable in getting the city back on track. Kathy Taylor spoke and stated she needed to make a correction. She is Kathy Taylor who retired her CPA certificate.

Kathy stated that we are visiting the Secretary of State this month with updated information on the audits. Kathy began and said she wanted add the update on the migration to Caselle. She said while we are getting a new accounting system she wanted council to think how form follows function. She said the city is not set up for checks and balances. She advised the Council to consider going to a more traditional personnel structure where council then sets policy.

Kathy then addresses chain of command. She said this would allow us to address significant findings from 2007, and that cannot begin until the City hires an executive. That individual would have a legal, HR, and business background. She said the city also needs an accountant. The first year the accountant would have a full roll maybe later becoming less (payroll processes financial reporting, budgeting).

So in a nutshell every employee should report to an executive manager. The manager would report to the council. The manager would be responsible for proposing policy. Council would adopt policy and measure the success of the manager. Council would not directly supervise staff. Kathy explained to council if confetti accounting; she said if I

want you to understand you would get a summary; if I don't want you to understand I give you lots of details.

Kathy then stated she talked to Ila and Debbie and everyone is in agreement for the need of an executive.

Kathy said she spent the last two months recreating the last year's ending balances. The good news it is pretty straightforward. It is just a draft, however, but the bottom line is the water fund is short \$150,000.00 since 2007. So they had to draw down cash in reserves. Ila commented or asked Kathy to note there is no missing money? Kathy said she has not found any money missing. Kathy added there is \$670,000.00 in the bank and that was surprising to her.

Kathy moved to the methodology that she went thru to determine the cities fund balances for 6.30.15. First thing was that she would analyze and make sure the most restricted money is set aside. She looked at every transaction in water, sewer, and SDC fund. The SDC's had the highest priority if it was not spent (she only found one expenditure). She made sure that fund received the appropriate share of the spread of funds. Then she looked at the street fund, sewer fund and water fund, and anything that was earned in those funds. Kathy said she has analyzed every water, sewer, and street transaction since 2007. She said we had several small funds that were for cemetery and museum street light fee she swept all that into the general fund. She verified all the cash assigned to the library that had been expended. The library expenditures had exceeded all the cash from grants, donations and other cash. Those funds had no restricted money so she moved them into the library department in the general fund. Streets receive restricted money from ODOT. They did have cash in the beginning and now have about \$50,000 in the end.

Kathy said that the sewer and water looked consistent year to year with expenditures and payroll. At the end of the day, the transfers for sewer and sewer debt service looked fine. When it was all said and done, she took all the cash and liabilities and what was left went into the general fund.

The general fund unfortunately ended up negative \$150,000.00. The general fund has over extended. It is now on the books as a inter fund loan which ORS requires inter fund loans to be paid back in the current year or subsequent year. Technically the neg. \$150,000.00 in the general fund has to be paid. If it were capital it could be extended for 5 years. Kathy said what the city should decide to do is set up a transfer of \$150,000.00 over the next 3 years. There needs to be a written formal plan that needs to be considered. With respect to the water, it is more difficult to remedy.

There is now money set aside in the debt fund or (utility capital fund) which she said is about \$ 500,000.00 and most of that money is set aside for reserves. Unfortunately, cash has been reduced in reserves that are not funded. If anything happens, and you need that money the city will have to get a loan.

Last but not least, Kathy stated when she got here last year it was the worst situation she had ever seen in 45 years. She said there are positive things that happened during this time for example the amount of work Debbie, and her staff have gone thru, has lead us in the project to get a new accounting system. Kathy said Debbie has built a group of people to do cash receipting, utility billing, and added an accountant so things have improved greatly. Kathy asked for questions. Kathy said it is not insurmountable situation.

Mr. Colton asked about the shortage of \$150,000.00 wouldn't that have been improved if rates had increased over that time. Kathy responded she had done this for a long time and if cities made smaller jumps over time it would be easier on the community. The Mayor thanked Kathy, who said she is taking the show on the road to the Secretary of State.

3. Old Business - Further Discussion To Repeal Resolution 11.12.012

Mayor Skyberg

Rita asked for a discussion on this topic to be put on a work session. Gary said it was already approved. Heather stated we did not approve repealing it, but we did approve discussing it. Ila said she would like to see a work session as it was enacted in 2012 for a reason and there may be sections we need to talk about. Heather noted she is fine with doing a work session, but she is not available for a work session this month.

MOTION: Council Baller made a motion to take resolution #11.12.012 to a work session. Councilor Stritzke seconded. Motion carried unanimously, with Councilors Baller, Stritzke, Bramall, Vinson, McKnight voting aye. Councilor Hill abstained

4. Old Business

Mayor Skyberg

Further discussion to Repeal Ordinance No. 643

15.16-005 A Resolution to Ordain, Repeal, and Replace Ordinance No. 643

Debbie noted that the resolution was written and sent to the attorney should the council decide to go further. Heather stated we are going to a work session so we would not be voting on it.

Debbie added the paper work was set up to match what Gary asked for; she also said she shared with the attorney what Gary stated was the basis for the requested repeal noting there was no public hearing. The attorney response was that it was not done unlawfully. He said the resolution was done in a public meeting and gave the example that this meeting is a public forum. Rita asked if there were any changes. Heather said it would revert back to the previous language as it had not happened.

Mayor asked for a Motion to move to a work session.

MOTION: Councilor Stritzke made a motion to table resolution #15.16.005 an ordinance to repeal Ordinance 643 until Council has conducted a work session. Councilor Baller seconded. Motion carried unanimously, with Councilors Stritzke, Baller, Bramall, Vinson, McKnight voting aye. Councilor Hill abstained

5. New Business - City Of Willamina EOP

Mayor Skyberg

City of Willamina EOP - Emergency Management full Plan dated March 2013 passed out at the August 27, 2015 special meeting presented by Councilor Hill. Gary noted that his intent was that the Council starts working on emergency management plan for the city. Ila said it is in the works and she is working on setting up a meeting; it is on the burner.

The Mayor asked the Council if they bring new items to the meeting to put their name on it.

6. New Business - Discussion On Designating October 1, As A Day Of Remembrance For First Responders.

Councilor Gary Hill

New Business - Discussion on designating October 1, as a day of remembrance for first responders.

Gary said he put it in two phases a proclamation and a resolution. He said his motivation to come forward as a City to show appreciation to first responders. Rita said she sees it as a very good idea.

Ila asked for a motion. Katie said is there something we should do on that day? Gary suggested lower the flags. Rita liked the idea. Jeff asked the Mayor if we should pick another date. Debbie offered she would like to clean it up and then have it read in the public forum.

The Mayor made a request regarding structure; from this point on she would like to try not to confuse things by individual request that need to be brought forward for the sake of time and make things better for Debbie. Ila thanked the Councilors and said she did not want to come across negative just wanted to help Debbie.

7. Mayors Report

Mayor Skyberg

The Mayor went to the City County Dinner.

The Mayor stated there is continued discussion on old department store and there is a committee that will be doing a walk through and bringing information to council.

Ila said she attended the Oregon Mayor Association in Dallas, which was hosted by Brian Dalton and met the Mayor of Salem. Ila added that the Mayor from Independence was told about a grant from the Ford Family Foundation which in turn then applied for a \$30,000.00 grant, and then received \$ 90,000.00 (WOW!) Also, the Mayor of McMinnville harvested off their land and received \$5,000,000.00. The Mayor reported that Oregon has more automobiles on the road than any other state.

The Mayor also attended the Oregon Coastal Caucus held at Spirit Mountain. The meeting was wonderfully done by the Confederate tribes and the Casino she said; they talked about restructuring and history of community and love helping the community. Another Discussion was held on Draught. The Governor was also in attendance.

The Cemetery committee is a member of 5; they will discuss a plan for maintenance and will meet once every 6 months.

8. Council Liaison Reports

Mayor Skyberg

The Mayor asked Dennis to report. Dennis said there is a lot of tickets available for the rifle raffle all the money goes directly to Connie. The harvest festival, which is coming up on the 26th, there will be 21 vendors there. The Chamber brought up ODOT Signs. The Mayor has volunteered to look into that. The signs would divert people into Willamina. Bob Burr has been elected President. Ila added there will be services for Ted May field.

LIBRARY BOARD: Heather reported that there was no meeting last month. Their first meeting will be the 3rd Tuesday of the month.

The YCOM Board met last month; It was business as usual. The committee discussed who their new auditors would be.

9. Council Committee Reports

Mayor Skyberg

Planning Commission Report:

Dennis reported they finished the spreadsheet for all the zoning requirements. What is allowed not allowed. The second one is a spreadsheet for all the measurements of setbacks; all the details for putting in a new house. They had an interesting discussion on C-2. He said they should be completed or done very soon.

10. Reports Of City Officers

City Recorder

City Recorder Debbie reported that she was still thinking about Kathy Taylor's reports, which lends itself to the conversion. It is very intense. Debbie stated we installed the new server and the new air conditioner. Debbie stated the back hardware is in there and we can back up today. Debbie also shared there is a new battery backup.

Debbie talked in length regarding the conversion and time it was going to take. She explained that many software programs will go away and more efficiency is coming.

Ila asked about Heidi's Helping Hands. Debbie responded Heidi is blending in fine and doing an efficient job.

Debbie noted the last thing was the Workers Comp audit was held in August and there will be a follow up report.

Debbie reported that the City has a new planner named Jim Jacks who was now assigned to Willamina by the COG. Dennis added he is fantastic.

Public Works

Jeff reported the leak detection survey was completed. There were over 29 leaks 15 leaks on Homeowners side. Jeff said that they reported repairing the main lines breaking and that was a common thread for many cites. He reported they purchased a 2007 ford ranger PU. he asked council to motion to salvage the old vehicle at a value of \$1000.00. Ila asked for the year and make. Jeff reported it is a 93. The only issue is he does not have a title. He said he can file for a replacement title.

MOTION: Councilor Stritzke made a motion to declare the 1993 Ford PU for salvage. Councilor Bramall seconded. Motion carried unanimously, with Councilors Stritzke, Baller, Bramall, Hill, Vinson, McKnight voting aye.

Jeff reported that Justin would be out of the office for the next two weeks and he has asked Amity for back up if needed.

Regarding the sidewalk project, the tentative date is the 17th hoping to be done by end of October. The Roof at City hall has been completed; the contractor found damage on the dormer. Jeff noted that he would like to get that fixed and hold off on the painting. Chris is working up a bid on that repair. Jeff noted that he wants to meet the Committee at Oaken Hills Park.

Mayor Skyberg asked for a motion to adjourn

MOTION: Heather made a motion to adjourn. Councilor Bramall seconded. Motion carried unanimously, with Councilors Stritzke, Baller, Bramall, Hill, Vinson, McKnight voting aye.

Agenda and Time of Next Meeting

The next meeting will be held at 7:00 PM on October 8, 2015 at:
City Of Willamina
411 NE C St
Willamina, Oregon 97

The agenda for the next meeting is as follows:
trailers

The meeting was adjourned at 8:45pm by Mayor Ila Skyberg.

Minutes submitted by: Debbie Bernard, City Recorder

Minutes approved by: Ila Skyberg, Mayor



