



City of Lyons

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MINUTES LYONS CITY COUNCIL MEETING MAY 22, 2012

OPEN MEETING 6:00 P.M.

The Lyons City Council Meeting was called to order by Mayor Doug Morgan. Present were City Councilors Mike Lucas, Troy Donohue and Lon Conner. Councilor Dan Burroughs was excused. City Staff in attendance were City Manager Mary Mitchell and Assistant City Manager Audrey McNeerney.

Guests

Michelle M. Keirse-Coulibaly, George L. Geddes, Mark Orr, Barbara Orr, Theresa Donohue, Darren Cross, Steve Baldwin, Kim Fredricks and Sharon Goodman. Attendees whose names were illegible on the sign in sheet may be misspelled or not included.

Mayor Morgan asked that all stand for the Pledge of Allegiance. He then inquired as to whether there were any declarations of conflict of interest or ex-parte contact regarding the agenda items. There being none the meeting continued.

Sharon Goodman – Peer Court.

Morgan stated that Sharon Goodman was not present and commented that if she came to the meeting later she could be heard at that time.

Mark Orr – Information Requests (Policy, Expenditure & OSHA).

Orr requested that the questions he had submitted to Council be read. In response to the question of whether or not it is City policy to allow City Employees to charge personal items on City accounts, Mitchell read from the memo provided to Council setting forth in detail the City's internal control procedures. Mitchell responded that the City has not adopted a formal policy but follows a seven level review process.

Orr's next question was "where have the plants from between the City Hall and the Church gone and what was the City's cost." Mitchell responded that the arborvitaes were removed by SAW Tree Service at no cost to the City and placed on a burn pile with a sign indicating that the shrubs were "free" to anyone who wanted to sort through the pile and take what they thought would survive.

Mitchell's memo also set forth the fact that at the April 24th City Council meeting Orr had stated that "approximately a year ago the City had OSHA inspect the City properties and make a report regarding any upgrades required. I asked for a copy of that report a couple of times and have never received it." Attached to the memo was documentation showing that the requested information had been forwarded to Orr on May 4, 2011 and again on June 7, 2011. Orr stated that he had not received either letter. A copy of the documentation was provided to him. Orr asked if the City was now compliant with OSHA requirements and offered his assistance if needed. Morgan responded that the City was compliant with OSHA requirements.

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Orr thanked the City for the City Wide Cleanup project which took place on May 19th. Morgan commented that the project was a great success and appreciated by many of the citizens of Lyons who took advantage of the opportunity each year. He also stated that the City had received a great deal of help from Pacific Sanitation and their employees.

Barbara Orr, Mark Orr's wife, commented that she is the person in their family who gets their mail and that they had not received either letter from the City containing the information on OSHA. Morgan stated that letters had been mailed to the Orr's Post Office Box (which they confirmed was correct) and that they should check with the post office if they had a concern with the delivery of their mail.

PUBLIC COMMENTS. There were none.

CONSENT AGENDA (Decision by Motion)

Lucas made a motion to accept the Consent Agenda which consisted of:

- Minutes
 - April 24, 2012 City Council Meeting
 - April 26, 2012 Executive Session Meeting
 - May 2, 2012 Special Meeting
 - May 11, 2012 Special Meeting.
- Bills Paid – May 2012

Conner seconded the motion. Voice vote. Motion carries.

DISCUSSION ITEMS.

Resolution #462 – Establishing Council Rules. Mitchell referred to Lyons Municipal Code §2.05 which is entitled Council Procedures and stated that Resolution #462 would be redrafted as an ordinance (repealing the existing ordinance) and would be presented for Council review and approval at a future meeting.

Resolution #463 – SRS Sharing. Mitchell explained that at a previous meeting Council had been advised that four (4) or more specified services must be provided by the City in order to receive SRS funding. Following the failure of the Law Enforcement Levy the City was only providing three (3) of the necessary four (4) services. One of the topics discussed was entering into a contract with the Linn County Sheriff's Office for provision of a reduced level of Law Enforcement services. The contract has not been finalized as of this date, but this resolution has to be delivered to the Department of Administrative Services by the end of the fiscal year. We have two different time frames; this resolution which has to be adopted first and a second resolution which has to be adopted at the Budget Hearing. Mitchell reported that she and Lucas had met with the Undersheriff, a member of their accounting staff and the Captain in charge of North County services. The majority of the meeting dealt with the services that Council would like to have provided. Lucas said that the county was amenable to providing services at a \$99 per hour rate and provided documentation setting forth the cost for the hourly service of a deputy. The Sheriff's Office agreed to come up with a contract totaling \$10,000 for the year. Under that contract they will provide night time patrols and high visibility patrols, which will include traffic stops and monitoring of the school zone, based upon their availability. Lucas suggested that Council make a motion to adopt Resolution #463 contingent upon the finalization of the contract. Morgan stated that the motion adopting Resolution #463 would be moved to Action Items on the Agenda.

Council Commission(s) – Activities Report (Verbal or Written). There were none.

Emergency Operations Plan – Input from Councilors. Mitchell asked if Councilors had had an opportunity to review the Emergency Operations Plan (EOP) that had been distributed to them at the last City Council meeting. She had requested that Council review the EOP and provide her with marked up copies to compile and submit to Ecology and Environment, Inc. who are drafting the plan. There was no further discussion and the Councilors returned their copies to Mitchell so that their comments could be included in the finalized plan.

Freres Request. Morgan stated that Rob Freres had inquired as to whether our Public Works Department could mow Freres Lumber Co.'s lot on the corner of 14th Street and Main. Concern was expressed regarding the advisability of setting such a precedent. There was also concern raised as to community perception and the fact that local lawn service companies might feel that the City was taking business opportunities away from them. There was discussion regarding the fact that Freres contributes so much to the community and how appreciative the City is of all that they do. Donohue suggested that if the City does take on this project it should be for a fee which can be determined based upon actual costs to provide the service. After discussion Council directed Mitchell contact the City Attorney and the City's insurance company to determine whether or not the City could lawfully fulfill the request. Council also requested that Freres be sent a letter setting forth the City's appreciation for their many contributions to the City and advising them that the City is investigating whether or not the City can legally provide the requested service.

Public Comments – Limited to Discussion and Action Items. Baldwin said that previously the Sheriff's Office had delivered arrest warrants and the like and included the time spent on those activities toward the supplemental time allocated to the City. Baldwin said that he wanted to be sure that the Sheriff's Office is not charging the City for something that should be included in their regular services. Lucas said that the City could be specific in their negotiation of the contract so that that type of service would not be considered part of the supplemental services to be rendered. Lucas also commented that the Sheriff's office is aware that this supplemental service could be helpful in advocating the need for a law enforcement levy at an upcoming election.

Michelle Keirse-Coulbaly stated that in the event the City decided to provide the lawn care service for Freres the City would be setting a precedent and the City might be obliged to offer this service to other citizens.

Orr asked if the report from OSHA which had been provided to him was the complete report since it wasn't on state letterhead. He also requested that the contents of the letter he had e-mailed Council be taken into consideration when determining whether or not to grant pay increases to City Staff in the upcoming budget. Morgan responded that in his opinion the City's fiscal policies are sound and that he (Orr) can rest assured the City is doing the right things with taxpayer money. Mitchell pointed out to Orr that he had raised that issue at a previous meeting and had been assured that no increases were under consideration. She also pointed out that Council has a proposal before them that not only does not include any such increases but will be taking reductions into consideration.

Theresa Donohue asked if the lot in question belonged to Freres Lumber and when advised that it did she commented that she felt that if the City did not respond positively to their request it might create bad feelings and keep Freres from helping the City out at some later date. She said that she felt that if the City could comply with their request it would be a good thing. There was additional discussion regarding the advisability of complying with Freres' request. Morgan responded that he agreed but that sometimes there are issues that a City government might want to comply with but is unable to do so and that is why the City is going to thoroughly research this issue.

Mitchell asked Council if they would like to have an account usage policy drafted. Council concurred that the City should have such a policy and requested that Mitchell draft a policy for Council's approval.

ACTION ITEMS

Conner made a motion to adopt Resolution #463 contingent upon the finalization of the pending Law Enforcement Contract with Linn County Sheriff's Office for supplemental services. Donohue seconded the motion. Voice vote. Motion carries.

Mitchell stated that the I-Serve project with the area churches will take place on June 23rd. The Pastor from Foothills Church had contacted the City and asked if there were any projects that they could assist the City with. She asked Council for suggestions for projects that they would like to see included.

Conner mentioned that at the last Library Board meeting which he attended he had suggested that the Friends of the Library do a work day to remove the black plastic from under the tree bed at the Library. The Friends of the Library had declined a work party but had agreed to purchase some computer monitors for the Library instead. Conner said that this project might be one that could be considered. The permeable fabric needed for this project could be

purchased at minimal cost. There were no further proposals from Council and Mitchell stated that she will prepare a project list for I-Serve.

Budget Projection & Review.

- Mitchell requested that Council review the tentative cuts made to the 2012-2013 proposed Budget to be sure that this was the direction that Council wished to proceed.
- Lucas questioned the necessity for cutting the \$2500 grant preparation expense. This was a subject discussed at the Goals and Visions Workshop not at a Council meeting. After discussion it was determined that the budget should reflect the \$2500 grant preparation expense and staff should research the best terms on which to hire a grant writer.
- It was noted that there was no choice with regard to PERS. Once you are a PERS provider you cannot withdraw.
- In response to a question from Conner Mitchell advised that every fund except the street fund is supplemented by the General Fund. Transfers to every fund come from the General Fund.
- Donations were cut.
- Mitchell advised that the Dues and Subscriptions line item covers membership dues to such entities such as the League of Oregon Cities to enable the City to benefit from their legal services, conferences and training events.
- Mitchell stated that she is making significant cuts this year to items which can be re-instated in the future as funding allows. There are many directions which can be taken in cutting the budget and this is where Council's guidance is necessary.
- There was discussion regarding reducing health insurance costs. Mitchell noted that health insurance had increased this year by a total of \$66.93 per month per employee. If the three benefited employees were to pick up the difference between last year's costs and this year's increase there would be an annual saving of \$2409.
- There was discussion as to recent changes purportedly made to the PERS system and the significant increases in PERS costs faced by the City.
- There was discussion regarding the possibility of eliminating one of the two porta-potties at Freres Park which are paid for out of General Fund.
- Donohue questioned the cuts to capital improvements in the Street Fund. Mitchell explained that the City's streets are, for the most part, in very good shape. She said that what she was proposing was to hold off improvements for one year to allow the Street Fund to be replenished. The only street project this year would be 7th Street which requires repair.
- Donohue questioned the need for two employees to be paid out of the Street Fund if no work is anticipated for the next year. Mitchell explained that there is more work done with street related projects and projects which take place within the right of way other than just paving. Mitchell said that she had presented a proposal to Council to reduce personnel if that was the direction that Council wished to take. She went on to state that it was her responsibility to present a well balanced budget to Budget Committee next week and if Council wished to go in a different direction than what she has proposed there are many options that can be explored.
- There was a question regarding the funds scheduled for maintenance and repair on both the 5th Street and 8th Street buildings. There was discussion regarding current needs and the fact that funds can be budgeted in following years if necessary.
- Mitchell expressed concern that cash on hand balances continue to decline and presented a spread sheet showing an analysis of the last 17 years showing the ending balances for each fund. There was discussion as to why the General Fund continues to decrease. The large drop reflected the down payment made on the Library Building. The final payment of \$10,500 will be made July 1, 2012. \$10,000 will be added for law enforcement this year so the City is both making the final library building payment and paying for the law enforcement contract.

- There was discussion regarding the increase in personnel administrative costs. Mitchell explained that this was due in part to the addition of the administrative support position at City Hall and the increase in health and PERS costs.
- There was discussion regarding the end of the year balances and Mitchell explained that this figure represents the balance on July 1st but those funds need to be utilized for operating costs until property tax payments, which are the City's biggest revenue stream, begin in November.
- Donohue pointed out that the City's biggest expense was personnel. Mitchell said that personnel costs amount to 26% of the General Fund, 31.5% of the Street Fund, 77.14% of the Library Fund and 79.38% of the Cemetery Fund based on actual cost.
- There was a break in the discussion of the Budget so that Sharon Goodman of the North Santiam Peer Court could make her presentation. She thanked Council for their \$500 donation last year and updated Council on the activities of Peer Court over the last year. She mentioned that she had two youthful offenders and 6 volunteers from Lyons, but that there were few opportunities for community service hours in Lyons. She talked about a power point presentation on drinking and drug use which was very well received in Sublimity which they would like to bring to Mari-Linn School.
- Mitchell said that while Council could make the budget balance this year they needed to look at some long term changes. She felt that there were some hard decisions that needed to be made. Because of the downturn in the economy there has been a decrease in the revenue stream from development and interest income. Mitchell also commented that there had been several onetime expenses over the last 3 or 4 years.
- There was considerable discussion regarding personnel costs and the different ways in which reductions could be made.
- There was discussion regarding the monies expended in connection with the purchasing of supplies and equipment to allow the Public Works personnel to function efficiently. There was also discussion regarding the considerable funds expended for improvements at the Library.
- The discussion moved on to whether or not there was a need for two Public Works personnel at this time and whether the job could be done with one public works person utilizing options such as day labor and inmate work crews if necessary. Donohue commented that any reduction in personnel should be cleared with legal counsel.
- Discussion continued regarding the various ways to accomplish reductions in costs.
- There was discussion regarding whether the Library was a viable area in which to look at cutting costs since the cost of maintaining the Library was 15-20% of the total costs of the City.
- Council suggested shortening the number of days that the Library was open. If the number of days were shortened it would cut operating costs as well as personnel costs. After lengthy discussion it was decided to assist the librarian in determining how to achieve a 20% cut in library costs by closing the Library one day per week. This would include a mandatory 20% cut in personnel costs.
- There was discussion regarding the fact that, because the Library constitutes the City's largest expense, taking appropriate reductions in expenditures on that particular fund is a fair position because the end result would be more in line with the expenditures in other funds.
- Mitchell said that she felt that the City didn't need as many man hours in Public Works as presently scheduled but if their hours were cut to 6 hours per day there was a potential of losing both public works employees. They currently work 8 hours per day or 96 hours per person per month.
- Conner suggested that since the budget is a guide the City should move forward with what has been discussed tonight and hold the Public Works issue in abeyance at the present time. If necessary these issues can be revisited at a later date.
- There was discussion as to whether or not cuts would need to be made again next year. Mitchell responded that if the City makes the recommended cuts this year it should not be necessary to make additional cuts next year.

- Council reviewed and discussed the chart setting forth the 2012-2013 funding changes.
- Morgan stated that Council's decision was to determine how far they should go with personnel cuts and the ramifications that needed to be taken into consideration. There are many variables to take into consideration.
- There was discussion regarding the possibility of applying for and obtaining grants.
- There was discussion regarding how contingency funds set forth on the budget document will increase next year.
- Baldwin commented, as a budget committee member, that he agreed with taking the cuts recommended by Mitchell plus the 20% across the board cut in library expenses as recommended by Council. If it is determined that deeper cuts to the budget are necessary next year then those cuts can be discussed and determined next year.
- Mitchell said that she felt a motion with regard to the cuts in the library expenditures was in order. Morgan stated that he did not feel that a motion was necessary at this time because he did not want to circumvent the budget process. It will be the Budget Committee who will have the final say on the matters discussed here.
- Mitchell, Morgan and Harris will work together to determine the cuts necessary to achieve the 20% overall reduction in expenditures for the Library which will be presented to the Budget Committee.

Planning Commission Membership Application. Morgan stated that since Michelle Keirse-Coulibally will be residing within the Lyons City limits, Council can make a decision regarding her application for membership on the Lyons Planning Commission. After discussion Lucas made a motion to appoint Michelle Keirse-Coulibally to the Lyons Planning Commission. Conner seconded the motion. Voice vote. Motion carries.

Council Availability for the May 29, 2012 Budget Meeting and the June 26, 2012 Council Meeting/Hearing. All Councilors present stated that they would be available on those dates. Mitchell stated that the Budget Calendar had been amended to reflect that the proposed Budget and Budget Message would be available at the Budget Committee Meeting on May 29, 2012.

COUNCILOR REQUESTS/FUTURE AGENDA ITEMS

Mitchell asked if there were any topics that Councilors would like to see addressed or covered as future agenda topics. There were no suggestions from Council.

Peer Court Action Item. Morgan stated that while this was a worthwhile program with the current budget issues facing the City it would be fiscally irresponsible to make a donation to any cause at this time. Council concurred.

There being no further business to come before Council, Lucas made a motion to adjourn the meeting. Donohue seconded the motion. Voice vote. Motion carries. The meeting adjourned at 9:00 P.M.

Audrey McNeerney
Assistant City Manager