

CITY OF MERRILL  
REGULAR BUSINESS MEETING  
Tuesday, November 10, 2015  
6:00 P.M.

**MEETING CALLED TO ORDER:**

The meeting was called to order at 6:00 p.m. by Mayor, Tim Saunders.

**ROLL CALL:**

Roll Call was taken with the following members of Council and others being present:  
Councilor Lesh, Councilor Smith, Councilor Taylor, Councilor Carleton, Mayor Tim Saunders,  
City Recorder - Oma Rowley  
Absent: None

The flag salute immediately followed.

**NEW BUSINESS:**

- West Merrill Water Improvement District (Falvey Road) donation to City of Merrill ~ Tom Ongman  
Falvey Road customer, Tom Ongman, addressed Council in response to recent correspondence by the City of Merrill noticing of water rate increases outside city limits to be 150% of city limit rates (Resolution 2015-735). Mr. Ongman presented information to Council previously unknown by Council. Mr. Ongman reported that in the early 1990's the West Merrill Water Improvement District (WMWID) disbanded (Falvey and part of Court Drive) and wanted to keep the system intact. The WMWID asked to swap the water system with the City of Merrill in exchange for receiving the same rate as the city limit customers plus an added \$2.50 maintenance fee. In the swap, the City of Merrill received a system that was engineered and up to code consisting of: meters, hydrants and water lines. Merrill expanded their current water customer base at zero cost and realized revenues over the last ~ 25 years of \$276K from the Falvey customers and \$34.5K in maintenance water fees. Council was asked to reconsider the current water rate increase due to the new information by requesting setting rates back to the city limit water rates plus \$2.50/month for maintenance fees as per the earlier agreement.

Mr. Ongman further stated that the South Merrill Road area did not form a district but rather put in their own systems.

Councilor Carleton asked Mr. Ongman if there was a legal record of conveyance for the WMWID swap. The response by Mr. Ongman was: "No, the State of Oregon did not want anything".

Mayor Saunders added that the directors of the WMWID were getting old and could not care for the water system anymore and that is what led up to disbanding the district. Councilor Smith stated that the \$2.50 rate above city limit water rate should apply to all outside City limit customers regardless of location.

Councilor Carleton expressed that anyone that hooks into the system need to heed the rules and that capital expenses will be spread throughout all customers in the future. Tom Ongman agreed to write a summary of the WMWID agreement.

Councilor Smith made a motion to rescind/repeal the recent rate increase for outside City limit water rates (repeal Resolution: 2015-735 and 2015-733) that were to be 150% of the inside City limit water rate and return to the charge of \$2.50 (maintenance fee) over the inside City limit rate. There was a 2<sup>nd</sup> by Councilor Lesh. All other members present voted Aye and the Motion carried.

Public Works Director, Greg Matthews, stated that to install a new hook-up would remain \$1K inside the City Limits and \$1.5K outside the city limits (repealed 2015-733). A new Resolution for December 8, 2015 will be presented.

- **Council agreed to add the \$4/month water rate increase as per budget sessions and governing body approval of the FY 15/16 budget.** The additional revenue from increased water rates will be deposited into the Water/Sewer Reserve account. Notices of rate increase will be mailed to customers with the monthly utility bills in December and January, with the effective date of rate increase to be February 1, 2015, to be realized on the February month-end billings.
- **FEMA Flood proposal and floodplain map – Greg Matthews report (Anna Hawkins).** Greg Matthews and Anna Hawkins (Falvey Road realtor) were involved in a recent teleconference call related to the FEMA floodplain map. Financing for buying property and selling property can be impacted by the FEMA floodplain map. FEMA is extending the time period for the floodplain map which was started in 2009. The floodplain map was not actually measured or completed scientifically so the accuracy is in question. The existing map could affect realtors, homeowners and sellers as insurance companies implement flood zones. Per the PW Director, the flood zone as per this map is right in the middle of our lagoon. The City of Merrill environmental impact study was completed prior to this floodplain map determination. Since the last area flooding years, improvements have been made to help divert flooding. Greg Matthews reported that the City of Bonanza has an attorney that has filed a formal complaint because Bonanza thinks the floodplain is incorrect. Councilor Carleton expressed that the City of Merrill should not have to prove the map is incorrect but that FEMA should prove it is an accurate map and stated that he would like to get the City Attorney involved. Mayor Saunders asked that Councilor Carleton call the City of Bonanza prior to contacting Mel Ferguson.
- **Request for Proposal (RFP) for Auditing Services for FY 14/15.** The City Recorder shared confirmation from current Auditors, Oster, that they are unable to continue audits for the City of Merrill due to staff shortages and long turn-around times of existing audits. The City Recorder stated that an RFP will be prepared and mailed to local Klamath Falls accounting firms of: Romig, Isler, Molatore and Rusth. Other area accounting firms such as Medord and Eugene will also be researched for RFP. Councilor Carleton suggested advertising in the League of Oregon Cities.

**OLD BUSINESS:**

- **Status of No U-Turn signs for Washington Street Between E Front and First Streets.** The signs have been ordered and the PW Director and Marshall will discuss the solid double line or broken line as well as where to install the new signs.
- **Marijuana sales in Merrill.** Council has decided to opt out of marijuana sales in the City of Merrill by enacting a ban through council adoption of an ordinance by December 24, 2015, an option available to Klamath Counties who voted against Measure 91 by 55% or more. This ordinance does not include the banning of medical marijuana growers as this would need City Attorney consult. Councilor Carleton made a motion that the City of Merrill enact a ban through council adoption of an ordinance by December 24, 2015. There was a 2<sup>nd</sup> by Councilor Smith. All other members present voted Aye and the Motion carried. The City Recorder will prepare the Ordinance for review by the City Attorney prior to the December 8, 2015 Council agenda.
- **Church utility rate analysis.** The City Recorder discussed the Churches Utility Services Existing Rates spreadsheet that was distributed in pre-meeting packet materials. Variations of rates charged exist. The Council decided to discuss the rates further in the next council meeting in December 2015.

**CONSENT AGENDA:**

**1. Minutes Approval for October 13, 2015**

A motion was made by Councilor Carleton to accept the October 13, 2015 minutes. There was a 2<sup>nd</sup> by Councilor Smith. All other members present voted Aye and the Motion carried.

**2. Business Rental License/renewals: None**

**3. Ratify Phone polls:**

- AP approval: Accounts Payable
  1. 10/12/15 \$19,183.18 (inadvertently skipped during October 13 Council meeting)  
*Approved 10/13 Councilor Lesh, 10/14/15 Councilor Smith, 10/15 Councilor Carleton, mailed 10/15/15*
  2. 10/26/15 \$12,283.44 Approved by Councilors: *Smith 10/27/15; Lesh & Taylor 11/6/15; mailed 11/9/15 (lapse due to incorrect checks issued by bank)*
- Join CIS Health Insurance Trust pool for 2016 health, vision and dental plan  
*Recorder reviewed one-on-one with all Councilors and Mayor prior to meeting*
- Regence Health Plan A Rx4; VSP I and Delta Dental III for Jan 1 2016 – Dec 31, 2016 rate schedules

Councilor Smith made a motion to approve the ratification of phone polls. There was a 2<sup>nd</sup> by Councilor Lesh. All members voted Aye and the Motion carried.

**4. Bills for approval: Accounts Payable 11/10/15 check run approval \$8,332.92**

Councilor Smith made a motion to approve the 11/10/15 bills for approval. There was a 2<sup>nd</sup> by Councilor Taylor. All members voted Aye and the Motion carried.

**ACTION ITEMS/GENERAL BUSINESS:**

**ORDINANCES distributed in the Councilor pre-meeting packets:**

None

**RESOLUTIONS**

~~2015-739 Amend Sewer Rate outside City Limits.~~ The resolution stricken from agenda due to the information shared in the first order of business this meeting by Tom Ongman.

**RECORDER'S REPORT:**

The Recorder's report presented by the City Recorder included:

Accounts Receivable

Bank Balances

ACH detail

Payroll

Other:

- City Attorney 10/25/15 invoice provided in pre-meeting packets
- SCA Grant denied for 2016

Councilor Carleton made a motion to approve the Recorder's report. There was a 2<sup>nd</sup> by Councilor Taylor. All members voted Aye and the Motion carried.

**PUBLIC WORKS:**

- See PW Director's report for November 2015 attached to minutes.
- Update to yellow curb painting as first discussed in the September 2015. Council meeting, a question was posed by the PW Director to Council whether to paint all curbs yellow 20 ft from crosswalks for the safety for the City of Merrill? Pros and cons were discussed. Council requested to readdress in the October meeting to allow time for the PW Director and the Marshall to chat with businesses and discuss curb painting. This item was not re-addressed in October. In the November Council meeting it was stated that it is too cold now to paint. Martin's & the Quilters were not "hep" on the idea. Greg Matthews stated that legally the City should be consistent and not pick and choose areas to paint but do the hydrants.

**POLICE:** Officer Srch reported on behalf of the Marshall who was absent.

- Officer Srch will be getting with the Public Works Director on street lights that are out.
- Officer Srch shared quotes for police vehicle tires as the existing tires have reached their lifespan. Les Schwab \$694.76 x 2; High Country Tire \$744 and \$752. Officer Keith Srch recommended purchasing from Les Schwab at \$694.76 x 2 = \$1,389.52. Councilor Smith made a motion to approve the purchase of tires from Les Schwab for \$694.76 per each (2) police vehicles. There was a 2<sup>nd</sup> by Councilor Taylor. All members voted Aye and the Motion carried.

- There have been recent verbal resident complaints about marijuana odor from consumption. Currently §90.25 - Unenumerated nuisance does not address Marijuana odors from growth and consumption. Sample ordinance No 3818 Page 3 Section 10 is language from the City of Pendleton which was distributed in the pre-meeting council packets. Council is to read through the materials and come prepared to discuss in the December council meeting.

**LAWYER:** Not requested to attend.

**CODE ENFORCEMENT OFFICER REPORT: STAN HINTON**

- The October 2015 Code Enforcement Councilor Report was distributed with Councilor pre-meeting packets and reviewed by Stan Hinton in the meeting.
  - 1) Merry Walker cleanup debris and response to abatement letter dated 10/20/15 (provided to Council in pre-meeting packets) requesting an additional 30 days to complete. Merry Walker's letter was in response to debris left from the demolition of cabins/units at 331-335 Second Street, Unit 226 at corner of Clay & Second Streets and units 216, 218, 222, 224 on Clay Street. Stan Hinton addressed Council with a recommendation of a 90 day extension expiring February 10, 2015. Dennis Trimarchi was present on behalf of Merry Walker to receive the Council decision. Councilor Carleton made a motion to approve the 90 day extension to February 10, 2015 for Merry Walker. There was a 2<sup>nd</sup> by Councilor Lesh. All members voted Aye and the Motion carried.
  - Dangerous trees at 530 Front Street and building permit clarification for plumbing and electrical will be addressed in a meeting to be held on Thursday, November 12, 2015 at 10:00 with Klamath County Code Enforcement Officer - Earl Perry, Owner – Tony or Jamie Cobian, City Clerk – Iliana de Leon, Code Enforcement Officer – Stan Hinton and Marshall Bicknell.
  - Stan Hinton discussed the concentration of accumulated garbage.
  - Reported that three junk cars were moved this month.
  - Stan Hinton requested to use PW Utility Worker I, Frankie de Leon, to translate for resident at 425 regarding garbage and to translate for owner at 530 E Front Street regarding trees and building permit business. Councilor Taylor made a motion to approve using Frankie to translate. There was a 2<sup>nd</sup> by Councilor Lesh. All members voted Aye and the Motion carried.

**PLANNING – Commissioner Carleton**

- **Second Street vacate (Carleton).** This item was skipped without discussion.
- **Planning Grant 2015-2017 (Rowley).** The City Recorder provided an overview of the DLCD grant application and requirements including a few acceptable uses of the grant: paying the salary of an employee for day-to-day administration of the City of Merrill planning program and time and supplies required of the monthly planning commission meetings, i.e. copying monthly packets, paper, maps, procedural binders. The grant cannot be used for equipment. The City Recorder asked for permission from Council to be the authorized official signer of the grant. The deadline for grant

submission is November 30, 2015. Councilor Taylor made a motion to accept the \$1K grant and grant requirements and to authorize the City Recorder to be the official signer for this grant. There was a 2<sup>nd</sup> by Councilor Carleton. All members voted Aye and the Motion carried.

- **Solar Farm Update (Carleton).** The meeting scheduled for November 9, 2015 was cancelled by the **Solar Company based out of Florida, Origis Energy (Michael Chestone - Director of Development).** **History:** meeting with the planning commission October 12, 2015 to discuss installing a 65 acre solar farm (partly City, some County property) north of the property where Dollar General is planning to build (along the highway). They have an option on the property which is currently zoned both commercial and residential. A zone change will be required. This property is ideal for Origis due to the distance from the substation being less than 1½ miles. A next meeting is scheduled for November to discuss additional facts and figures, i.e. property tax revenue for the City. One City concern is the attractiveness factor. Origis is willing to do what is necessary to hide or make attractive the solar panels from view on Highway 39.
- **Dollar General.** The City of Merrill has signed off on the plans and they have been sent to Klamath County. ODOT is requiring a change in the entrance that would need approval by the Baptist Church.

#### **PUBLIC COMMENT:**

- Resident, Lee Harris, stated that the vacated Utility Worker II (UWII) duties do not equate to the current duties of the Utility Worker I (UWI). The UWI received a pay increase at the beginning of this fiscal year to compensate for more responsibility assigned by the PW Director. The increased responsibilities do not include duties of the UWII that require licensure. The certification status of the UWI was discussed and per the Public Works Director, there are courses available to be taken prior to the certification testing in March. At the point that UWI required certification is obtained, there will be an additional \$.50/hour wage increase.
- Lee Harris also shared that committee work has begun on the employee compensation and benefit study. The Council was asked what range spread they would like to see. Councilor Carleton indicated 7 ranges. The City Recorder asked if the study would be completed by the February Council meeting so it could be used to calculate FY 16/17 payroll and personnel services budgeted items. Lee Harris replied that it should be completed.
- Lee Harris expressed that Pathways needs representation and that the City of Merrill should consider using a grant writer from OIT. The City Recorder replied that her staff are involved with the communication piece of Pathways and were attending a meeting Thursday to discuss the Try-Unity calendar.

#### **OTHER:**

- Councilor Smith asked the PW Director if the surveillance system has been installed. The PW Director replied that he will get it scheduled for install.

- Mayor Saunders shared that he would be out of town from November 17 – December 3, 2015 on a missionary trip in Cambodia. Council President, Melody Smith will be in charge.

**ADJOURN:**

The meeting was adjourned at 8:00 p.m. in a Motion by Councilor Smith and a 2<sup>nd</sup> by Councilor Taylor. All members present voted Aye and the Motion carried.

Respectfully Submitted,

Tim Saunders                      12/8/15  
Mayor, Tim Saunders              Date

Oma Rowley                      12/8/2015  
Oma Rowley – City Recorder      Date