

CITY OF MERRILL
REGULAR BUSINESS MEETING MINUTES
Tuesday September 11, 2018 6:00 P.M.

MEETING CALLED TO ORDER:

The meeting was called to order at 6:01 p.m. by Mayor Carlson.

ROLL CALL:

Roll call was taken with the following members of Council and others being present: Councilor Lesh, Councilor Smith, Councilor Carleton, Councilor Taylor, Mayor Carlson, and City Recorder Hernandez.

Flag Salute:

The **Flag Salute** immediately followed with Mayor Carlson asking Councilor Smith to lead it.

MAYOR STATEMENT:

Mayor Carlson asked that everyone please turn cell phones on silence. All meetings are recorded and when addressing the council, please speak clearly and state your name.

PUBLIC COMMENT:

Mayor Carlson stated the public is invited to provide their comments and opinions to the City Council at this time on issues of concern. Non-emergency issues brought up in this form will not be considered tonight other than in this preliminary discussion, but if found warranted, may be considered at a future meeting of the city council. Public comment is limited to five minutes per person.

No public comments followed.

CONSENT AGENDA:

- **Meeting Minutes:**
 1. Councilor Carleton made a motion to approve Council Meeting Minutes for August 14, 2018. Councilor Taylor 2nd the motion. The motion passed 4-0 in favor.
 2. Councilor Carleton made a motion to approve City Council Executive Meeting Minutes for August 14, 2018. Councilor Taylor 2nd the motion. The motion passed 4-0 in favor.
- **Business License:**
 3. Non-applicable.
- **Accounts Payable:**
 4. Councilor Carleton made a motion to approve the August Accounts Payables. Councilor Taylor 2nd the motion. The motion passed 4-0 in favor.

STAFF REPORTS:

- **Police:**
 - Marshal Bicknell reported on current domestic abuse cases and the attempt to provide services though maintaining enforcement. A few minutes prior to City Council, a theft of fuel was reported by Parks-Hickey Hay. The time of theft was undetermined. Reported crime have been close to nonexistent.
 - Marshal Bicknell brought a proposal for tires and an alignment from Les Schwab before the City Council. Councilor Carleton inquired to bids. Marshal Bicknell responded with a negative. Councilor Smith stated a bid was required and outlined within the City Ordinances. Councilor Taylor was in agreement. Marshal Bicknell thought bids were required on items costing \$1000.00 or more. Councilor Carleton stated \$500.00. Councilor Lesh affirmed and stated the City Council had raised the amount from \$300.00 to \$500.00. The proposal was tabled until a phone poll could be initiated with supported bids.
- **Public Works:**
 - Public Works Director Matthews reported on multiple tasks performed and distributed to City Council. Public Works Director Matthews highlighted the tasks performed by Utility Worker Taylor and Temporary Laborer Taylor. Jarod Johnson submitted a letter of interest to ODOT, after

conversing with Public Works Director Matthews, to install sidewalks on the East and West side of town. Yellow Jacket finished drilling the new well (1051 feet). Darryl Anderson will need to know how to size the pump for the new well; therefore, Yellow Jacket will allot a 24 hour pumping time for informational purposes the week of September 21, 2018. Public Works Director Matthews focus is on the upcoming Potato Festival.

- Darryl Anderson Report: Tabled.
- Correspondences related to the Modoc War Museum visitors were contained within the City Council Packets for perusal.
- **City Recorder:**
 - City Recorder Hernandez mentioned classes attended since August 14, 2018 City Council Meeting. All classes were free to attendees.
 - City Recorder Hernandez presented a Corrective Action Plan Letter to submit to the Oregon Secretary of State Audit Division stating deficiencies during audit and corrective measures by the City. The letter was signed by Councilor Lesh, Councilor Taylor, Councilor Carleton, Councilor Smith, and Mayor Carlson.
 - A letter was received from Klamath County regarding the Cable Plant proceedings.
 - City Clerk Jensen was budgeted Step 1 of the Employee Pay Schedule for the 18/19 FY Budget. Councilor Taylor made a motion to implement Step 1 of the Pay Schedule for City Clerk Jensen. Councilor Carleton 2nd the motion. The motion passes 4-0 in favor.
- **Lawyer:**
 - Mayor Carlson corresponded with City Attorney Schade and ET Capital (Solar Project). City Attorney Schade reviewed the easement language ET Capital is proposing. The concern pertains to the City not having an encumbrance on City Property for maximum future development. City Attorney Schade approved the easement language and Mayor Carlson will execute the deed per previous City Council Meeting discussions. Councilor Carleton noted disapproval to the easement due to the unnecessary and submission after landscaping. Councilor Carleton voted nay. Easement tabled due to dissent.
- **Code Enforcement:**
 - Code Enforcement Shilling reported on 6 resolved and 2 open cases.
- **Planning:**
 - Councilor Carleton mentioned the progress of Les Schwab. Oregon Department of Transportation is requesting the City of Merrill apply for an Access Application for Approval off Highway 39. Mayor Carlson detailed the difficulties changing geometry, easement language footprint, and legal description. Councilor Carleton stated the application is for actual highway access.
 - Tim Parks resigned from the Planning Commission. Councilor Carleton made a motion to appoint Rodney Green to the Planning Commission vacancy. Councilor Lesh 2nd the motion. The motion passed 4-0 in favor.

PROJECT MERRILL:

- Public Works Director Matthews reported on creating the Lost River Bluegrass Festival as a 501c3 charitable non-profit organization. Merrill Project is opposed to the creation; therefore, the festival will become its own entity. The date for July 2019 Bluegrass Festival will change to avoid risk from wildfire smoke and contaminants. Public Works Director Matthews introduced Joyce Furlong. Joyce Furlong stated the Lost River Bluegrass Festival needs to obtain a State Business License and a Federal Income Tax Identification Number because of reportable income and employment of subcontractors. The Lost River Bluegrass Festival is unable to file the official proper forms; however, forming a 501c3 resolves the current issues. Liability Insurance was another obstacle due to the unofficial capacity of the festival. The 501c3 would benefit the City of Merrill and surrounding communities encompassing arts, culture, history, and beautification. Merrill Historical and Modoc War Museum would fall under the charitable non-profit umbrella.
- Public Works Director Matthews stated the Lost River Bluegrass Festival broke even and requested additional funds for the July 2019 event. Joyce Furlong referred the City Council to the Lost River Bluegrass Festival 2018 Questionnaire submitted to Council. Joyce Furlong highlighted attendance of 1,000 with an expectation of 500; 47% of attendees were from out of town; 25% of attendees were from out of state; expenses non-recurring asterisked. Profits to local businesses are difficult to quantify.

- Councilor Taylor inquired to Project Merrill's financial involvement in the Lost River Bluegrass Festival. Public Works Director Matthews and Joyce Furlong stated there will be no financial involvement in 2019 nor was there for 2018.
- Proposal tabled for October 9, 2018 City Council Meeting.

NEW BUSINESS:

- Report and Discussion on Meeting with Oregon Department of Transportation Jarod Johnson: Jarod Johnson is the Central Regional Manager for Oregon Department of Transportation. There is 16 million dollars for access improvements for children to walk to school in a safe manner. Discussion of extending sidewalks on both sides of the City of Merrill transpired between Mayor Carlson and Jarod Johnson. Jarod Johnson is eager to work with the City of Merrill on a Master Transportation Plan which includes turnabouts (North-West of Town). A proposal for an \$80,000.00 flashing crosswalk sign for the Good Duck Park has been initiated. Jarod Johnson committed to researching accident rates to validate speed reduction on the North-West section of town.
- Report and Discussion on the Proposed Powder House Preservation Citizen's Initiative: Merrill City Charter has been reviewed after concerns about gun control. The City of Merrill has purview over a Powder House known as an armory. Codification resulting from gun restrictions should be a citizenry vote, which would be May 2019. Councilor Carleton stated a Council Member takes an oath to support the Constitution of the United States including the Second Amendment.
- Report and Discussion on Sewer Lift Station Claim: Citizen Gary Robeson submitted a claim to the City of Merrill regarding the sewer lift station on Water Street. Gary Robeson inquired to the City's response to the submitted claim and requested the status of the report. Mayor Carlson consulted with staff and deferred to Public Works Director Matthews. Public Works Director Matthews stated the City stands by prior statements; however, Public Works Director Matthews stated the City has maintained the sewer lift station for the past 18 years and intends to continue the maintenance. The City does not own the sewer lift station as interpreted. Gary Robeson stated the issue, perhaps misunderstanding, if the City is maintaining the sewer lift station, the response is satisfactory. Public Director Matthews replied by stating the issue could have been resolved during discussions outside of Council. Gary Robeson responded by stating in February when Public Director Matthews and Marshal Bicknell spoke, the comment was "well you know you own that sewer lift station". Public Works Director stated the comment was "we do not own the sewer lift station" but could be mistaken. Public Works Director Matthews clarified the comment should have been "we do not own it and is not legally responsible for it" but have been maintaining the sewer lift station for the last 18 years. The City of Merrill has been maintaining Water Street for the last 18 years. The City of Merrill pays the electric bill to the sewer lift station. The services rendered to the residents on Water Street by the City of Merrill are in lieu of revenue from the sewer lift station. As for moving the sewer lift station, there is nowhere to move it. The City of Merrill would be fighting two people if moved onto other private property. Public Works Director Matthews stated there is no issue maintaining the sewer lift station as the City has been for the last 18 years. Gary Robeson stated issues are clarified after Mayor Carlson suggested a meeting at a future date. Gary Robeson's concern is the failure of the sewer lift station pump in an emergency situation. There was confusion in communication and wanted to know whether public Works Director Matthews may be called if an emergency arises due to failure. Public Works Director Matthews stated the sewer lift station has failed in previous years and the City of Merrill expensed the rewiring. Mayor Carlson inquired whether the sewer lift station was a duplex pump or single pump. Public Works Director Matthews stated a duplex pump and apologized for any confusion in communications conveying the City of Merrill would cease maintenance. Ownership stemmed from the topic of relocating the sewer lift station and the options being worse than where it currently resides. Councilor Carleton responded the issue arose when Joe Scronce was owner. The sewer lift station was privately owned and circumstances have not changed. Joe Scronce had even attempted to sell the sewer lift station.
- Report and Discussion on Audit of Water and Sewer Billing: The purpose of the Water and Sewer Billing Audit is to make billing equitable to single family and multi-family housing. The audit uncovered multi-family dwellings established as a single water billing unit. An ordinance has been proposed. The ordinance read at September 11, 2018 City Council Meeting, with noted changes, will be mailed with end of month water bills. October 9, 2018 City Council Meeting will allow for public comment on the ordinance. Councilor Carleton objected to the wording on item 3. Interpretation of the wording could create future

issues. Mayor Carlson suggested the City Attorney review the ordinance after City Council consensus. Councilor Carleton thanked Mayor Carlson for the work on the Water Rate Equalization Ordinance.

- Establish City Council Candidate's Debate Schedule: Four candidates have filed for City Council positions. The idea of holding a debate at the Potato Festival was brought before City Council for discussion. Councilor Smith expressed the opinion the meet and greet should be on the candidate's own time and not made a requirement. Councilor Carleton stated the meet and greet should be a request to participate in a forum at the Potato Festival. The consensus was to set aside a time and place for City Council Candidate's to interact with residents at the Potato Festival voluntarily.

OLD BUSINESS:

- Water/Sewer Benefits for City Council Members: Dismissed.
- Proposed Development Plan/Merrill Commercial: Merrill Commercial Development Plan was discussed at the August 16, 2018 Planning Commission Meeting. The intent is to create a generic plan and impose entitlements for flexible tailored development, including ODOT permit.

ORDINANCES:

- 2018-10-01 Water Rate Equalization-First Reading: Mayor Carlson read the ordinance into record by name. Councilor Smith made a motion to endorse the first reading 2018-10-01 Water Rate Equalization. Councilor Taylor 2nd the motion. The motion passed 4-0 in favor.

RESOLUTIONS:

- Resolution 2018-769 Corrective Action Plan: The resolution details the deficiencies discovered for the 16/17 FY Audit. The necessary corrections were as follows: enter receivables into the accounting software program before deposits are made at financial institution, enter receivables before bank reconciliation, and communicate with accounting software provider to correct bank reconciliation program or research new accounting software. The resolution is to be mailed to Secretary of State Audit Division. Councilor Taylor made a motion to approve Resolution 2018-769 Corrective Action Plan. Councilor Carleton 2nd the motion. The motion passed 4-0 in favor.
- Resolution 2018-770 Payment in Lieu of Taxes Transfer per FY 18/19 Budget: Following 18/19 FY Budget guidelines, the PILT payment was deposited into the General Fund Checking and needs to be transferred into the General Equipment Reserve Fund. Councilor Taylor made a motion to approve Resolution 2018-770 Payment in Lieu of Taxes Transfer. Councilor Lesh 2nd the motion. The motion passed 4-0 in favor.

FUTURE AGENDAS:

- Lost River Bluegrass Festival Fund Proposal
- Project Merrill Report by Citizen Lee Harris
- ET Capital Easement

PUBLIC COMMENT:

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- ❖ Lee Harris: Citizen Lee Harris addressed the issue of stainless steel fixtures for the rest area restrooms. Dorris, Bonanza, and Tulelake inquired to the City of Merrill's progress on replacement. Public Director Matthews stated the replacements have not been researched but will be addressed. Funds may not be available until next fiscal year. Councilor Carleton commented the restrooms were built under \$50,000.00 to avoid paying prevailing wage.
- ❖ Teresa Perry: Teresa Perry stated the City of Merrill's website and Facebook page has not been updated since July to bring to Council's attention. Secondly, Teresa Perry inquired as to when Vector Control last fumigated. Public Works Director Matthews stated Vector Control will be contacted after Teresa Perry stated the mosquitoes were a problem. Councilor Smith suggested creating a plan to update the website and Facebook page. City Recorder Hernandez stated City Council Minutes are scanned to City Clerk the following morning after each City Council Meeting and agendas are post the Friday before Council. Teresa

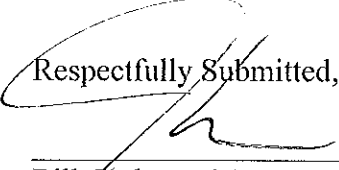
Perry mentioned Facebook is an easier forum to browse for updates and events. Moving forward, the City of Merrill will be more conscientious of posting to Facebook.

- ❖ Joyce Furlong: Joyce Furlong mentioned Mayor Carlson's name on the Merrill website is listed as Mayor Bill.

ADJOURN MEETING:

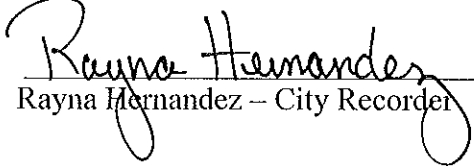
- Councilor Lesh made a motion to adjourn the September 11, 2018 Meeting. Councilor Smith 2nd the motion. With all in favor, the meeting adjourned at 7:06 p.m.

Respectfully Submitted,



Bill Carlson - Mayor

09 OCT 18
Date



Rayna Hernandez - City Recorder

10/9/18
Date