

North Powder City Council Budget/Special Meeting  
June 22, 2020  
6:30PM  
Wolf Creek Grange

Attendance: Mayor Mike Wisdom, Councilors Mike (Big Mike) Morse, Logan McCrae, Jeff Grende and David (Shorty) Schwehr. City Recorder Beth Wendt, Budget Officer Jason Bingham, Librarian Maggie Guthrie, Committee members Carolyn Flynn and Roger Townsend, and Dave Hoene. Committee member Mary Jones was present via electronically. Councilors Joyce Lawyer and Dennis Lefever were absent.

Mayor Mike Wisdom called the meeting to order. The Pledge of Allegiance was said.

Mayor Mike asked for additions or corrections to the agenda. Logan added a short presentation of his findings regarding the Fire Department building. It was added to old business. Big Mike moved to accept the agenda. Jeff seconded. All were in favor.

Mayor Mike asked for additions or corrections to the minutes from the May 18, 2020 budget meeting. Logan made a motion to approve the minutes. Big Mike seconded. Motion carried with 3 yes votes. Jeff abstained as he was absent from the meeting.

**New Business-**

**2020-2021 Budget**

Mayor Mike asked if there were any questions or comments regarding the approved budget. As Jeff was absent from the previous budget meeting he asked what major changes were made. Jason clarified that no changes were made to the proposed budget. The biggest thing that stood out, in his opinion, was a proposed increase in water and sewer rates in order to keep up with rising costs of operations and wages as well as to be able to put money into savings for depreciation. The budget is proposing a \$2 per month increase on both water and sewer rates. There were some substantial wage increases. Big Mike wondered if that would happen every year. Jason didn't know but it is possible. Jeff asked about money budgeted for a City Recorder extra and why is it a different rate than the City Recorder. Beth explained the Recorder extra is money budgeted to pay a sub when she is on vacation or out sick. Jason commented that even though we have budgeted to spend more than we expect to receive, he was not too concerned because, historically, the City tends to spend less than we budget. Jeff wondered if there was a fund that could be used for community support in an emergency, like when the City gave money to the Food Bank during the COVID 19 outbreak. Jason noted that we have the Community Enhancement fund and we can use Capital Outlay if necessary. Jeff suggested, in the future, we consider adding an emergency line item. There were no more questions or comments.

Mayor Mike read Resolution #2020-R5, adopting the budget and levying property taxes for 2020-2021. The budget total was \$5,121,593 and the tax was levied at \$4.3114 per \$1000 of property value. Resolution passed with 3 in favor (Logan, Shorty, & Jeff), 1 opposed (Big Mike) and 2 absent (Joyce and Dennis). Beth will file the necessary paperwork with the County Clerk and County Assessor by June 25<sup>th</sup>.

**Old Business-**

**RV Ordinance**

Mayor Mike noted that we received the comments and revisions to the RV Ordinance from Patty Mulvihill, attorney from League of Oregon Cities, along with a list of explanations for the revisions and answers to questions. Patty recommended that we not try to pass the ordinance as an emergency as it involves land use and zoning. Beth thought if the Council came to an agreement on the ordinance now, it would be August at the earliest before we could have a Public Hearing. Since the revisions were just received, the Mayor suggested the Council might want to take a little time to look them over. Shorty

agreed and made a motion to table further discussion for a work session or the next council meeting. Dave Hoene interjected that there is a problem with an RV on City right-of-way and on the sidewalk. He was concerned about sewage disposal. Jeff acknowledged that the Council was aware of the problem but the current ordinance has some big holes that tie our hands legally. Mayor Mike agreed that it is frustrating but we need everything to be in order. Over the past few months, we have attempted to work off the existing ordinance. One to the biggest holes that people have taken advantage of, is what happens after 14 days. We just got the new proposed ordinance back from our legal department. Mr. Hoene wondered if there was a County ordinance that would override something from the City. Jeff reiterated that the City's actions have to be legal. We are getting closer and the LOC is helping to find the right path. Mayor Mike added that we not only want to bring the ordinance up to date, but we want to be pro-active for the future. Jeff commented that we have been concentrating on how to deal with the bad things happening and are just realizing that we may be overlooking some good things. Logan felt the intent of the revised ordinance hadn't changed but wanted time to review the LOC revisions and comments. He seconded Shorty's motion to table the issue until another meeting, on or before the July 6<sup>th</sup> Council meeting. Motion carried unanimously.

Jeff asked if anyone had talked to the person interested in ordinance enforcement. Mayor Mike said Dennis was going to do that but in the meantime, he would be willing to fill in if necessary. Mr. Hoene suggested it could be done by committee. Jeff noted that we budgeted \$2500 for an enforcement person. Mayor Mike added that we have contracted with the Union County Justice Court to hear cases, and that is a big thing, but we have to follow the correct steps. Once a person has been cited for a violation, a copy of the citation goes to the court and it is out of our hands.

### **Fire Department Building**

Logan handed out copies of a fact sheet for City Hall and the Library and options for replacement, including the use of the Fire Department building. He noted the numbers presented were just an estimate but provided a place to start discussions. The Rural Fire Department expects to be moved out of the building within the next 2 to 3 months and would like to sell their portion of the building. The City owns slightly more than half of the fire building which is a little more than the space currently being utilized at City Hall and the Library. Adding the RFD portion would add significantly more space. There are no water or sewer connections to the City's part of the fire building but there is a separate electrical connection and a gas furnace. Logan thought the fire building was in good shape. There are a few superficial cracks in the walls that could be easily fixed. The RFD side has water and sewer connections with 2 bathrooms.

Option 1 would be to basically do nothing and leave City Hall and the Library where they are. The building is in disrepair and will continue to get worse or the City needs to spend a considerable amount of money to return it to workable condition. Logan estimated a cost of about \$200,000 over the next 5 years to fix the existing building.

Option 2 would be for the City to utilize our portion of the fire station. It would increase the square footage by about 600 square feet. We would have to remove the roll-up doors, insulate and frame in walls, and add water and sewer to build some bathrooms. He estimated the cost to be \$117,000. Roger was concerned about what could be put in the other half of the building. Logan noted that it is zoned Public so whatever went in would have to be a conditional use, including a City Hall. He thought the building had been appraised at \$215,000 about 6 or 8 years ago and the RFD part was about \$97,000. Option 3 included the City purchasing the other half of the building. It would provide a lot of extra room and we could utilize the existing bathrooms until something more could be done. Jeff wondered if the building was sprinkled. He thought a change to the interior might require a sprinkler system. Logan noted that we would have to look into that along with any permits that might be required for remodeling. There would be room for a Community Hall/conference room. He estimated a total of

\$202,000 which included the purchase of the RFD part of the building. \$100,000 for the purchase of the building had been mentioned but nothing was set but it provides a good number to start discussions. Option 4 involved the City selling our part of the fire station and starting from scratch. Logan estimated it would cost about \$700,000 less approximately \$100,000 that we might get from the sale of the building. Beth noted that we would also have to find a place to build or if we rebuilt on the same site, we'd have to find somewhere to house City Hall and the Library during construction. Logan reiterated that he is not a licensed contractor so his numbers are just a guess. Roger felt City Hall and the Library should be the City's biggest priority. Jason added that there is \$255,000 in the General Capital Reserve and \$223,000 of that can be used to buy land or a building but once it is spent, it is gone. Logan remarked that Libraries can get grants and if City employees could do part of the work, we could apply that as part of our "in kind" matching funds. Mayor Mike agreed that we need to get City Hall and the Library of the building we are in now but he didn't want to rush into anything. He felt there was a 5<sup>th</sup> option that he is looking into and hoped to have more information in the next few weeks. In the meantime, he wondered who we could get to write grants. Logan suggested Maggie. Maggie thought being on the Oregon Trail might be something we could use. Beth thought the ex-City Manager of Union also did grant writing. Logan commented that if we were to utilize the fire station, we could move in and then write grants.

Shorty made a motion to adjourn. Jeff seconded. Meeting adjourned at 7:30PM.

Respectfully submitted,

Attest:

Beth Wendt  
City Recorder