

TOLEDO CITY COUNCIL MINUTES
REGULAR SESSION
June 21, 2017

Mayor Billie Jo Smith called the meeting to order at 7:00pm. Councilors present: Terri Strom, Josh Smith, Jerry Seth, and Council President Terri Strom. Councilor Jackie Kauffman arrived at 7:49pm. Councilor Michele Johnson excused.

Staff present: City Manager (CM) Craig Martin, Finance Director (FD) Polly Chavarria, Police Chief (PC) Dave Enyeart, City Attorney/Planner (CA) Michael E. Adams, City Recorder (CR) Nancy Bryant, Public Works Director (PWD) Michael J. Adams, and Library Director (LD) Deborah Trusty.

Visitors present: Jim Chambers, Zach Dahl, Chuck Lerwick, and Heather Fortner.

Visitors/Public Comment

There was no public Comment.

Proclamation

Heather Fortner expressed her support for the proposed proclamation and stated that “ASK” is about keeping children safe.

Mayor Smith proclaimed June 21, 2017 to be “ASK” Day and urged all parents to ASK if firearms are secured before their children visit a household and all citizens in our community to protect their own and visiting children by safely locking all guns and ammunition.

Mayor Smith then stated that free gun locks are available at the Toledo Police Department.

Consent Calendar

Motion- It was moved and seconded (JSmith/Strom) to approve the consent calendar consisting of City Council minutes dated May 17, 2017. **Motion passed 5-0**, noting the absence of Councilors Johnson and Kauffman.

Mayor Smith noted her appreciation of the City Attorney/Planner Michael E. Adams who will be leaving on military duty.

Discussion and Information Items

Committee Updates

There were no committee updates.

Dahl Disposal – 2017 Rate Review

Chuck Lerwick reported that Dahl Disposal has turned in all applicable paperwork and based on the data its operating ratio is within the allowable range. It was noted that Dahl Disposal submitted a letter from the Department of Environmental Quality approving Lincoln County’s 2016 Opportunity to Recycle Programs. The letter thanked Lincoln County, Dahl Disposal, North Lincoln Sanitary Services and Thompsons’ Sanitary Services for continuing their efforts in

educating the public on waste prevention, reuse, composting and recycling activities in the watershed.

Zach Dahl stated that Dahl Disposal will be presenting a plan and cost for implementing the collection/recovery of green-waste next year. He explained that it will include green-waste as well as food-waste. Once the information is put together with recycling goals they will bring it to Council.

Mr. Lerwick and Mr. Dahl left the meeting at 7:18pm.

PUBLIC HEARING

Mayor Smith opened the public hearing regarding adoption of the 2017/2018 fiscal year budget and declaring the City's election to receive state revenue at 7:18pm.

Staff Report: CM Martin reported that the adoption of the following resolutions is the final step to the formal adoption the City's budget for the Fiscal Year of 2017/2018. He noted that under the Oregon budget law Council can lower the budget amounts but if Council wishes to increase expenditures in any fund it may only increase a fund by \$5,000 or 10% of the fund total, whichever is greater. He said if Council wants to exceed the limitations it would have to republish and reconvene the budget meeting. He then stated that it would be problematic to make those changes at this date.

Public Testimony: There was no public testimony.

Council Questions:

Councilor JSmith noted that the picture of City Council on page 104 of the proposed budget is not of the current members.

Mayor Smith asked if it is possible for Council to change the budget (transfer funds) by resolution in the new fiscal year as long as it follows within the limitations. CM Martin answered affirmative but depending on the nature of the changes. FD Chavarria noted that there are some fund transfers that would require a supplemental budget.

Councilor JSmith asked at what point is Council going to discuss the Strategic Reserve Fund. Mayor Smith noted that those funds have been sitting there for a number of years and it can be a future agenda topic for Council discussion.

PUBLIC HEARING CLOSED: Mayor Smith closed the public hearing at 7:28pm.

Council Deliberation:

Councilor Seth stated that next year he hopes that there is a concerted effort to have prior work sessions about subjects that could lead to budget recommendations. He noted that Council has missed the last two monthly work sessions and those are critical times for Council discussions.

Mayor Smith suggested the following changes in the budget process for next year:

- The Budget Committee is given two weeks to review the proposed budget.
- One budget meeting discussion is not enough. She recommended using the additional scheduled sessions that are posted for the budget hearing.

- She would like more information from staff because she is not sure that money allocated for some expenditures are on the Council's priority list or if the items are needs or wants.

FD Chavarria noted that there were four Budget meetings posted and it is the Budget Committee's option to decide how many that they need.

Mayor Smith stated that she is not asking to change the bottom line but that there are some things to consider like whether they are truly needed or should those funds be moved to top priority expenditures. She asked that Council consider future budget transfers. She then mentioned items that are of concern to her; the City Planner position, funding for a facilities shop building construction in the amount of \$80,000, and the transfer amount to the Fire Department. CP Strom agreed that those three things stood out to her.

Jim Chambers, Presiding Officer of the Budget Committee hearing, commented that one thing that was brought up at the budget meeting was the Stabilization Fund and whether the Council was going to continue to make transfers to that fund. Mayor Smith noted that there were no transfer to the Stabilization Fund this year. FD Chavarria stated that City Council recently addressed that issue and it is readdressed every two years.

Decision Items

Resolution Adopting the Budget for 2017/2018

Motion-It was moved and seconded (Seth/JSmith) to adopt **Resolution No. 1391**, a resolution adopting the budget, appropriating funds, and levying taxes for the Fiscal Year 2017/2018.

Public Comment: There was no public comment.

Motion passed 5-0, noting the absence of Councilors Johnson and Kauffman.

Resolution Declaring the City's Election to Receive State Revenue

Motion-It was moved and seconded (JSmith/Seth) to adopt **Resolution No. 1392**, a resolution declaring the City's election to receive State Revenues for the Fiscal Year 2017/2018.

Public Comment: There was no public comment.

Motion passed 5-0, noting the absence of Councilors Johnson and Kauffman.

Councilor Kauffman arrived at 7:49pm.

Resolution Transferring Funds

CM Martin reported that in July of 2016 the City entered in to a contract with Joan Demarest to provide temporary services as the City's Municipal Court Judge. The rate of compensation was not known at the time the 2016/2017 budget was prepared and insufficient funds were budgeted to cover the expenditures for the fiscal year. This transferring resolution provides an adequate appropriation of \$3,000 to cover the expenses as outlined in the contracts, as required by budget law.

Motion-It was moved and seconded (Strom/JSmith) to adopt **Resolution No.1393**, a Resolution transferring funds from General Services to Municipal Court to cover compensation to the Municipal Judge.

Public Comment: There was no public comment.

Motion passed 6-0, noting the absence of Councilor Johnson

2017 Street & Parking Lot Striping

CM Martin reported that on or about May 17, 2017, the City solicited quotes from various contractors for the 2017 street striping work to be done as well as striping the parking lot at the Public Library with the submittals due by June 2, 2017. Two local contractors submitted proposals (Allen's Lot Maintenance and BNR Striping, LLC) with Allen's Lot Maintenance submitting the lowest proposed amount of \$13,208.97. BNR submitted a quote for \$16,167.00.

Based on the review of all the information submitted it is recommended City Council authorize the City Manager or his designee to issue the notice of award and negotiate and execute a contract for this project to Allen's Lot Maintenance.

Councilor Strom noted that the parking angle striping on Graham Street has changed in a way that vehicles must drive down the center of the street to avoid parked vehicles.

Mayor Smith stated that she is concerned that there needs to be a yellow curb near Les Schwab and Memorial Field. She asked that staff make sure that space is considered. CM Martin stated that the curb striping should be on both sides and it is listed in the "catch all" miscellaneous curb striping.

Public Comment: There was no public comment

Motion- It was moved and seconded (Strom/Kauffman) to authorize the City Manager or his designee to issue a formal notice of award and negotiate and execute a contract with "Allen's Lot Maintenance" in an amount not to exceed \$13,209.00 plus 5% contingency of \$661.00 and for the preparation and painting of various street curb, crosswalks, railroad crossings, and parking lot spaces as requested.

Motion passed 6-0, noting the absence of Councilor Johnson

Alder Lane Drive Waterline Contract Award

CM Martin reported that the City of Toledo has been undertaking water system improvements identified within the current Water Master Plan. A project that had been identified was the construction of an 8" water main line in SE Alder Lane Drive and a 6" water main line in SE Maple Street.

On or about May 7, 2017, the City publicly solicited construction bids for the installation of approximately 1,135 lineal feet of new treated water distribution mainlines along with any/all fire hydrants, service connections and meters, and other relevant system appurtenance associated with a project such as this. On May 5, 2017, the City received, opened, and read aloud official bids submitted by three (3) qualified bidders interested in constructing this project: Morello Construction LLC.; BRX Inc.; and the apparent low bid was submitted by Trenchline Excavation Inc. The entire cost, including contingency if needed, will be \$275,993 if the project is built in its entirety as proposed.

PWD Adams noted that \$66,957.50 of the project is a proposed expenditure in the Streets Fund. He said after it was put out for bid he realized that since the project was already pre-designed it included a complete street overlay after the water line project was complete. He said Pine Street is attached to this section of Alder and it is part of the upcoming Phase II overlay project. He stated that an option may be to take the \$66,957.50 from this project and add it as a change order to the Phase II overlay project. He is evaluating whether that option will provide a cost savings. The

expenditure may still be approved in this request because the overlay will be done either way and the cost will not exceed the requested amount.

PWD Adams also noted that the \$195,892.50 is listed in the council action request as an expenditure in the Water Reserve Fund but will actually be an expenditure from the Water Construction Fund.

Mayor Smith asked if Maple Street will be included in the paving project. PWD Adams answered affirmative.

Motion- It was moved and seconded (JSmith/Kauffman) to authorize the City Manager or his designee to issue a formal notice of award and negotiate and execute with Trenchline Excavation Inc. in an amount not to exceed \$262,850.00 plus 5% contingency of \$13,143.00 and for the construction of municipal water main line in SE Alder Lane Drive and SE Maple Street as advertised.

Public Comment: There was no public comment.

Motion passed 6-0, noting the absence of Councilor Johnson.

2017 Slurry Seal Project

CM Martin reported that on or about July 18, 2016, the City of Toledo received, opened, and read aloud the one bid submitted for this project however the bid was rejected due to the City's inability to determine the reasonableness or unreasonableness of the bid prices submitted. On or about May 24, 2017 the City re-advertised this project in another attempt to get this project completed. On June 14, 2017, the City received, opened, and read aloud official bids submitted by two qualified bidders: Blackline, Inc., and VSS International, Inc. The apparent low bidder is Blackline, Inc. and entire project cost, including contingency if needed, will be \$146,679.75 if the project is completed in its entirety as proposed.

PWD Adams explained that a slurry seal is a thin layer of asphalt emulsion, rock and sand and are used to seal existing pavement against intrusion of water, fill in small cracks, provide uniform surface and restore surface friction, which improves drivability and skid resistance.

Public Comment:

Jim Chambers asked if the proposed slurry seal product is similar to a pugmill mix where the emulsion is mixed with the aggregate. PWD Adams said that he could not answer Mr. Chambers' question. Mr. Chambers asked what the price per square foot is. PWD Adams stated the cost is \$2.50 per square yard with a portion of the project at \$3.10 per square yard. PWD Adams noted that he has not done a slurry seal project himself; this was a carryover project from the previous year and was intended to be a pilot project to compare the benefits verses a complete overlay.

PWD Adams identified the following streets listed in the slurry seal project: NE Magnolia Drive, SE 9th between SE Fir and SE Gaither Way, SE Elder Street between SE 6th Street and past SE 3rd Street, SE 8th Street between Fir Street and Gaither Way, SE Beech Street between SE 3rd Street and E Graham Street, NW 12th Place between NW Deer Drive and NW Sunset Drive, SE Kauri Street loop, Donelle Drive and SE 18th Street.

Motion- It was moved and seconded (Strom/JSmith) to authorize the City Manager or his designee to issue a formal notice of award and negotiate and execute a contract with Blackline,

Inc. in an amount not to exceed \$139,695.00 plus 5% contingency of \$6,984.75 for the slurry seal resurfacing application to various street surfaces as advertised.

Motion passed 6-0, noting the absence of Councilor Johnson.

Reports and Comments

Department Reports

PC Enyeart noted that the May Department Report includes four pages for the Police Department because they have been busy and involved in many recent community events.

PWD Adams provided the following updates:

- On June 29th he will be meeting with a representative from the Department of Environmental Quality regarding a mutual agreement and order regarding compliance with the City's wastewater issues.
- He has submitted some documents for potential funding. A tentative date of August 8th has been set for a "One-Stop" meeting in Salem regarding potential options for funding for the Water Master Plan and Wastewater Master plan.
- Employment interviews to fill the Public Works Operations Supervisor position are scheduled for June 30, 2017.
- Advertisement has been submitted for an Engineer of Record, due July 14th.

LD Trusty invited all to do a book talk on You Tube. The Pre-School story hour guest was Penny Puppets provided by the Oregon Scholarship group and 45 kids attended. She said tomorrow is this year's first Summer Reading Program event.

FD Chavarria reported that the Finance Department's newest employee Justin Brown started last week in the Information Systems Manager position and the department is losing the Utility Billing Clerk Briana Lane whose last day will be June 30th.

CA Adams reported that the Planning Commission held a follow up discussion after its joint session with City Council. The Commission talked about Tiny Houses and the code revisions that would be expected in the future. He also reported that a FEMA Flood Plain Map update forum is scheduled for June 28th from 6pm to 8pm at the Oregon Coast Community College.

CA Adams noted that he has not received his military orders so he may not be leaving until July 10th. LD Trusty thanked Mike Adams and said that she will miss him.

City Manager's Report

CM Martin reported the following:

- He has received a tentative yes from John Morgan of Morgan CPS to serve, or one of his charges to serve, as the City's interim Planner subject to the length, duration and cost. He will bring a personal services contract for the provision of the ordinance in July. In answer to Council questions he stated that it will probably be for one day per week for office hours and remote work for more hours depending on the City's need.
- The Municipal Swimming Pool was repaired late last Friday. Swimming lessons are in progress.
- There was a quasi-committee meeting with directors of the Greater Toledo Pool Recreation District who requested the opportunity to tour the facility. Councilors Seth and Smith were invited. The purpose was to physically view some of the proposed structural improvements that they will be undertaking after taking possession of the facility. He provided the

attendees with the City's 2012 and 2014 structural reports and copies of job descriptions. Shortly after July 1st he will be asking what involvement Council wants to have in negotiating a memorandum of agreement to potentially an intergovernmental agreement or the transfer of the operation of the Swimming Pool.

- The City is getting some squeeze on its share of Library District funding because of the formula used by the Library District. He anticipates the actual funding received from the District will be approximately \$5,000 less. He noted that the way the funding is distributed may need to be revisited in the future with all of the entities involved.

Council Comments

Deanne Dunlap reported that she has received a sign for the Julie Rockwell Memorial Dog Park and would like to give it to whomever wants to put it in place.

CP Strom announced the Classic Car and Motorcycle Show is scheduled for Saturday.

Councilor Smith inquired about a Bariatric Patient Lift item on the Accounts Payable list of June 2, 2017. CM Martin stated that is the purchase of the equipment for the Fire Department. Councilor Smith also inquired about the TIP Certification expense on the same Accounts Payable list. CM Martin stated that it is the last billable for the Shovel Ready Certification project on the Toledo Industrial Park. He expects the final report to arrive in a few days.

Councilor Smith then inquired if ADA ramps will be installed during the street resurfacing projects. PWD Adams stated that the State requirement for street work now says that you have to upgrade street corners for ADA requirements. The intention is to do them in concert with the overlay but some will be done in areas that will not have the overlay.

Mayor Comments

Mayor Smith commented on the following:

- She will be at the Thursday Street Market.
- She is working with Councilor Dunlap to get businesses in the flyer handed out at the Street Market.
- She is working with Mayors from Waldport and Depoe Bay to get funding for the Chamber.

CM Martin reported that the City Hall Roofing Project is tentatively scheduled for the week of July 4th. He said that he will let the market folks know.

Mayor Smith called for a brief recess at 8:56pm and announced an executive session will follow.

Mayor Smith then made the following statement: "Representatives of the news media and designated staff shall be allowed to attend the executive session. All other members of the audience are not permitted to attend. Representatives of the news media are specifically directed not to report on any of the deliberations of the executive session except to state the general subject session as previously announced. No final decisions may be made in executive session. At the end of executive session Council will return to open session and welcome the audience into the room."

Executive Session

The meeting resumed at 9:10pm in executive session according to ORS 192.660(2), (e) To conduct deliberations with persons designated by the governing body to negotiate real property transactions. Staff in attendance: CM Martin, CA Adams. Council present: Mayor Smith and Councilors Smith, Strom, Kauffman, Seth, and Dunlap.

Council and staff discussed both the sale and acquisition of real property.

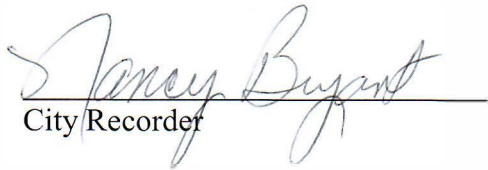
Regular Session

The group returned to regular session at 9:56pm. CA Adams discussed possible options for securing pro-tem City Attorney services during CA Adams upcoming leave of absence. CP Strom and Mayor Smith agreed to meet with CA Adams and CM Martin on Monday June 26, 2017 to discuss further options and procedure for City Attorney services during his absence.

Adjournment:

Mayor Smith adjourned the meeting at 10:12pm

ATTEST:


City Recorder

APPROVE:


Mayor