

City of Creswell
Council Minutes
December 18, 2006

The regularly scheduled council meeting was called to order by Mayor Ron Petitti and the pledge of allegiance given.

Council Present:

Nathan Marple
Ron Petitti
Bob Millam

Bill McCoy
Tim Demanett

Staff Present:

Mark Shrives
Roy Sprout
Shelley Humble
Layli Nichols

City Administrator
Public Works director
Airport Manager
City Recorder

Council Absent:

Ron Hanson
Cathy Morgan

Press: 1

Audience: 1

2. Special Presentation
 - a. Report from Auditor regarding FY 2006-2006 Audit – Bruce Montgomery

City Auditor, Bruce Montgomery addressed the council to review the annual audit report for the fiscal year ending 2005-2006. He issued a clean opinion, all the financial activity is reported in the annual audit. Things look good for the city. Included in the packet is the Management Discussion and Analysis, which is intended to be a layman's view of the overall financial condition of the City, and prepared by City Staff. Activities are broken down by government activities and business type activities. Business activities are supposed to be self sufficient, maybe not profitable, but self sufficient. Included on page 19 is the statement of net assets for business activities, on page 20 is the statement of revenues, expenditures and changes in net assets. This is what he considers an income statement. For the period audited, the Water and Sewer funds were very healthy and the Airport Fund broke even. One comment included in the audit report was an error in budget notices.

Tim Demanett asked for an overview in regard to the Airport Fund breaking even, and Mr. Montgomery replied that city staff have monitored this fund and have found ways to help the Airport be self-sufficient. He said that depreciation in the airport fund has been one of the factors that created a loss over the past few years.

3. Selection of Membrane Supplier for Water Project

City Administrator Mark Shrives distributed and reviewed information regarding the membrane suppliers for the Water Treatment Plant Upgrade. Mr. Shrives noted that Public Works Director Roy Sprout made several calls for references regarding the two suppliers. Mr. Sprout noted that CH2MHill Engineer, Paul Berg's recommendation is Pall Corporation, though both suppliers seem adequate. Discussion was held regarding the two suppliers and their references. Mr. Shrives and Mr. Sprout agree with Mr. Berg's recommendation to use Pall Corporation as the supplier, with the option to expand the system using additional membranes in the future as needed.

Mayor Petitti asked what would happen in 20 years when the system is at capacity again, and Mr. Shrives noted that the City would be looking at building a new facility in another location, due to the flood conditions in the area. Roy Sprout said the city has determined that no more wells could be drilled without affecting the existing aquifer used by the City. Mr. Shrives said in the future, cities are looking at pulling water from federal storage, should legislation change the existing restrictions. A short discussion ensued regarding the possibility of purchasing

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water from Eugene Water and Electric Board, and Mr. Shrives said in light of recent events, EWEB has put Creswell on the back burner, but the option could still be a possibility in the future.

Bob Millam moved Bill McCoy seconded to accept the proposal from Pall Corporation, to supply a 3.2 million gallon membrane filtration system, expandable to 3.8 Million gallons in the amount of \$1,595,000. Voted on and carried unanimously.

4. Adoption of new job descriptions

City Administrator Mark Shrives reviewed the proposed job descriptions, splitting the finance director and city recorder to two separate positions. The other positions presented would eliminate the Utility Billing I and II positions and create an AP/ court clerk, an AR/ Billing Clerk, and an Assistant Utility Clerk/ Receptionist. Mr. Shrives noted there would be two new positions to advertise for after internal changes in position have been made. A short discussion ensued regarding the building purchased at 125 W. Oregon Ave., and Mr. Shrives explained that both he and Finance Director Layli Nichols would be moving into that building in order to create more space at City Hall. Bob Millam moved Bill McCoy seconded to approve the job descriptions as presented for the positions of: Finance Director, City Recorder, AR/ Billing Clerk, AP/ Court Clerk and Assistant AR Clerk/ Receptionist as presented. Voted on and carried unanimously.

5. Discuss criteria for employee step increases

City Administrator Mark Shrives said this process has been under development since the City decided to implement a step system for pay ranges. Mr. Shrives said the Council adopted a resolution containing the steps, and now criteria for moving between steps needs to be completed. Mr. Shrives asked the Council to accept the recommendations presented this evening, with the condition that objective criteria be in place by the next review period. He noted the other change which was made in conjunction with the step system is that each employee be reviewed in December, rather than anniversary date, in order to be eligible for a step increase.

Discussion ensued regarding how to implement criteria for step increases and Mr. Shrives noted that criteria would be different for each position, depending on job function. Mayor Petitti recommended an increase for Mr. Shrives and asked the department heads to make a recommendation. Public Works Director Roy Sprout, Airport Manager Shelley Humble, and Finance Director Layli Nichols recommended that Mr. Shrives receive a step increase. Bob Millam moved Tim Demanett seconded to approve the step increases as presented, including a step increase for City Administrator Mark Shrives. Voted on and carried unanimously.

6. Pay Request CH2MHill

Bill McCoy moved Tim Demanett seconded to approve invoice 3580297 in the amount of \$2,582.83 as presented. Voted on and carried unanimously.

7. Discuss disposal of house on Dillard road Property

City Administrator Mark Shrives explained that when the City purchased the wastewater reuse site on Dillard Road, there was a house located on the property. The City advertised to sell the house, with no response. Since then, an individual has expressed interest in moving the home to another location. Mr. Shrives would like to accept the offer and include a time limit for moving the home. Public Works Director Roy Sprout suggested giving the individual until October of 2007 to move the home. Tim Demanett moved Bob Millam seconded to approve the

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sale of the house located on Dillard Road for a sale price of \$1.00, to be moved from City Property no later than October 1, 2007. Voted on and carried unanimously.

8. End of the Year Administrative Actions

Bill McCoy moved Nathan Marple seconded to approve Resolution 2006-32 as presented. Voted on and carried unanimously.

9. Discuss City response letter to proposed safety plan submitted by Urban Moore of Eugene Skydivers

City Administrator Mark Shrives said that at the last Council Meeting, Urban Moore, owner of Eugene Skydivers referred to a proposed safety plan he had generated. Mr. Shrives has since received a copy of the proposed plan and developed a response to Mr. Moore's letter. Mr. Shrives has included his proposed response for Council approval. Mr. Shrives noted that skydivers can take off and land at the airport, but the Federal Aviation Administration (FAA) letter recently received states that there is no land at the airport suitable to use as a drop zone, and as a result, there is no need to put a safety plan in place for an activity the FAA would not allow at the airport.

Urban Moore attended a County Commissioner's meeting and spoke, the County Administrator told Mr. Shrives he was checking into the situation.

Ron Petitti felt the second to last paragraph should not be included in the City's response to Urban Moore's letter. A short discussion ensued and council gave consensus to strike the second to last paragraph in its entirety, from the response letter Mr. Shrives generated.

Mr. Shrives said the safety plan proposed by Urban Moore includes the drop zone as being parallel to the runway 1,300 ft north and 1,300 ft. south directly adjacent to the runway. The proposed plan does not specify how wide the area would be, nor where skydivers would land. Mr. Shrives said he thinks Mr. Moore has 30 days from the date of the letter from the FAA to appeal the finding.

Tim Demanett said he would like to start the new-year by facilitating better dialogue between the school district and the City. A short discussion ensued, and Mr. Shrives said the meeting agendas and board minutes of the school district are posted on the district website.

There being no further business to come before the council, Mayor Petitti adjourned the meeting.

Ron Petitti, Mayor

Layli A. Nichols, City Recorder