

Council Present:

Dave Stram
A.J. O'Connell
Nora Reynolds
Jacob Daniels

Brent Gifford
Adam Pelatt
Jane Vincent

Staff Present:

Jamon Kent
Roberta Tharp
Layli Nichols
Shelley Humble
Cliff Bellew
Steve Dobrinich
Mike Howard
Ross Williamson

City Administrator
City Recorder
Finance Director
Airport Manager
Public Works Director
RARE Intern
Public Works
City Attorney

Council Absent: 0

Press: 2 – Creswell Chronicle - Jean Olson & Lisa Deleon

Audience: 34

The regularly scheduled City Council meeting was called to order by Mayor Dave Stram at 7:03 PM and the Pledge of Allegiance given.

Public Forum

Richard Heyman, Creswell resident asked for the status of the audits and budget.

Gaylord Olson, Creswell resident spoke of concerns regarding the annual water and sewer rate increases.

Gayla Olson, Creswell resident spoke of concerns regarding the violations happening in Harry Holt Park and the cameras installed there.

William Kelley, Springfield resident and business owner/user of Creswell Hobby Field spoke of his concerns regarding the annual lease increases.

Darrin Humble, Creswell resident and business owner/user of Creswell Hobby Field spoke of his concerns with the proposed Through The Fence Access fees.

Mayor's Report

Mayor Stram had nothing to report.

Item 3 C – Appreciation Plaques Presentation was moved forward on the agenda.

Presentations Appreciation Plaques

Mayor Stram presented Mike Anderson and Jean McKittrick with appreciation plaques for their service as City Councilors. Mayor Stram then presented Roy Sprout with an appreciation plaque for his twenty four years of service to the Public Works department of the City of Creswell.

City Administrator Recruitment Process Update – Jamon Kent and Mike Kelley

Mike Kelley addressed the council to provide a brief overview of the recruitment process, update and recommended next steps. The city received thirty seven resumes for the administrator position. Mr. Kelly suggested we continue by having he and Mr. Kent review the resumes and match them against the profile with the intent of a creating a recommended list of finalists to present to the Council at the June 24th Executive Session. Mr. Kelly reported he has completed most of the telephone interviews with the applicants. He suggested scheduling the interviews in early to mid-July. There would be three panels in the interview process: Council, Community and Staff that would present questions reviewed and approved by the city attorney. Once the

interviews are completed and the council is able to narrow the pool, a meet and greet will be held to make a final determination. Mr. Kelly stated if out of the pool, the council should not find a suitable applicant, an interim could be hired and the filing deadline extended.

Ross Williamson – City Attorney

City Attorney Ross Williamson addressed the Council to provide an overview on interview questions. Mr. Williamson passed out a guide to the Council on Acceptable and Unacceptable Employment Interview Questions. He advised the council on the American Disabilities Act, protected classes and open ended questions. Mr. Williamson will be working closely with Mr. Kelly and Mr. Kent to develop a list of legal acceptable interview questions.

Auditor Presentation – Richard Maxwell & Sherry Paulson

Jamon Kent provided a brief update on the status of the audits. All audits have been completed and filed with the state. Mr. Kent asked Finance Committee chair Brent Gifford to introduce Mr. Maxwell and Ms. Paulson to the Council. Mr. Gifford reported the finance committee has met with the auditors to review the past three audits and announced the committee found the processes and practices of Maxwell and Company to be acceptable to the generally accepted accounting principles as well as following FASB and GASB, and are fair and accurate.

Mr. Maxwell presented a summary of the past three audits. Mr. Maxwell reported the financial condition of the city appears to him to be quite good. The governmental and enterprise funds are doing well and it appears the City has been very frugal in budgeting and as a result has increased net assets. The only area of concern is the Airport.

Mr. Maxwell stated the Legal Budget section of the audit was the only section he needed to report on. His report centers on notice dates which primarily relate to meeting legal requirements and the fact that Creswell has a local newspaper that publishes once a week. He went on to say he had found a few small addition errors along with an appropriation resolution error that has been since corrected. His report on compliance matters in relation to government auditing standards for weaknesses or significant deficiencies in internal control reflected significant improvement in the segregation of duties. Mr. Maxwell said for a city the size of Creswell, to get the segregation of duties to a totally satisfactory level would probably require at least one more staff member.

The material weakness he found was in journal entries. Mr. Maxwell said journal entries should be reviewed by someone other than the person recording them into the general ledger or financial statements. His suggestion was to hire someone who is qualified to look at and understand what the journal entries mean, someone who has a good financial background or taking them to a CPA for review.

Mr. Maxwell stated there is a need in payroll for some segregation of duties and also suggests the Council look at a travel policy. He went on to say he is very satisfied with the progress the city has made during the past three years.

The council gave their unanimous consensus to accept the audit report.

Creswell Recreation Committee Cobalt Building Project – Steve Dobrinich

Steve Dobrinich gave a brief review of the Cobalt Building meeting held on June 3rd. There were approximately twenty five citizens who attended the meeting; eight people provided their input on the project. The audience was then asked to fill out a brief survey asking whether or not to utilize the \$35,000 budgeted in the 2012/2013 budget for capital improvements to the Cobalt Building. The survey revealed that of the seventeen who responded, twelve of them were in favor. The second question asked was whether the city should move forward with the \$100,000 proposed budget amount for capital improvements during the 2013/2014 fiscal year, or reinvest the money elsewhere within the budget and rethink the approach to the cobalt building, or place the \$100,000 in contingency and rethink the approach to the Cobalt Building. The survey revealed mixed results with a majority of the responses being in favor of reinvesting the \$100,000 in contingency for the proposed 2013/14 budget and rethink the approach to the Cobalt Building.

Correspondence

There were no comments given.

Consent Calendar

Councilor Vincent pointed out a typo error in the May 13th work session minutes.

A.J. O'Connell move Brent Gifford seconded to approve the consent calendar as amended. Jacob Daniels asked to abstain as he was excused from the meetings of the presented minutes. Voted on and the motion carries with Councilors Gifford, O'Connell, Pelatt, Reynolds, Vincent and Mayor Stram voting in favor and Councilor Daniels abstaining.

Airport

AWOS (Automated Weather Operating System) Update – Jamon Kent

Jamon Kent provided a brief update on the AWOS project. Mr. Kent is waiting to hear a response from John Shute, project engineer to FAA's Cindy Hersch's report dated June 6th. The report outlined where the FAA is at in their decision on the placement of the AWOS.

Public Works

There were no agenda items

Financial Report

April 2013 Financial Statement included in Council Packet

Finance Director and Finance Committee will be working together to form a brief/easier to read financial dashboard report.

City Administration

City Administrator Report – Jamon Kent Draft Goals Update

Jamon Kent presented a sample form he drafted that could be used by staff to track the Council's short term goals.

Jacob Daniels moved Brent Gifford seconded the goal reporting forms be used by staff to periodically update the Council on the progress of the Council's 18 month goals. Voted on and the motion carries unanimously.

Cobalt Building – Resolution 2013-10 A Resolution Changing appropriations Within the General Fund

Jamon Kent asked the Council to entertain and support his request to expend \$35,000 to complete some basic work on the Cobalt Building. He presented a resolution that would move \$10,000 from Materials and Services to Capital Outlay within the General Fund and asked to expend the \$25,000 budgeted amount for the Cobalt Building. He has received bids totaling \$61,000 to complete the work at the Cobalt Building. It is his recommendation to change the phase (electricity), and put in appropriate receptacles and florescent lighting in two-thirds of the building. The back portion and the west side of the building would not be updated. This will make the Youth Center and the large area to the east, ready to use. He also recommended down-scaling improvements to the restrooms by proposing to use the front restroom for ADA purposes and update the other restroom.

A discussion ensued regarding the HVAC system and Mr. Kent replied at this time only the wiring would be installed. Further discussion ensued on producing something the youth of the community could use in the very near future.

Jacob Daniels moved Adam Pelatt seconded the council approve the use of the \$35,000 allocated to the Cobalt Building from 2012/2013 budget.

Mayor Stram read aloud a letter from Budget Committee member/School Board member Lacey Risdell supporting the Cobalt Building project.

The Council voted and the motion carries with Councilors Pelatt, Daniels, Gifford, Vincent and Mayor Stram voting in favor and Councilors O'Connell and Reynolds voting in opposition.

Jacob Daniels moved Adam Pelatt seconded to approve Resolution 2013-10 A Resolution Changing Appropriations Within the General Fund. Voted on and motion carries unanimously.

Water/Sewer Rate Increase

Jamon Kent provided copies of Resolution 2006-30 and 32 regarding the annual adjustments to water and sewer rates. The resolution states that beginning July 1, 2010 and continuing each year thereafter the additional water consumption rate will increase ½ of 1 percent annually. Mr. Gifford stated we are looking to have a rate study

completed and would like to enact a postponement of the increase until it is completed. Councilors Vincent, Daniels, O'Connell stated they would be supportive of a postponement.

A discussion ensued regarding the city's loans for the water and wastewater treatment plants; how the loans were created and how the city buys down the loans. Mr. Kent reminded the Council we haven't engaged a company to conduct a rate study. Mayor Stram reminded the Council he has given a charge to the Transportation and Public Works Committee to work with staff in reviewing options for conducting a water/sewer rate study and recommending to the Council if and when it should be completed.

Jacob Daniels moved Brent Gifford seconded the Council suspend the immediate increase of .05 as outlined in Resolutions 2006-30 and 2006-32 for the rate increases for fiscal year 2013/2014. Voted on and the motions carries unanimously.

Resolution No. 2013-08 A Resolution Charging Off delinquent utility accounts

Jacob Daniels moved Adam Pelatt seconded to approve Resolution 2013-08 A Resolution Charging off Delinquent Utility Accounts. Voted on and the motion carries unanimously.

Resolution No 2013-09 – A Resolution Adjusting the Basic Rental Fees Set Forth in the Existing Airport leases Between the City of Creswell and Individual Lessees of Property located on Hobby Field Airport

Jamon Kent reported as outlined in the Hobby Field Airport Land Leases, the CPI adjustment is increased or decreased each fiscal year based on the January CPI. For the fiscal year 2013/2014 the CPI adjustment is at two percent.

A.J. O'Connell moved Jane Vincent seconded to approve Resolution 2013-09, A Resolution Adjusting the Basic Rental Fees Set Forth In Existing Airport Leases between the City of Creswell and Individual Lessees of Property located on Hobby Field Airport. Mayor Stram asked for discussion. Councilor Vincent feels that two percent is a lot for some of the tenants. Mr. Kent replied this adjustment is in the signed Airport leases, and is part of Federal Assurances of the Airport. Ms. Humble stated the adjustment has to do with grant assurances; a way to ensure continued maintenance is subsidized by the people who are on the airport. Adam Pelatt asked if maybe Council should direct staff to do some research on whether or not the adjustment can be waived.

A.J. O'Connell retracted his motion and Jane Vincent retracted her second. Mr. O'Connell asked for other councilors support in postponing this item until July, allowing staff time to research the possibilities. Councilors Daniels, Gifford and Vincent voiced their support for postponement.

RARE Report – Steve Dobrinich

Mr. Dobrinich gave a brief update on the projects he has been working on. He is happy to report the RARE program will be renewing with Creswell for an intern next year. They will be conducting interviews in mid-July. The Art and Essay contest put on by the Tree Board has just wrapped up. They received over eighty entries from local school children. He has completed a water rate comparison, a look at how Creswell's rates compare with other Oregon communities.

Reports: Committees, Commissions and Boards

Transportation and Public Works Committee Report – Chair A.J. O'Connell

Mr. O'Connell reported the committee met and has started reviewing information provided to them relating to water rate studies. There is \$25,000 appropriated in this fiscal year's budget for the project. The committee at this time does not have any recommendations to the Council and will provide more information in their July report. He encouraged everyone to read the water rate comparison completed by our RARE Intern Steve Dobrinich.

Finance Committee Report – Chair Brent Gifford

Mr. Gifford reported the committee met with Auditor Dick Maxwell and found it to be very educational for the committee.

Mayor Stram issued the Finance Committee three additional charges:

- Working with the new city administrator and finance director to develop a timeline to ensure the audits are always done in a timely manner.
- Before the end of August, a decision needs to be made to either enter into a contract with Maxwell and Company for Auditing Services or go out for an RFP (Request for Proposal).
- Work on addressing the carryover items from the audit

The council gave their unanimous consensus to the additional charges.

Administration Committee Report – Chair Jacob Daniels

Mr. Daniels reported an Administration Committee meeting has been scheduled for June 18th at 1:00 pm to discuss future administrative reviews. The committee will review the process used previously and discuss any changes they would like to make to it.

**City Council Business
Old Business**

Through the Fence (TTF) Fee– Jacob Daniels

Jacob Daniels reported that as directed at the June Council meeting, staff has provided the Council with four options to address the Through the Fence access fee for Mr. Norcia at Hobby Field.

Jacob Daniels moved Adam Pelatt seconded to adopt option number four, to reduce Mr. Norcia's Through The Fence fee from \$65.47 to \$22.50 per month effective July1, 2013.

Mr. Kent added that going back to 2006, there was cause for a change in Mr. Norcia's TTF Costs. Federal law talked about parity, with new public law the wording has changed to comparable. He looked at the fee with the perspective of contributing to the cost of the maintenance.

A discussion ensued regarding rates charged by state airports. Mayor Stram agreed the comparable is the tie down fee although he feels the option number two is his choice; tie down fee plus one hour of maintenance per month for a total of \$33.92.

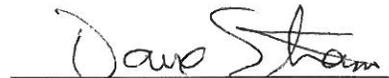
Voted on and the motion carries with Councilors Daniels, Gifford, O'Connell, Pelatt, Reynolds and Vincent voting in favor and Mayor Stram voting in opposition.

At 9:36 pm, Mayor Stram called for a brief recess. At 9:37 pm, Mayor Stram reconvened the meeting and asked Mr. Kent to give a quick update on a conversation they had earlier. Mr. Kent said he has been approached by a business that would like to come to Creswell. They are seeking a 10,000 square foot building, must have 250 parking places and they want fiber available. If anyone knows of someplace that could house a business like that please let them know.

Adjournment

There being no further business to come before the Council, Mayor Dave Stram adjourned the regular meeting at 9:40 PM.


Roberta J Sharp, City Recorder


Dave Stram, Mayor