



Harrisburg City Council Minutes June 25, 2014

The Harrisburg City Council met on this date at City Hall, located at 120 Smith St, at the hour of 6:32PM. Presiding was Mayor Robert Duncan. Also present were the following:

- Roger Raven
- Don Shipley
- Mike Caughey
- Robert Boese
- Sarah Puls
- City Administrator Brian Latta
- City Recorder/Asst. City Administrator Michele Eldridge
- Finance Officer Tim Gaines

Absent this evening was Councilor Kimberly Downey

The matter of Approving the Minutes of May 14, 2014

- Puls **motioned to approve the minutes, and was seconded** by Caughey. **The City Council then voted unanimously to approve the minutes of May 14, 2014.**

The matter of Approving the City Budget for Fiscal Year 2014-2015; Resolutions Relating to the City Budget for FY 2014-2015, Including State Revenue Sharing and Utility Rates

Staff Report: Latta told the Council that there were a few minor changes to the budget since the last Budget Committee meeting, where the budget had been approved.

- Gaines said that you'll see that we've changed the document now to show from proposed, to approved. You'll see the changes we discussed in the H.A.R.T. fund in materials and services. Then, in the general fund, we have been informed of another possible retiring employee in the next fiscal year. We know they are retiring, but we don't know the actual date, since it's based on the home selling. We've added \$6,000 to this for the vacation payout, which comes from liability. Also, at the last Council meeting, decisions were made in regards to an 'employee' who wasn't getting PERS, and is now receiving PERS. That wasn't originally planned for this budget. In order to accommodate that, his suggestion is to take the PERS out of contingency.
- Shipley motioned to approve Resolution No. 1080, **"A RESOLUTION ESTABLISHING STORM DRAINAGE RATES FOR USERS OF THE OF THE HARRISBURG**

MUNICIPAL STORM DRAINAGE SYSTEM, REPEALING RESOLUTION NO. 1049, AND ESTABLISHING AN EFFECTIVE DATE.” He was **seconded** by Puls, and the City Council voted unanimously to approve the rates for storm drainage for fiscal year 2014-2015.

- Puls then motioned to approve Resolution No. 1081, **“A RESOLUTION ESTABLISHING WATER RATES FOR USERS OF THE HARRISBURG MUNICIPAL WATER SYSTEM, REPEALING RESOLUTION NO. 1050, AMENDING RESOLUTION NO. 578, SECTION 5, AND ESTABLISHING AN EFFECTIVE DATE.”** She was **seconded** by Raven, and the City Council voted unanimously to approve the rates for water for fiscal year 2014-2015.
- Caughey then motioned to approve Resolution No. 1082, **“A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF HARRISBURG ESTABLISHING A SEWER USER FEE, REPEALING RESOLUTION NO. 1051, AMENDING RESOLUTION NO 579, AND ESTABLISHING AN EFFECTIVE DATE.”** He was **seconded** by Shipley, and the City Council then voted unanimously to approve the sewer user rates for fiscal year 2014-2015.
- Raven motioned to approve Resolution No. 1083 **“A RESOLUTION MAKING APPROPRIATIONS FOR THE CITY OF HARRISBURG, OREGON, FOR THE FISCAL YEAR 2014-2015, as amended.”** He was **seconded** by Shipley. The City Council then voted unanimously to approve the budget for Fiscal Year 2014-2015.
- Boese motioned to approve Resolution No. 1084, **“A RESOLUTION STATING THAT THE CITY OF HARRISBURG ELECTS TO RECEIVE STATE REVENUE SHARING MONEY IN FY 2014-2015.”** He was **seconded** by Caughey. The City Council then voted unanimously that the City wishes to receive state revenue sharing money in FY 2014-2015.
- Shipley then motioned to approve Resolution No. 1085, **“A RESOLUTION STATING THAT THE CITY OF HARRISBURG CERTIFIES THE PROVISION OF FOUR OR MORE MUNICIPAL SERVICES IN ORDER TO BE ELIGIBLE TO RECEIVE STATE REVENUE SHARING MONEY IN FY 2014-2015.”** He was **seconded** by Caughey, and the City Council then voted unanimously that Harrisburg is eligible to receive state revenue sharing money in FY 2014-2015 because we provide four or more municipal services.

The matter of Transferring Funds from Contingency to Personnel Services in the general, street, community and economic development, water and sewer funds.

Staff Report: Latta noted that as shown in the agenda bill, we had unexpected events not planned in this year's 2013-2014 budget. Personnel services were exceeded because of the retirement of John Loshbaugh, and the payout for Tim Bunnell, as well as the PERS costs for Judge Lemhouse. The actual amounts are in the agenda bill.

- Shipley motioned to approve Resolution No. 1086, **“A RESOLUTION AUTHORIZING TRANSFERRING FUNDS FROM CONTINGENCY TO PERSONNEL SERVICES IN THE GENERAL, STREET, COMMUNITY AND ECONOMIC DEVELOPMENT, WATER AND SEWER FUNDS”.** He was **seconded** by Puls. The City Council then voted unanimously to approve the transferring of funds as based on the above motion.

The matter of Updating Employee Classification to the Oregon Public Employees Retirement System.

Staff Report: Latta said that when the City first joined OPERS, we were concerned about who would be eligible. We decided that all full time employees would be eligible, and that the City would pay for the portion that the employee would normally pay, which is 6%. Because of recent events, and who is considered to be employees, we are now adding our classification levels to the PERS system. If an employee is not full time, then the City will not pick up the 6% contribution for the employee; the employee will be responsible for this.

- Caughey **motioned to approve Resolution No. 1087, “A RESOLUTION ADDRESSING THE MATTER OF UPDATING EMPLOYEE CLASSIFICATIONS TO THE OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM”, and was seconded** by Shipley. **The City Council then voted unanimously to send the change in classifications to OPERS.**

The matter of Reviewing and Approving the Officer’s Certification for the Administration of a Key Bank Credit Card Account.

Staff Report: Latta said that Key Bank had notified us of two amendments they were making to the City’s credit card account. They are removing the ability for the City to have cash advances, and balance transfers, which is the correct thing to do in relation to a public entity. We also did not have an updated officer’s certification form. That gives them who is authorized to deal with the account. If this isn’t done by July 11th, then we wouldn’t have an account.

- Shipley **motioned to Accept the Amended Terms of the Cardmember Certification for the Administration of a Key Bank Credit Card Account. He was seconded** by Caughey. **The City Council then voted unanimously to approve the amended terms and the cardmember certification for the City credit card account.**
- Caughey thought it would be appropriate for the Public Works Director to have a card, and was concerned that they weren’t included.
- Latta said that this wasn’t in relation to who gets a credit card; it’s for the administration of the account. Currently, the members of management all have a card.
- Gaines added that there are three members of Public Works who also have a card.

The matter of Accepting the Results of the 2014 Primary Election as Reported by Linn County

- Raven **motioned to approve the results of the 2014 Primary Election as stated in the “Proclamation and Certification of the 2014 Primary Election Results for the City of Harrisburg” for election results that were prepared by the City Elections Clerk and were based upon the Official Election Abstract of Votes reported by Linn County. He was seconded** by Caughey, and the **City Council voted unanimously to approve the 2014 Primary Election Abstract results.**

The matter of Continued Discussion of the League of Oregon Cities Legislative Priorities

Staff Report: Latta reported that at the last meeting, City Council had some questions about some of the items on the ballot for the LOC. In telecommunications, there were several issues we didn’t understand. He contacted Craig Honeyman, the legislative director, with our

questions. ORS 221.515 creates a disparity between phone companies, particularly land lines vs. cell phones. Land line companies such as what used to be Ma Bell, and Century Link, were charged for the line going to the home, but not for 2nd line waiting, or any subsidiary services. There was also a cap for incumbent local exchange carriers of 7%, but the cell phones don't have that requirement. The legislative bill does away with disparities, and treats all phone companies the same, regardless if they are land lines or cell phones. In addition to that, Comcast recently joined with Century Link, and they are pushing legislation that wouldn't benefit cities.

Raven said his priority is water. Mayor Duncan liked that, but also wanted mental health. Latta said that the entries in water and wastewater do protect Oregon's water needs. There is also one here that looks at long term needs, such as storage. We do care about that. Mayor Duncan and Caughey both talked about the need to replace the storage tank we currently have. Puls asked if Latta had picked any, and Latta told her that he hadn't chosen anything, because he's not the decision maker. He thought water and wastewater would be more important for us. He also sat on the LOC transportation group. The federal highway program is coming to the end of funding, and nobody is making a decision on how to fund it going forward. That's billions of dollars from the federal government to the states. ODOT is bracing for the worst there. We know we have issues with the streets here. The SCA is on here, and he would like to see it kicked up a notch, and being funded at higher amounts.

Caughey agreed, and said we have three million dollars' worth of road projects we need to do. Latta said he also served on the community development panel. He thought the best one there was the one that dealt with prioritizing grants, and emergency planning, etc. Puls thought she had hers figured out too. Boese said that he wanted item C under Community Development (Prioritization of grants dealing with natural disaster planning), Item L under General Government (Clarify and Enhance medical marijuana dispensary regulations), Item S in Transportation, (Passing a Comprehensive Transportation funding and policy package), and Item U in Water/Wastewater. (Supporting efforts and program funding to address Oregon's long term water supply needs.) Raven was ok with those, and Shipley said that worked for him as well.

- Shipley then **motioned to identify Harrisburg's four legislative policy priorities as C in Community Development, L in General Government, S in Transportation, and U in Water/Wastewater.** Raven **seconded his motion.** **The City Council then voted unanimously to approve these as Harrisburg's priorities for the LOC to tackle with the Oregon Legislature.**

Others:

OPERS

- Latta had gotten an email from Puls about whether we had our attorney look at the issues with the municipal judge. Without the judge being present, he's not comfortable talking about that. How it came about was because of the PERS consultation and review.

- Puls said that she wasn't under the impression that PERS doesn't look for money, but they did make sure that the Judge was included.
- Gaines said that it was a normal compliance check, which they do every three years. The Judge wasn't our employee, and they said that he was.
- Puls noted then it didn't matter that they were below full time.
- Gaines told her no. Every employee who works for us needs to be reported. You may not have to pay for them, but you still need to report them.
- Puls said in Lane County, that if you work under 600 hours, then the employee doesn't need to pay for PERS; nor does the employer.
- Gaines told her that was correct; if you are under 600 hours, then you don't have to pay PERS. In 2004, we were covering 14 employees. They told us that's always been a requirement, but that they didn't actually make us do it. They weren't pushing it then; they are now though.
- Latta said that PERS is going around the state, and are trying to clarify the situation with who is, and who isn't, considered employees. Everyone that was supposed to be reported was being reported. But we had a lot on there, such as City Council and Planning Commission, the judge, and our seasonal workers, that weren't on there at all. That's why we modified the stipend rule, and took it completely out, because it's easier to not pay government officials. If we hadn't, if any of you are currently PERS eligible, then even though a \$15 stipend per meeting didn't qualify as a PERS paid position for the City, we would still have to pay PERS for you. With the Judge, the only reason we were paying him the way we were, was because of the IRS requiring us to do so, and it was a substantially higher amount than the \$15 stipend per meeting. But we did not consider him an employee by any means. We wrote up the agreement, and stipulated that he was an independent contractor. We gave a copy of the agreement to PERS, and they agreed that we could fight, scream, shout, and in the end, they would still say he's an employee. So rather than pay attorney fees, it was easier to go with it.
- Gaines said that he had gone to the original IRS seminar in which he brought up the Judge. IRS said no, he's not an employee, but you have to pay him through payroll, because you have to do FICA. Half the room gasped. IRS and PERS rules don't always mesh.
- Latta added that we have 14 to 15 criteria that says' he's not an employee, and one that does, so therefore, they say he's an employee. The state wrote the law on that one.
- Puls wondered how many other little towns had to do this.
- Latta said that we all pay different amounts. It doesn't seem right, or fair, for how it was handled. We will have a municipal judge discussion continued in the future. He doesn't want this to be misconstrued either. We need the municipal court, and the Judge does really well. He gets results, which is important to our community.

Fireworks & Trains

- Latta said that Steve Owens had asked him to talk about whether the City should prohibit fireworks or not. He wanted me to ask Council if they would consider a fireworks ban in the future. Eugene recently passed theirs, which is why this was brought up.
- Council consensus is that they didn't want to prohibit fireworks.
- The other issue was trains speeding through Harrisburg. He knows that on UPRR, the cap for speed is 60 to 70mph. The BN line is much slower.
- Shipley was concerned about it, because they' repaired the bridge now. Before, they had to slow to 35 mph, and it took a while to speed up. Now, they can just fly through here.
- Puls thought it was important to be concerned.
- Latta said that he would look into it and will bring it back.

Future Meetings

- Latta said that the Parks Committee is recommending that Council approve that five year extension for Knife River on the 100 acre park; you will see that at the next meeting. They have the right to ask for more time, in the future, if they need it.
- Shipley said we won't have the funds to do anything with it anyhow, correct?
- Latta said no, we don't, although we are applying for grants. He thought it might be good to have a 2nd meeting in July, if we need to, and asked for a consensus on whether people could be here or not.

Raven said that the one meeting in July will be his last one. Shipley said that he would be in Georgia. Caughey, Puls, and Mayor Duncan could all be here, and Boese said that he wasn't sure yet. Latta thought he would ask Downey since she's not here tonight. Puls reminded him that she wouldn't be here on the 9th.

Public Works Issues

- Latta told the City Council that we have four candidates for the Public Works Director position that will be interviewing the week of the 14th. Another issue is that during the Public Works Committee meeting, water supply demands were discussed. In July and August we typically run the pumps at 24 hours a day to keep up with demand. It's only June, and we are doing that now. One issue we currently have is that Well No. 8 is one of our main suppliers of water. It generally runs at 200gpm, although it's less than that right now. The issue we have is with pressure. We put water from Well No. 8 directly into the water lines, but because it doesn't talk with the other wells, when it builds up enough pressure, it shuts off the other wells. There are ways to fix that; Junction City has a system that might work for us. Latta and Nelson will meet in Junction City next week, to learn about it. If it's reasonable, we could get it installed before it gets really hot.

With no further business to discuss, the meeting was adjourned at the hour of 7:32PM.

Mayor

City Recorder