

REVISED

**LA PINE CITY COUNCIL MEETING AGENDA
Wednesday, March 23, 2011
City Council Meeting and Work Session
6:00 pm
51340 Highway 97, La Pine, Oregon 97739
South County Building
Meeting Room**

1. Call to Order
2. Roll Call
3. Ordinance No. 2011-01
Declaring that the parts of the La Pine Water District and the La Pine Sewer District which were theretofore incorporated as or annexed to the City of La Pine are withdrawn from the Districts pursuant to ORS 222.524; and Declaring an Emergency.
4. Resolution No. 2011-03 to Transfer from the Contingency Fund to City Hall down payment.
5. Appoint Budget Officer
6. Authorize City Manager to enter into a Contract for Budget Preparation and Systems.
7. Solicitation and Selection of Architect for City Hall Remodel Work
8. Public Comments
9. Adjourn Work Session

Pursuant to ORS 192.640, this notice includes a list of the principal subjects anticipated to be considered or discussed at the above-referenced meetings. This notice does not limit the ability of the City Council to consider or discuss additional subjects. These meetings are subject to cancellation without notice. These meetings are open to the public and interested citizens are invited to attend. The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to Patti Morgan at (541) 536-1432

LA PINE CITY COUNCIL MEETING MINUTES

Wednesday, March 23, 2011

City Council Meeting and Work Session

6:00 pm

51340 Highway 97, La Pine, Oregon 97739

South County Building Meeting Room

1. Call to Order

Mayor Ken Mulenex called the meeting to order at 6:02 pm.

2. Roll Call

City Manager Rick Allen

Mayor Ken Mulenex

Councilor Stu Martinez

Councilor Dan Varcoe

Councilor Adele McAfee

Councilor Don Greiner

Admin Ass't Patricia Morgan

Quorum established.

Stu Martinez led the Pledge of Allegiance.

3. Ordinance No. 2011-01

Declaring that the parts of the La Pine Water District and the La Pine Sewer District which were theretofore incorporated as or annexed to the City of La Pine are withdrawn from the Districts pursuant to ORS 222.524; and Declaring an Emergency.

City Manager Allen said that neither he nor City Attorney Green believes the Council should adopt this ordinance. He said at the Public Hearing that was held recently the Districts threatened to sue both at the meeting as well as in writing. City Manager Allen said that the Districts may have a completely new set of board members this spring that would probably work with the City better on the withdrawal. He said passing this ordinance is not worth the risk of a lawsuit at this time.

Mayor Mulenex stated that he did not want to risk the taxpayers having to face a lawsuit. Councilor Greiner stated that the Districts customers will bare the cost of any litigation as well as the residents of La Pine. He said he could not support the ordinance at this point in time. Councilor Varcoe stated he did not favor the ordinance and had confidence that with probably new District board members they could get productive work accomplished for the withdrawal. Councilor Martinez said if there is litigation the tax payers will bare the cost. Councilor McAfee also stated she was not in favor of litigation at this time and was hopeful that with probably new board members the withdrawal would move forward.

Mayor Mulenex read a statement that included the following:

- The City has spent hundreds of hours reviewing the withdrawal process
- The City has asked the Districts to meet with City staff and have a representative on the Utilities committee
- The Districts have made minimal effort to cooperate with the City on the withdrawal discussions
- The City asked that the Districts consent to the withdrawal
- The Districts stated that they were unwilling to consent
- During the Public Hearing the public supported the withdrawal
- The Districts have asked that all employees be retained for four years and also guarantee that rates would not be raised for a period of four years
- The Districts stated that they would file lawsuit if the City continued with the withdrawal process
- The City responded that they could not provide employees any greater benefits or protections than were applicable under Oregon law and also that the City was committed to keeping the rates low
- The City once again requested that the Districts cooperate with the withdrawal and the Districts refused.
- The City Council has decided not to move forward with the ordinance due to the cost of litigation to the taxpayers.
- The Districts have placed their own personal interest above their customers.

4. Resolution No. 2011-03 to Transfer from the Contingency Fund to City Hall down payment.

City Manager Allen stated that there was \$100,000 put in the contingency fund for this fiscal year that can be partially used for the down payment . He said the building is insured and electric power has been transferred.

00:22:09

A motion was made by Councilor Varcoe and seconded by Councilor Martinez to approve Resolution No. 2011-03 to authorize the transfer of funds to the General fund contingency appropriation to the general fund materials and service appropriation.

<i>Vote as follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Mayor Ken Mulenex</i>	<i>X</i>	
<i>Councilor Stu Martinez</i>	<i>X</i>	
<i>Councilor Dan Varcoe</i>	<i>X</i>	
<i>Councilor Adele McAfee</i>	<i>X</i>	
<i>Councilor Don Greiner</i>	<i>X</i>	

Motion passed unanimously.

5. Appoint Budget Officer

City Manager Allen stated that a firm will work with the City on the budget and set up the templates for the future. He said he would work with the former Budget Officer Ken Kendall and the consulting firm. Mayor Mulenex stated that the City needs to have some expertise in the budget planning process that a firm could provide.

A motion was made by Councilor McAfee and seconded by Councilor Martinez to appoint the City Manager as the Budget Officer.

<i>Vote as follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Mayor Ken Mulenex</i>	<i>X</i>	
<i>Councilor Stu Martinez</i>	<i>X</i>	
<i>Councilor Dan Varcoe</i>	<i>X</i>	
<i>Councilor Adele McAfee</i>	<i>X</i>	
<i>Councilor Don Greiner</i>	<i>X</i>	

Motion passed unanimously.

00:28:00

6. Authorize City Manager to enter into a Contract for Budget Preparation and Systems.

City Manager Allen stated that the professional help will integrate the budget preparation with Quick Books.

Public Comment

Ken Kendall, former Budget Officer, stated that he did not think the amount of money being charged included additional work other than the budget preparation for the fiscal year.

City Manager Allen stated that in the actual contract it will include not just the budget for this year but creation of accounting methods and templates for the City's bookkeeping processes.

Mayor Mulenex stated that the level of expertise of a budget is necessary. He also said there will be new funds created for the next fiscal year.

City Manager Allen stated that the City needs to have a system in place that is not contingent on the different City Managers as they come and go. He said there has not been a lot of money spent on finance in spite of its importance to the City. City Manager Allen stated he received only one proposal and that was from Gerdes Dodge LLC.

Councilor McAfee suggested asking the consultant to revise their scope of work to reflect about integrating all the news systems and templates, etc., and then move forward. City Manager Allen stated that this could all be addressed in the actual contract.

Mayor Mulenex stated that it was important to have a system in place that was not dependent on a specific individual. He said it is time to have professional help to move the City forward.

A motion was made by Councilor Varcoe and seconded by Councilor McAfee to have the City Manager enter into a contract based upon the discussion with Gerdes Dodge LLC.

<i>Vote as follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Mayor Ken Mullenex</i>	<i>X</i>	
<i>Councilor Stu Martinez</i>	<i>X</i>	
<i>Councilor Dan Varcoe</i>	<i>X</i>	
<i>Councilor Adele McAfee</i>	<i>X</i>	
<i>Councilor Don Greiner</i>	<i>X</i>	

Motion passed unanimously.

00:45:12

7. Solicitation and Selection of Architect for City Hall Remodel Work

City Manager Allen stated that an architectural solicitation is out for doing the actual blue print design for the new City Hall.

A motion was made by Councilor Varcoe and seconded by Councilor Greiner to authorize City Manager Rick Allen to move forward on behalf of the City with the negotiation and execution of a contract for the architectural services required for the City Hall and the contract will include terms acceptable to the City and such other terms and conditions that City Manager Allen or Legal Counsel deem necessary or appropriate.

<i>Vote as follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Mayor Ken Mullenex</i>	<i>X</i>	
<i>Councilor Stu Martinez</i>	<i>X</i>	
<i>Councilor Dan Varcoe</i>	<i>X</i>	
<i>Councilor Adele McAfee</i>	<i>X</i>	
<i>Councilor Don Greiner</i>	<i>X</i>	

Motion passed unanimously.

00:48:30

8. Public Comments

Art Uecker, City Insurance Agent, stated that he felt avoiding litigation with the Districts was the correct decision. He said the City's insurance company would also have to participate and that would incur more legal costs. Mr. Uecker reiterated that the insurance for the new City Hall is in place.

Ted Scholer, area resident, stated that it was a good decision to not pursue the ordinance regarding the water and sewer districts. He also congratulated the Council on the purchase of the new City Hall.

Councilor Varcoe stated that getting this building (the new City Hall) is a great milestone.

Karen Ward stated that she knew cities that did not own the sewer and water. She suggested the City not take over the Districts and just find ways to work together with them.

Mayor Mulenex stated that the City is putting in place a bi-monthly newsletter and showed the first issue to the attendees.

Gloria Fleming asked where they would be available. Mayor Mulenex stated that they would be mailed to residents and also available at City Hall.

Mayor Mulenex stated that it is important to keep in contact with the citizens and let them know what is going on with the Council and the City.

Ted Scholer stated that Linda Johnston has volunteered to be on the Utilities committee and that will come up for a vote at the City Council meeting scheduled for April 13th.

Councilor Greiner discussed the meetings he had recently attended. He said that the Community Economic Loan was applied to the Red Rooster. Councilor Greiner stated that one of the big State budget casualties will be the juvenile detention center and the schooling for young offenders.

Councilor Greiner stated that he also attended a meeting regarding the Wickiup Corridor Study. He said he was informed at the meeting that the City needs to get their TSP (Transportation System Plan) and then prioritize their projects as funds become available.

Public Comments

Kitty Shields stated that the City has an obligation to keep the ball rolling on the Wickiup Corridor. Councilor Greiner said he was told there were very few funds available for and small projects only.

Councilor Greiner also attended the Small Cities Network. He stated that there are small grants available for infrastructure programs, water, sewer and roads.

Mayor Mulenex stated that Councilor Greiner had donated a U.S. flag to the City. He read a statement about the flag flowing over the former Victory over America Palace at Camp Slayer in honor of Donald Greiner.

Councilor Mulenex stated that he will get a cost estimate for purchasing a new flag pole for the meeting room and report back to the Council. He also discussed the meeting he attended regarding re-districting and the possible effect that could have for La Pine because of it being on the south end of the County.

Public Comments

Commissioner Tony Debone discussed the process for re-districting and that it would be a rather lengthy process.

City Manager Allen discussed the training session with the USDA (United States Department of Agriculture) at 5 pm on March 30th and also the Work Session on goals and priorities on April 2nd.

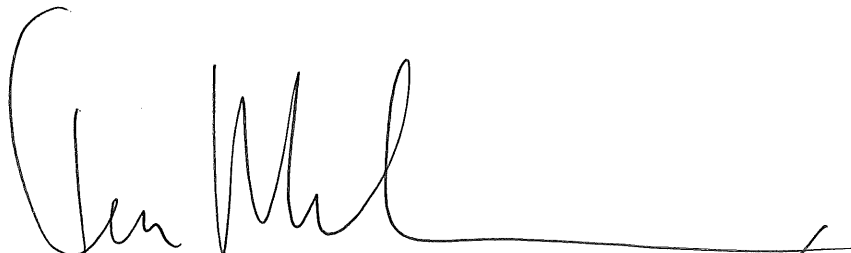
9. Adjourn Work Session

A motion was made by Councilor Varcoe and seconded by Councilor McAfee to Adjourn the Meeting.

<i>Vote as follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Mayor Ken Mulenex</i>	<i>X</i>	
<i>Councilor Stu Martinez</i>	<i>X</i>	
<i>Councilor Dan Varcoe</i>	<i>X</i>	
<i>Councilor Adele McAfee</i>	<i>X</i>	
<i>Councilor Don Greiner</i>	<i>X</i>	


Motion passed unanimously.

Mayor Mulenex adjourned the meeting at 7:24 pm.



Mayor Ken Mulenex

Attest:



City Manager/Recorder Rick Allen