

Minutes of the Veneta City Council

November 18, 2013

Present: Sandra Larson, Thomas Cotter, Brittany Boothe, and Thomas Laing

Absent: Victoria Hedenstrom

Others: Ric Ingham, City Administrator; Kay Bork, Community Development Director; Shauna Hartz, Finance Director; Kyle Schauer, Public Works Director; Chris Workman, City Recorder/Human Resources and Risk Management Administrator; Darci Henneman, Assistant City Recorder; and Michelle Ossowski, Fern Ridge Review

1. CALL TO ORDER

Mayor Larson called the City Council to order at 7:08 p.m.

2. PUBLIC COMMENT

None

3. CONSENT AGENDA

**MOTION: Thomas Cotter made a motion to approve the consent agenda as presented.
Thomas Laing seconded the motion.**

Vote: Thomas Laing, aye; Thomas Cotter, aye; Sandra Larson, aye; Brittany Boothe, aye.

The consent agenda as approved included Minutes for October 28, 2013; Accounts Paid through November 6, 2013; Council Directive for July, August, September 2013; Civic calendar for December 2013; Public Works Activity Report for October 2013; and Light Parade & Banner Permit Applications

4. COUNCIL BUSINESS AND REPORTS

a. Business

(1) Funding Request for Holiday Tree

Ingham said the Veneta Park Board, acting as the City's Tree Board, agreed to purchase a holiday tree for the Tree Lighting ceremony. He said this year the Tree Lighting ceremony and Light Parade will be split into two events. The Tree Lighting will be at the fountain courtyard in the West Lane Shopping Center on Thursday, December 5th, at 6:30 p.m. Gina Haley-Morrell from the Chamber and Kyle and Kip from the City are working on getting the tree donated but in case we have to purchase one, staff is requesting \$150 from the tree fund.

**MOTION: Thomas Cotter made a motion to approve the purchase of a holiday tree from the Urban Forestry Tree Fund for a not-to-exceed amount of \$150.
Brittany Boothe seconded the motion which passed with a vote of 4-0.**

(2) Historical Committee Funding Request

Mayor Larson said the Historical Committee consisting of Pat Baron, Richard Gedeon, Ingham and herself discussed what they could accomplish without spending a lot of money. She said the committee agreed to solicit Nancy Holzhauser and Alan Work of Mountain Hawk LLC to design four historical interpretive panels. Mountain Hawk will provide a final design for the second panel based on the poster Mr. Wayne Hunter brought to the City. It would be entitled "Veneta Founders". Mountain Hawk will also provide conceptual designs for panels 1, 3 and 4. Mayor Larson said we would have the panels built as funds are available and display them in an outdoor structure at the museum. She said any proofs or conceptual drawings

could be framed and displayed. The Committee is requesting the Council approve Mountain Hawk's proposal of \$975 for final design of the second panel and a concept of 1, 3, and 4.

In response to a question from Brittany Boothe, Mayor Larson said the panels are intended to be displayed outdoors.

In response to a question from Thomas Laing, Ingham said the conceptual panels will come to us on an electronic disc so we can decide when we want to have them made.

In response to questions from Brittany Boothe, Ingham said the panels should last about 10 years and will cost about \$1000 each to construct. He said the intent is to have the panels look sequential and have a consistent look. He said by doing more than one, we pick a theme for the first one and then follow that pattern for panels 1, 3 and 4.

In response to a question from Brittany Boothe, Hartz said the funds could come from one of two accounts; it could be a line item within the General fund or out of the Zumwalt Council Discretionary fund.

MOTION: Thomas Cotter made a motion to approve the final design of the Veneta Founders panel and conceptual design for three additional panels at a cost of \$975 as recommended by the Veneta Historical Committee. Thomas Laing seconded the motion.

In response to a question from Thomas Laing, Mayor Larson said a time frame for the panels has not been established.

Ingham said once we have Council approval, staff and the committee will follow the procurement process or solicit other bids. He said his estimate would be 30 to 90 days.

Mayor Larson said once we have the Veneta Founders panel completed then we can embark on the next panel.

In response to a question from Thomas Cotter, Ingham said they would be interpretive panels and the 3-30-3 rule would be applied. He said the panel should grab your attention in three seconds, so you spend 30 seconds to scan the panel. At that point the panel should provide enough visual detail and information that you spend about three minutes reading each panel.

In response to a question from Thomas Laing, Ingham said providing the ability to scan the panels with an iPhone would be an update and would be an additional expense.

Mayor Larson said the historical committee will provide the research and photos to Mountain Hawk.

VOTE: Passed with a vote of 4-0.

b. Councilor/Committee Liaison Reports

Brittany Boothe said the Park Board spent the majority of the last meeting reviewing the work plan. She said Board members agreed the Park Board will continue with the same event schedule and also they would like to take a more active role in pool events. The Park Board will be involved in the holiday Tree Lighting and some members will walk in the parade and carry the Park Board banner. She said those events will be held on separate evenings; the tree lighting will be December the 5th at 6:30 p.m. at the West Lane Shopping Center fountain courtyard and the parade will be December 12th at 7:00 p.m. and will follow the same route. Brittany Boothe said the Earth Day celebration with Veneta Elementary and the Easter Egg

Hunt are the other two signature events the Park Board hosts. With regard to the Earth Day celebration, organizers invited Elmira Elementary but that did not come together this year. She said the Park Board welcomed new student representative Susanna Hedenstrom.

Mayor Larson said the search for a new school superintendent has started. The School Board is meeting tomorrow night and is asking for feedback on what the community wants to see in a new superintendent. The School Board is also outreaching to the community and is very anxious to get more residents to complete the community survey. Mayor Larson said the survey has been simplified and shortened and can be completed on the District's website. She said the District is also conducting a telephone survey. Mayor Larson said she attended EPUD's 30 year celebration which was a great event. She said there are three peoples' utilities in our area and EPUD claims its rates are approximately 20% below Pacific Power & Light rates. Mayor Larson said she received a letter from Lane Transit District (LTD) asking her to pass on the following information: LTD provided free bus service to all Veterans and active service members on Veterans' Day. She said LTD has started the process of determining if and when to implement a legislatively authorized payroll tax increase of 1/10 of 1% phased over a 10 year period effecting only businesses. For the vast majority of businesses in the LTD area, the tax will calculate to no more than \$29 per year.

In response to a question from Mayor Larson, Ingham said LTD is only one of two transit districts in the state that is primarily funded through payroll excise tax of some kind. He said this is the first he has heard of a proposed increase.

5. STAFF REPORTS

a. Finance Director.....Shauna Hartz

(1) First Quarter Financials

Hartz said the financial fund balances provided to Council members covers the period from July 1, 2013 through September 30, 2013 or another way to look at it is 25% of the fiscal year. The percentage can be used as a guideline for monitoring the monthly revenue and expense reports especially for items that are the same every month, i.e., cigarette and liquor tax, personnel and electricity costs. For other items the guideline isn't as helpful. For example, debt service payments made annually distort the percentage. She said staff double checks those items by reviewing the actual detail in the accounts and in many cases, staff has a separate ledger as a double check on the accounting system to make sure the balances are correct. With those guidelines in mind, she pointed out a few oddities, the first five funds listed on the report all receive property taxes and the percentages for the revenue in those funds is quite low because the majority of property taxes come in after November 15th. The street revenue is lower than the 25% largely because the highway tax is generally the same every month but payments are sporadic. Also some of the franchise fees coded into the street fund are paid annually.

Hartz said on an up-note, the revenue in both the funds that collect SDCs are above the 25% because we budgeted to have 15 new family homes built and we've already had 10 through October that makes the percentage higher than 25%. She said the Zumwalt Campground receipts were high but because that is a one-time event we won't be receiving any more funds so that will go down. The same is true for the Fern Ridge Service Center fund and the Water Pipeline fund. She said both of those projects are winding down, so the revenues and expenditures will eventually stop. In the General fund, Materials and Services are higher because we pay our general liability insurance once a year which makes the percentage look higher. She said Law Enforcement is low because she hasn't seen a bill from Lane County yet but she will check on that. She said the Personnel Services is high because the Worker's Compensation is paid once a year and depending on the dollar amount in each fund, it can distort its percentage. The Street fund, capital outlay is greater than 25% but the guideline isn't accurate because those projects are a one-time thing.

Other capital projects have not been started and the budgeted transfers have not been done so that's why those percentages show zero. Hartz said she will provide the full detail reports to Council members either electronically or a hard copy if they are interested.

Thomas Cotter requested the document be sent to him electronically.

Ingham said this year seems to be a unique anomaly from what we normally see, as you look at the City-wide totals, you can see we're through the first quarter but all of the percentages of budget received is at 61.5% and budget expended is at 51%. He said those are related to the two big projects that we just wrapped up. He said normally those numbers are in the teens in the first quarter or as low as single digits. He said this is the first time he's seen these numbers so high and it is really unusual that those have been above 50% three months into the year. The water pipeline project is throwing things askew but we like to see our ending fund balance more than our beginning fund balance even before any of our property tax receipts start coming in. He said this is pretty positive for a 90 day look at the first quarter.

Mayor Larson said she had noticed that many of the ending fund balances were higher.

In response to a question from Mayor Larson, Hartz said the transfer in of \$900,000 to the Municipal Water consists of the \$200,000 transferred from Urban Renewal. She said at one point we expected to have about \$600,000 to \$700,000 left in the pipeline fund that we would transfer into the water fund but as it turned out, we were able to use the money to pay the first installment for the EWEB line. She said there will likely be \$80,000 left to transfer.

Ingham said the \$200,000 from Urban Renewal will help with the pipeline first debt service payment but we don't want to make that transfer until the payment is actually due in the next fiscal year (in order to make the first transfer which will coincide with the first debt service payment). He said with the budget preparation in mind, these numbers were developed in March of 2013 and finalized in April, early May with the budget committee. He said as we found, a lot of things changed in July/August and the March numbers were just projections.

In response to a question from Mayor Larson, Hartz said she can make a note for next year's budget to look into transferring some of that high fund balance from the Zumwalt fund into the Park and Recreation fund or it could be used for any other recreation purpose.

Ingham said normally it's not that high of an amount but the Zumwalt Campground has sold out the last two years and we can see that revenue has exceeded the expenses in the last two to three years.

- b. City Recorder/HR & RM Administrator.....Chris Workman
(1) Employee Handbook Addition, 11.105 Cell Phone Stipend

a. **RESOLUTION No. 1135** – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VENETA ADDING SECITON 11.105 CELL PHONE STIPEND OT THE EMPLOYEE HANDBOOK FOR THE CITY OF VENETA

Workman said staff is looking to add a new section to the employee handbook to keep up with the water pipeline monitoring system. He said with the use of a smart phone Public Works employees can view readings and remotely control settings without the need to physically be at the plant. Rather than purchase iPhones for Public Works employees, staff felt it would be more beneficial for qualified employees to purchase personal iPhones and to have the City provide a stipend for the business use of their phones. He said legal counsel reviewed the policy and cautioned that there is a difference of opinion between the IRS and

the Oregon Ethics Commission. The IRS has stated that cities can provide a stipend as a form of reimbursement but the Oregon Ethics Commission still says a stipend should be included in an employee's benefit compensation package. Management discussed the two options and felt comfortable with following the IRS guidelines. Staff has all had an opportunity to review the new policy and give feedback. He said just a few employees will have this monitoring capability.

In response to a question from Thomas Cotter, Ingham said for now this new policy would only effect the Public Works Director and Superintendent who would be the two employees to have iPhones.

In response to a question from Thomas Cotter, Schauer said this system is very secure.

Ingham said we have an on-call hierarchy, meaning the on-call employee responds with an iPad to monitor those alarms and make adjustments. But if he's unable to troubleshoot on his own, he can call either Schauer or Orme and using their iPhone can see everything the on-call employee is seeing. He said it's much like staring at the panel and performing those same functions.

In response to a question from Thomas Cotter, Workman said the two iPhones will replace Schauer and Orme's current City phones. He said after doing the math, the monthly stipend is \$50 verses what we're currently paying of \$40 to \$45 per month.

In response to a question from Thomas Cotter, Ingham said the data is available anytime throughout the day. He said the phone will sound an alarm maybe a different tone that identifies the water plant to notify you when there's an issue with the system.

In response to a question from Brittany Boothe, Hartz said Schauer and Orme will purchase their own iPhones to replace their City phone and the City will pay them a monthly stipend to use those personal iPhones for City business.

Ingham said the Public Works City phones do not have the capability to monitor the water plant. He said a full data phone with a full time internet connection is needed.

In response to a question from Brittany Boothe, Schauer said the iPhone will allow him and Orme to assist the on-call person and see exactly what's going on. He said this technology also allows him to remotely turn equipment off and on. He said anything the on-call person can do standing in front of the machine, he and Orme can do with their iPhones.

In response to a question from Thomas Laing, Ingham said we haven't fully talked about how often we will change the three levels of security.

Schauer said for security reasons, the system that runs the software is a Sysco system and currently the iPhone is the only phone that will run the security system which requires three different pass codes to get in and out of the system. He said the software is specific for utilities.

Workman said as far as someone coming across Schauer or Orme's phone and being able to access the water system - that's highly unlikely to happen.

Schauer said we have the ability to change the codes; the Program Administrator has the ability to change the codes at any time.

Ingham said when an employee leaves the City, security measures are taken. He said in

this case all the passwords would be changed.

In response to a question from Mayor Larson, Ingham said the intent of Section 11.105.40 is to remind employees to not conduct personal business on company time or in this situation using equipment that the City is paying a stipend for. He said just because it's your personal phone doesn't mean you can spend two hours of your working day on the phone.

In response to a question from Thomas Laing, Workman said the temptation is the thought "it's my phone so I can use it when I want to." He said it's easier to justify making a personal call on a personal phone than on a City phone. He said we just want to be very clear that even though it's a personal phone you are receiving a stipend and the phone should be used only for business use while those employees are at work.

In response to a question from Brittany Boothe, Ingham said Workman did a survey of other cities and as he said earlier, he averaged the costs to add a data plan with what we are currently paying. He said the proposed stipend is also what he receives for his cell phone.

In response to a question from Brittany Boothe, Workman said the amount of the stipend is listed in Section 11.105.30. He said it was more cost effective to provide a monthly stipend than to provide a phone.

Mayor Larson said the last sentence should read "the phone belongs to the employee" not "the stipend."

Ingham apologized for not providing Council members with any lead-time on this. He said the water system went live a couple of weeks ago and he wanted Schauer and Orme to be able to submit a reimbursement request for November.

MOTION: Thomas Cotter made a motion to approve Resolution 1135 as written, adding Section 11.105 Cell Phone Stipend to the current Employee Handbook. Thomas Laing seconded the motion which passed with a vote of 4-0.

(2) Lane Council of Governments Amendment No. 2 to the Computer Support Services Inter-Governmental Agreement

Workman said the City enters into an Intergovernmental Agreement (IGA) with Lane Council of Governments (LCOG) to assist staff with computer support. He said the computer support IGA's are signed on a yearly basis at a not to exceed amount. He said the 2013-14 budget included \$10,000 for computer support services and that after the budget had been approved LCOG provided a suggested work plan to upgrade all City workstations with Windows 7 and Office Suite 2013 software, add four new and two used work station computer support systems, and transfer City staff and the Council to Outlook exchange email service for \$14,842. He said LCOG has already billed the City for \$8895 for the first quarter of FY2013-14 which makes staff believe the estimate of \$14,842 is pretty accurate. Staff also believes the additional \$5,000 will be enough to pay for computer support for the rest of the fiscal year. The first amendment changed the contract date from last fiscal year to this fiscal year affectedly renewing the contract, and this second amendment changes the amount from \$10,000 to \$15,000.

In response to a question from Thomas Laing, Ingham said next year the contract may or may not increase depending on what the Council wants staff to do. He said we would assume it might decrease because it took a lot of work to switch everyone to Microsoft Exchange.

In response to a question from Thomas Cotter, Workman said because we're hitting that not-to-exceed amount of \$10,000 staff is requesting Amendment 2 to the IGA be approved to increase the not-to-exceed amount to \$15,000.

In response to a question from Brittany Boothe, Workman said aside from providing ongoing support, LCOG has already upgraded all staff computers with Windows 7 and Office Suite 2013, made the email changeover to Outlook Exchange, and provided everyone with an anti-virus update. He said a lot has been done and the \$5000 should be more than enough to get us through the rest of the year.

Mayor Larson said it also included setting up all Council email addresses.

MOTION: Thomas Cotter made a motion to authorize the City Administrator to sign Amendment #2 to the Intergovernmental Agreement with LCOG for Computer Support Services increasing the not-to-exceed amount from \$10,000 to \$15,000. Brittany Boothe seconded the motion which passed with a vote of 4-0.

c. City Administrator..... Ric Ingham
(1) Questions from Councilors
None

6. OTHER

Ingham said Council members are likely to see a new face at City Hall on Wednesday and Thursday mornings at the work station that Dr. Baumann recently occupied. He said staff met with a recent graduate from the University of Oregon (U of O) to start building a public safety activity database that we can mine information from. He said he would like to get an idea of the level of activity our deputies have responded to and get a good sense if the coverage we have is working.

Ingham said deputies updated him this morning about a rash of vandalism that occurred Saturday night from midnight to 2:00 a.m. He said four individuals were identified and there were eight to 12 properties damaged.

In response to questions from Brittany Boothe, Ingham said staff has been compiling these incident locations and times on a map to see if there is any pattern. He said staff has created three or four different maps over the last 12 months and Garbett has started a new map of this last incident, assuming we know where the vandalism is happening. Ingham said the most recent rash of vandalism was isolated south of Bolton Hill Rd. and west of Territorial with some vandalism on the east side of Territorial but it was a fairly defined geographic area.

In response to a question from Thomas Cotter, Ingham said it was very malicious vandalism, tires slashed and several properties were damaged including tearing down a fence.

Thomas Laing said he heard that one of the youth involved in last May's tire slashing was recently seen in the area.

Ingham said that individual had no known address and was considered homeless.

Ingham said we have to be careful how we define homelessness.

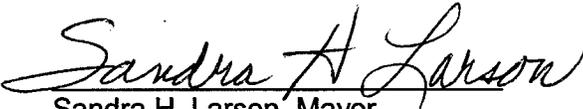
Mayor Larson said this certainly underscores one of the goals from the goal session.

In response to a question from Brittany Boothe, Bork said the U of O volunteer is using Excel software to create the public safety activity database.

Workman said we received our preliminary population numbers from Portland State University. He said our population number in July 2012 was 4610 and in July 2013 we were at 4635. He said the number will be certified December 16, 2013.

7. ADJOURN

Mayor Larson adjourned the Veneta City Council at 8:07 p.m.


Sandra H. Larson, Mayor

ATTEST:


Darci Henneman, Assistant City Recorder
(Minutes prepared by DHenneman)