

**City of Rainier
Regular Meeting Minutes
January 9, 2012
Rainier City Hall
106 West "B" Street
Rainier, OR 97048**

Meeting called to order at 7:00 PM by Council President Butcher.

Council Present: Phil Butcher, Mike Avent, Sloan Nelson, Scott Cooper, William Vilardi

Council Absent: Mayor Cole

City Staff Present: Debra Dudley, Darrel Lockard and Gregg Griffith

City Attorney Present: Steve Petersen

Flag Salute

Agenda Additions/Deletions: Vilardi moved, Nelson 2nd, to add Interim City Administrator to the agenda as item I. Motion passed unanimously.

Cooper moved, Nelson 2nd, to add new city council member's selection committee to the agenda as item J. Motion passed unanimously.

Nelson moved, Vilardi 2nd, to add past step CPI increases to the agenda. Motion passed unanimously. Nelson requested this item be added as h.(a).

Mayor's Address: None

Chief Griffith presented H.O.P.E. with a \$3530.50 raised from the donut sale. The H.O.P.E. Director, Bert Jepson, thanked Chief Griffith, Avent and Nelson for their fund raising events.

Visitor Comments:

Jim Owen, Lindberg, expressed thanks to Mayor Cole for lowering the flag at City Hall in honor of a park ranger's recent death and in honor of Chief Painter.

Scott Jensen, Port of St. Helens stated the Port is embarking on a strategic business plan process and that is going to involve all the communities in the Port District including Rainier. Jensen said they are going to be doing public outreach both in meetings in the communities and on the web which will include input from the communities regarding such things as what the Port could be doing better and what the Port is doing well. Jensen said the first town meetings will be in the next couple of months.

Alan Harrison, Deli Store, expressed thanks to the town of Rainier and the public works crew for starting to fix the leak next to his store.

Unfinished Business:

- a. Approve December 5, 2011 Work Session Meeting Minutes – Avent moved, Vilardi 2nd, to approve the minutes. The motion passed with Cooper abstaining.
- b. Approve December 5, 2011 Regular Meeting Minutes – Nelson moved, Avent 2nd, to approve the minutes. The motion passed with Cooper abstaining.
- c. “B” Street Update – Lockard stated that under new business item b covers that extend the time table out just like Highway 30 item c. Referring to item b Lockard added the only item to approve or disapprove is the need to verify the City’s contract information and ODOT’s information. Lockard stated item c is complete and ready to go. Lockard said there is another document that is an IGA with ODOT that he gave to Butcher. Butcher stated the IGA has been forwarded to legal counsel for review and presentation at the 23rd meeting.
- d. “C” Street Slippage Update – Lockard stated most of the construction has began on that, the walls are set in, the rock and the under drain is set and the only thing that is not done is concrete work which they are thinking about doing Tuesday or Wednesday when the weather clears up. Lockard reported the contractor had some concerns about putting the soil and hydro-seeding in due to the weather and he would like to do that at the end of March or April or May before that goes in. Dudley said when the City receives the bill it will be brought to Council for approval and the retainage amount will be withheld the portion of work that is not complete. The Company will submit an invoice for the final retainage once the sidewalk is done. Nelson stated and Council agreed it would be nice if Dudley would send Robert DuPlessis a note thanking him for keeping the Council on task with the “C” Street slippage project and for his patience. Lockard added the county inspector is checking on the project often.
- e. Gibbs & Olsen Billing for “B” Street Town Hall Meetings – Dudley said Mayor Cole requested this item be on the agenda, Council needs to make a decision on what they want to do with this bill, there was miscommunication on this issue. Dudley stated this item was authorized by an individual on the Council and has not been paid; the total is over \$4,000.00. Dudley stated the Council needs to decide if they are going to pay for it or check with REDCO to see if they want to pay for it. Avent said none of us could speak for any of the agencies other than he would like to let them know it is inappropriate for them to make an appearance without the direction of the Mayor or the City specifically and see if they have any proposals with working with the City on that and before he makes a decision on paying for it he would like to at least see what they are willing to do on the other side instead of just going to Council and asking for the total dollar amount. Avent would like to see if Gibbs & Olson would remove 20% or 30% and also put them on notice that they are not to listen to any one person, but they are to listen to the group. Nelson says that brings to light that everyone on the Council works as a group, not

independently. Avent said the training that was talked about in the work session would be helpful in this type of matter also. Nelson said he questions some of the cost on the invoice regarding engineering charges. Dudley said it's unfortunate that the City incurred this additional engineering expense, as the engineering firm on this project was also present. Dudley said she would be more than willing to contact Gibbs & Olson to see if they would give the City some kind of consideration for the invoice, however they did provide the service in good faith. Avent said he doesn't want this happening again and they might give the City a discount because they were not directed by the Council. Nelson said the engineering firm may have thought the individual contacting them had had Council approval and direction. Dudley said she would talk to Gibbs & Olson and get back to the Council. Dudley stated the City might consider developing some sort of purchase order process, but having the Council recognize that no one individual is authorized to incur expenses will go along way. As a consideration in the future, if an individual Councilor incurs an expense, it is at their expense. Dudley was directed to keep this item on the agenda as old business. Avent offered to assist in the phone call Dudley was directed to make to Gibbs & Olson.

New Business:

- a. Timber Harvest update by CBR Forestry LLC – Byron Rickert, Timber Consultant, updated the Council on the timber situation stating the City owns approximately 1550 acres in the watershed subtracting some of that for road right-aways and stream protection there is around 1400 acres of manageable timber. Rickert stated that is the base to harvest on and basing the annual harvest on a 50 year rotation. Rickert said that means you can log approximately 2% a year or 28 acres of clear cut a year and the reason for doing a 50 year harvest is that big timber has less value anymore. Rickert stated that once a tree gets over 32 inches in diameter it is very difficult selling it. Rickert said in a 50 year rotation you can assume that most of the trees to be harvested are in a 24 to 26 inch range so the City will be in a good position in the future market. Rickert said the City is based on a fiscal year and the timber market is a calendar year which is the growing season. Rickert said if the 2010/2011 fiscal year called for 28 acres and if we harvested nothing last year in 2011 we could carry those acres over to this year and, in essence, double our acreage so what we did was we logged 11 acres in the fall of 2011 so now we have a carryover of 17 additional acres for this calendar year and the plan will be to harvest one 18 acre unit and one 17 acre unit sometime this summer. Rickert said you would still have some remaining acreage for the 2012 year but he can't guarantee when that money is going to flow in. Rickert said that log prices based on the China market are currently dropping and that is a result because the cities and municipalities cannot export log so the only market you have is domestic and when the export market drops those logs that were going to export are on the domestic market and that means the price goes down because of the surplus. Rickert stated right now we are on a holding pattern and will have to see what the market does but year to date the harvest that was done last fall generated a little over \$87,000.00 and in the fiscal budget we had designed a road that was going to cost approximately \$40,000.00 and that was done and the good news is the cost of the

road was \$43,000.00 but the revenue from the logs was \$34,000.00 so we only had roughly a \$10,000.00 difference and we had budgeted \$40,000.00 in our original budget for the year. Rickert said what will happen now is we will take some of the money we didn't spend and build additional spurs which will allow access into another area for harvest that will cost around \$6,000.00 or \$7,000.00. Rickert said if you are going to clear cut 28 acres a year you should have 28 acres of younger timber that needs to be thinned every year and what happened this September was a small thinning of 18 acres and produced a revenue of \$18,000.00 to the City so there probably won't be any more thinning for this calendar year because we need another growing season before we can incorporate more thinning. Rickert said the year to date revenue from timber harvest is at \$95,000.00, minus the cost that includes tree planting, roadside spraying and other agricultural activities is budgeted for \$45,000.00 for the year now and we may not spend all of that. Rickert said there could possibly be \$100,000.00 of revenue so the net revenue should be \$150,000.00 to \$175,000.00 this year. Nelson asked if that was after the management cost and Rickert said that was correct for this fiscal year. Rickert said if we don't harvest until June you won't see that until 2012/2013 but it is coming in addition to 2012/2013 revenue. Avent thanked Rickert for doing a great job and asked Rickert if he thought the market would ever change and be better and Rickert stated he thought that market was gone because of the milling capacities are gone for it.

- b.** Review Amendment #3 Bikeway/Walkway Project Agreement #20330 Pedestrian Crossing over Fox Creek – Lockard said this is an extension of time because Fox Creek is coming out of a different pool and there are two different funds. The only thing that is being changed is the City contact and the ODOT information. Nelson moved, Avent 2nd the motion passed unanimously.
- c.** Approve Amendment #2 Transportation Enhancement Program #24570, US 30/"B" Street Bike/Ped Improvements – Lockard said this was also a time extension. Avent moved, Cooper 2nd. The motion passed unanimously.
- d.** Designate a Cowlitz-Wahkiakum Council of Governments Representative – Dudley explained the Council in the past has a representative and the meetings are once a month on the 4th Thursday of every month and mandatory attendance is not necessary and the City is contracted with them on an annual basis. Avent suggested waiting until new council members are appointed and the Council agreed to hold this item over.
- e.** Approve Resolution 12-01-02 Setting Regular Council Meeting Days and Times. Cooper moved, Avent 2nd. The motion passed unanimously.
- f.** Approve Resolution 12-01-02 Setting Work Session Council Meeting Days and Times. Avent moved, Vilardi 2nd. The motion passed unanimously.

- g.** Approve Resolution 12-01-03 Designating the Clatskanie Chief as the Official Newspaper of Notice. Vilardi moved, Avent 2nd. The motion passed unanimously.
- h.** Appoint Budget Officer for 2012/2013 Budget. Nelson clarified that typically the City Administrator was the appointed budget officer and Dudley said that was correct. Nelson moved, Cooper 2nd to appoint Dudley as the 2012/2013 budget officer.
- i.** The motion passed unanimously.

h(a). Step/CPI Increases – Nelson said that sometime back a group consisting of himself, David Langford, Mike Avent and Vernae Christophersen were to meet to discuss past CP and step increases that were award to city administrative positions. Nelson said that group met and had some difficulties as a group and not much came of it. Nelson said that by the Mayor’s recommendation he asked that group to reconvene to address this issue that is still floating on the table and our group met tonight and the group has a recommendation for the Council to see how they want to handle it which Nelson read as follows: The group recommends that the Council acknowledged past practice in regards to administrative staff increases. We recommend that the administrative staff wages, CPI and step increases must go before the Council for approval as part of their performance reviews in the future and that the Council ratify all prior administrative step and CPI increases and that we all move forward, but in the future the step increases and CPI increases must go individually before Council for approval. Nelson stated the second thing was that the group would like to ask for permission to move forward with rewriting the contracts or at will job descriptions for the administrative level positions. Nelson said they would like to meet with someone like Mr. Stelner. Avent added that with that being said they do need to get two requests because those people don’t do it for free. Dudley suggested checking with LGPI, also recommended amending the City’s personnel policy to clarify the process, so our personnel policy clearly identifies what the practice is. Avent said that we want to move forward with this process while this is still fresh in their minds. Butcher said we need to line up the personnel policy with the City Charter or make the City Charter change also. Avent said that if we get the okay we will get some expertise advice on that and come back and have some more information and that we are going to have to spend some money to get that advice. Nelson stated they didn’t know any of the costs associated with this so maybe a cost not to exceed could be brought back to the Council and Avent agreed. Dudley said she would see that that is done. Cooper moved, Nelson 2nd, to have the City Council acknowledge and ratify the past CPI and step increases for all city administrative level positions. The motion passed unanimously. Avent added that Christophersen questioned whether she could serve on the committee and that is another question to get answered and added that it is a great asset to have community involvement especially with her expertise and he wants to make sure that is okay and they are not violating any issues. Dudley said it was okay as long as it is not specific to disciplinary actions because everything we do is public record, except employee evaluations and disciplinary actions.

Butcher chose to skip item i on the agenda and go to item j, selection of panel for city council.

- j.** Selection of panel for city council - Nelson moved, Cooper 2nd, to appoint a selection committee to assist with the filling of two vacant city council positions, the selection committee will be appointed at the January 23rd meeting, openings for the selection committee will be advertised in the Clatskanie Chief and be included in the January 16th utility billing, the qualifications for the selection committee include being available on January 30th at 6:00 PM to interview the potential council candidates, must be a registered voter in the State of Oregon, reside within the City of Rainier, cannot be an employee of the City of Rainier and has not served the City of Rainier in an official position in the last 18 months, the library board and planning commission will be asked to provide a representative to serve on the selection committee as well. The motion passed unanimously. Butcher announced to the audience that there will be a sign up sheet at City Hall for any citizens who would like to participate in the process.

j. Interim City Administrator – Vilardi stated that Dudley has been working diligently to keep them all informed of anything that is going on and filling in for Lars and he can't say enough about the good that she has done so he would like to see about having her fill in as the Interim City Manager/Administrator for six months with the pay being the same with a review of pay in three months. Vilardi said he thinks we need direction, we need a point for everyone, we are coming into budget, we are coming into contract negotiations and we need someone at the head of the table. Vilardi said Dudley is more than willing. Cooper clarified that Vilardi's motion was to make Dudley interim for six months with a review of pay at 3 months and Vilardi said that was correct. Cooper 2nd the motion. Avent stated that eventually they need to establish if they are going to go out for hire and maybe in three months look at that, what kind of pay raise are we going to be at and at that time evaluate where we are going to go from here and come up with some kind of pay because obviously if she is doing more work there needs to be some kind of adjustment on pay and once we set the parameters on what that job will entail whenever we go out for hire on that it will give us an idea and what the value of that job is going to be for the community. Cooper added that he had conversations with Dudley and Council Members and he feels this is a great opportunity and stated we've talked about the step increases and that and how that needs to get rolled into the personnel policy and he thinks the council needs to start considering instead of these long term contracts we are getting into with the employees we need to roll performance based pay raises and longevity based vacation time also under those personnel policies. Cooper stated he knows the norm for government everywhere in the United States is basically everyone ends up with a contract and that's how we roll forever but corporations that are being successful and we kind of have to consider ourselves in that same category we need to start basing our employees on their performance, we need people that you took your job, you wanted your job, you want to keep your job, you are moving forward, you are progressing, you solve problems, you figures out ways to make your department more profitable and if Dudley hadn't agreed to be the original person to take that step and move forward without a contract he thinks one of the goals they need to set for Dudley is to go ahead and implement

that model for herself in the personnel policy as the city administrator so that can be shed down through the organization. Nelson added that one of the things the group had talked about was to come up with a job description that would make those positions at will positions, that the job description is the contract so that there's not all these giant severance packages that the City continues to have to work through but also he thinks if we go through with this process which he hopes it all goes through we need to set quickly some goals for the interim person so they can be successful, so that they know what we as a council want to see them get to. Nelson said everyone has a pet project that they like and we could put that in there. Dudley was asked if she was okay with that and if she had any questions. Dudley stated she definitely wants goals because we all need to have goals so we can measure our successes, so we know what the expectation is and she doesn't want someone come up to her a month later and say why didn't you do this when it was never identified. Dudley added that we are a team and we need to work as a team and we need to work for the greater good for the City of Rainier. Cooper said that between now and the next meeting the Council needed to make a point to get in to see Dudley, speak amongst themselves and come up with a set of goals so they can present it at their next meeting. The motion passed unanimously. The audience broke out in a round of applause. Dudley thanked the council for their vote of confidence and Butcher reminded her to put City Administrator goals under old business.

Staff Reports:

Lockard –As far as View and Hickory streets 95% of their issues are taken care of. Nelson said some of the residents on those streets have contact him and were happy with the progress, other than people drive too fast.

Griffith – Recovered two stolen vehicles, working on a strategic plan survey that will be online and go out with the water bills, cost wise he checked and it will not cost any extra to send out with the water bills and hopefully it will be a source of input from the citizens regarding the police and everybody who is 18 or older and lives or works in the City is encouraged to fill out the survey.

Dudley – Explained the financial staff report she had provided to the Council, next month they will go into the financial report in greater detail because they will be starting the budget process and they will have a half of a year of statistical data to review and a full billing cycle with regard to utilities. Dudley stated that the general fund, the sewer fund, the water fund, the timber fund and the street fund, to date are showing positive incomes. Dudley stated that if anybody had any questions to please contact the office. Dudley thanked Judith Taylor for her input and information on the website, we are currently putting the minutes on the website and corrections are being made for more eye appeal, utility payments can be made online via a link in the website and we will be notifying the customers that utility bill pay is available via internet. Dudley stated Connie Budge called and wanted to congratulate Lockard and the Public Works Department for the job they did on View and Hickory Streets, she has also seen some improvements in other areas. Avent said one of the things he wants to work on before the budget is water rates and he doesn't want to see water rates increase this year so if there's anything to be addressed on the project list and budget maybe they could discuss it. Dudley said they have been having conversations internally with regard to the budget process. One of the concerns in the

general fund is there has to be capital improvement this year which would include City Hall and a number of other things. Lockard has identified some things in regard to water and sewer. Dudley added they are looking at other capital improvement, possibly a vehicle, items that are deemed critical as capital improvement and then will prioritize from that list, but one of the things that will be identified is where we are at as far as the water and sewer funds and what we need to do to stabilize those funds so we don't see the types of increases we have seen in the past. Dudley added the past increases in sewer were tied directly to the debt service; those have been addressed so we shouldn't have to see that in the future. As a council decision, Dudley said it is customary to include the cost of living increases in your enterprise funds which will be brought to the Council.

Council Reports:

Vilardi and Nelson – none.

Avent – Acknowledged the success by the Police Department in their fund raiser for Hope.

Cooper – Appreciates the improvements the City has seen by the Public Works Department.

Butcher – Congratulated Dudley. Butcher said he has been working with Dudley and discussing the budget process and formulating some ideas and the last thing he wants to see is a water and sewer rate increase, he thinks we have adjusted to our debt service and we are in line.

Executive Session convened at 8:05 pm.

ORS 192.660(2)(h) Consult with counsel concerning legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

The regular meeting reconvened at 8:20 pm

Nelson moved, Cooper 2nd, to authorize an expenditure not to exceed \$4800 for assistance with personnel matters.

The meeting was adjourned at 8:22 PM.

Phil Butcher, Council President

Attested: _____
Debra Dudley, Interim City Administrator/
Recorder/Finance Director