

CITY OF McMinnville  
MINUTES OF THE DINNER MEETING of the McMinnville City Council  
Held at the Civic Hall on Gormley Plaza  
McMinnville, Oregon

Tuesday, April 22, 2014 at 5:30 p.m.

Presiding: Rick Olson, Mayor

Recording: Rose A. Lorenzen, Recording Secretary

| Councilors: | <u>Present</u> | <u>Excused Absence</u> |             |
|-------------|----------------|------------------------|-------------|
|             | Kevin Jeffries | Kellie Menke           | Scott Hill  |
|             | Paul May       | Alan Ruden             | Larry Yoder |

DINNER

CALL TO ORDER: Mayor Olson called the meeting to order at 6:36 p.m. and welcomed all in attendance. He briefly reviewed the agenda.

BRIEF AGENDA OVERVIEW: Mayor Olson spoke briefly on each of the agenda items. He noted that the City's financial consultant, Bob Wells, would report on the City's three-year General Fund fiscal forecast.

INFORMATIONAL REPORT BY FRED STEMMLER, GENERAL MANAGER OF RECOLOGY: Mayor Olson stated that Fred Stemmler from Recology Western Oregon would provide an update on the activities at Recology.

CITY MANAGER RECRUITMENT: Mayor Olson advised that all except one of the eleven citizens who have been identified to be on the City Manager recruitment ad hoc advisory committee have agreed to serve on the committee. He stated that he would ask the Council to formally approve the names of those interested.

RESOLUTION : HOUSTON-GALVESTON AREA COUNCIL INTERLOCAL CONTRACT FOR COOPERATIVE PURCHASING: Mayor Olson advised that Fire Chief Leipfert would report on this topic. If approved, the City could participate in the cooperative purchasing program that would allow group purchase pricing.

ADJOURNMENT: Mayor Olson adjourned the Dinner Meeting at 6:42 p.m.

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Rose A. Lorenzen, Recording Secretary



than later - and before a bond measure request is taken to the citizens.

CONSIDER MINUTES: Councilor Menke MOVED to approve the minutes of the March 25, 2014 Dinner and Regular Meetings as submitted; SECONDED by Councilor May. Motion PASSED unanimously.

1

NEW BUSINESS

1 a

UPDATE AND REPORT FROM FINANCIAL CONSULTANT ROBERT WELLS ON THE CITY'S THREEE-YEAR GENERAL FUND FISCAL FORECAST: Finance Director Baragary advised the City Council that once again staff had used the services of the financial consulting firm of Bob Wells to help them update the City's fiscal forecast. She stated that using his financial policies and tools helps staff in their decision-making as they go through the budget process. She explained that the forecast is truly a high level look at the City's current and future financial picture, and that once the budgeting process begins, the picture becomes much more detailed. She introduced consultant Bob Wells.

Mr. Wells thanked the City Council for the opportunity to once again be in attendance and to report on the City's financial picture. He advised that a new three-year financial forecast had been completed in January of this year. He complimented staff and the City Council on the manner in which the City's financial planning is done. He explained that the forecast shows that the City's beginning fund balance is approximately \$500,000 greater than anticipated and revenues are up about \$300,000 over the forecast. Property taxes and insurance savings also appear to be higher than anticipated. He pointed out that some requirements are also higher - cost-of-living adjustments (COLA) had originally been budgeted at two percent. The COLA came in higher than anticipated and were adjusted to reflect the 2.7 percent actual COLA; fire union wages were negotiated at a level higher than had been forecast; and a General Service employee salary survey has been proposed. The City Council will need to determine how any changes from the salary survey will be implemented.

Mr. Wells advised that the financial picture is better than it appeared in January; however, the long-range trend is still that expenditures will exceed revenues. Ending fund balances are forecast to be lower over the next three years. He recommended following the City Manager's Budget Message recommendation to control costs whenever possible. He suggested that the salary study should wait until November and that the Council and staff should carefully monitor the expenditures.

Responding to Councilor May's inquiry, Mr. Wells suggested that the City hold off purchasing as much as possible for the first few months of the new fiscal year. After that

time, if it is determined that the finances are where they need to be, you can release those funds.

Councilor Menke thanked Mr. Wells for the positive report and stated that there are times when the City must replace and maintain items. Mr. Wells agreed but suggested that the City take a hard look at any expenditure.

Following further discussion, Mr. Wells complimented Finance Director Baragary, City Manager Taylor, and the City Council for their ability to manage their fiduciary responsibilities in a highly responsible way.

1 b

INFORMATIONAL REPORT BY FRED STEMMLER, GENERAL MANAGER OF RECOLOGY: Mayor Olson welcomed Recology Western Oregon General Manager Fred Stemmler.

Mr. Stemmler briefed the City Council on four important components of the Recology organization: community, ownership, environment, and service. He emphasized that Recology does not own landfills - and in fact, their cry is "zero waste."

Mr. Stemmler spoke about ways the organization honors its employees and how the organization and employees involve themselves in their community. He noted that most recently, they helped with beach clean-up in conjunction with SOLV and also, in conjunction with the Rotary Club, removed ivy at Tice Park.

Mr. Stemmler discussed the various services that Recology Western Oregon offers, in particular the many ways they take in materials for compost. He noted that food is compost and can be diverted from the waste stream going into the landfill. He advised that the organization feels that it can do more to divert food from the waste stream and stated that they would be asking the Council for permission to expand residential pickup to include Grade 3 food collection. He agreed that smell was a potential issue of composting food and that the material would need to be immediately transferred from Greenlands to another location. He also spoke of the possibility of having an artist-in-residence program at the new Zero store. The art work could be made utilizing material reclaimed from transfer stations. He spoke about the possibility of a "glass only" recycling option. A pink trash container could be used for glass collection. The pink would also symbolize Recology's dedication to Relay for Life. He emphasized the need to protect the environment by reducing, reusing, recycling, and "recologizing." He noted that they had recently purchased a polystyrene densifier that will condense polystyrene by 20-fold down to bricks. He also highlighted the future construction and demolition area of the recycle area.

Following Mr. Stemmler's presentation, each of the Council members thanked Mr. Stemmler for the work that Recology Western Oregon does.

2 OLD BUSINESS

2 a APPOINTMENT OF A CITIZEN ADVISORY COMMITTEE TO ASSIST WITH THE CITY MANAGER RECRUITMENT PROCESS: City Manager Taylor reviewed the list of names of those who had been contacted to serve on the ad hoc committee, including Jeb Bladine, Scott Chambers, Jody Christensen, Mark Davis, Dave Hansen, Diane Haugeberg, Ed Gormley, Steve Macy, John McKeegan, Cassie Sollars, and Scott Schieber. He stated that he had spoken with all of the people except Mr. Schieber.

Councilor May asked about the benefit of having an elected official on the committee and whether it might also be beneficial to ask a student to be a part of the process. Discussion ensued. Mayor Olson suggested that the Council appoint the committee members as proposed and then have the Council look at the idea of including an elected official.

Following a brief discussion, it was the consensus of the Council to appoint the above-named individuals to the ad hoc committee.

3 RESOLUTIONS

3 A AUTHORIZING ENTRY INTO THE HOUSTON-GALVESTON AREA COUNCIL INTERLOCAL CONTRACT FOR COOPERATIVE PURCHASING: Fire Chief Leipfert stated that the proposed resolution would authorize City Manager Taylor to enter into an agreement with the Houston-Galveston Area Council (H-GAC) for purposes of cooperative purchasing. He explained that H-GAC makes available large ticket items to other jurisdictions through cooperative purchasing agreements. He stated that as the Department moves forward with the purchase of fire apparatus, the use of cooperative contract prices would be beneficial. He noted that H-GAC also evaluates and compares proposals.

Councilor May asked whether the City might potentially purchase from outside Oregon. Chief Leipfert responded that the City would contract with the vendor. He noted that he did not believe there were any vendors from inside the state of Oregon who could supply the needed apparatus. He also noted that a formal notice of proposal will go out to both local and national sales representatives. This will ensure that all who are interested will be able to participate in the process.

Following a brief discussion, Councilor Hill MOVED to adopt Resolution No. 2014-9 authorizing entry into the Houston-Galveston Area Council Interlocal Contract for Cooperative Purchasing; SECONDED by Councilor Ruden. Motion PASSED unanimously.

- 4                   ADVICE / INFORMATION ITEMS
- 4 a.                REPORTS FROM COUNCILORS ON COMMITTEE AND BOARD ASSIGNMENTS:  
Each Councilor present gave a brief report.
- 4 b.                DEPARTMENT HEAD REPORTS: Each Department Head present gave  
a brief report.
5.                  ADJOURNMENT: Mayor Olson adjourned the meeting at 8:31  
p.m.

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Rose A. Lorenzen, Recording Secretary