

**MINUTES OF THE CITY OF HEPPNER CITY COUNCIL MEETING
HEPPNER CITY HALL, 111 N. MAIN STREET, HEPPNER, OREGON
7:00 PM 12 September 2011**

NOTE: Where stated "Motion Carried" is considered unanimous, unless otherwise stated.

ATTENDEES:

**Mayor, Les Paustian
City Manager, David De Mayo
Cindi Doherty
Cody High
Judy Buschke
John Bowles (arrived at 7:35 PM)
Keith Lewis
Rusty Estes
Phillip Spicerkuhn, City Attorney
Brian Harmon, Public Works Director
David Sykes, Heppner Gazette**

Absent: Joanne Burleson

Kyle Vanderwalker, Mike Angel – Public Works.

Members of the Public: Katie Oblisk, Jeff Wright, Artifx Media

1. GENERAL BUSINESS.

A. Call to Order. The September 12, 2011 meeting of the City of Heppner City Council was called to order at 7:00 PM by Mayor Les Paustian.

B. Pledge of Allegiance. Mayor Paustian led attendees in the Pledge of Allegiance to the Flag.

C. Announcements – Agenda additions and deletions.

Mr. De Mayo announced that there was one addition to the agenda: Request from Sherry Vanderpool for permission to keep a therapy horse on her property located at 440 S. Main Street.

D. Correspondence. None

E. Public Comment:

Mr. De Mayo introduced Kyle Vanderwalker and Mike Angel, Public Works employees who have recently joined the Public Works staff. Mr. Vanderwalker has been working as a summer hire and Mike Angel is a Utility Worker who recently was hired to fill a vacancy in the Public Works Department. Mr.

Vanderwalker will be leaving at the end of September. Council members introduced themselves to the employees.

F. Requests. None.

G. Presentation by Artifx Media.

Mr. De Mayo introduced Jeff Wright and Katie Oblisk, Artifx Media representatives. Mr. De Mayo provided a summary on the proposed functions of the company. The five cities in Morrow County would join together in a common pool of resources to market tourism and new businesses. They would develop a theme for the county and focus on each individual city's interest. For example, Irrigon has a fish hatchery, Boardman has a marina, and Heppner has the St. Patrick's theme.

Mr. Wright stated that the objective is to stress weekend vacations to this part of the state. They would market tourism and new business development for all five communities in Morrow County.

Ms. Oblisk briefed Artifx's recent campaign on the Walla Walla Valley. This was the result of an RFP submitted by Walla Walla. Artifx is a marketing company with web development skills, along with other marketing proposals. She distributed a sample package developed for Walla Walla.

The basic stress for Morrow County would be on family activities and tourism.

According to Mr. Wright, they will meet with each individual city and discuss options and goals on the type of campaign that would be most appropriate for this area. The next step would be to establish a budget. According to Mayor Paustian, new business development would be a prime emphasis. Artifx's campaign would be based on the amount of the budget. The web site marketing would be a central site for all five cities combined and would be tracked. Mr. Paustian stated that all the mayors meet once a month and have been discussing marketing. One of the first steps is to create several concepts to market all five cities. Heppner has several community facilities, i.e., museums, parks, RV parks, golf course, and farming industry. Mr. Paustian stated that Heppner has excellent schools, a golf course, medical facilities, and an excellent sports program. According to Mr. Wright, goals for Heppner need to be defined.

Mr. Paustian asked when a campaign would start if Heppner would decide to participate? According to Mr. Wright, they can start in the spring. Mr. Wright feels that promoting all the cities collectively would be a benefit. No dollar amount has been discussed at this time by any of the cities. The cost would

depend on the mediums used. Ms. Oblisk suggested discussing this with the other cities.

Mr. High asked what kind of businesses Mr. Wright felt would be attracted to Heppner. Mr. Wright offered to e-mail some of the advertising material for other small communities for review, if desired. The Morrow County experience as a whole would be marketed. According to Mrs. Buschke, hunting draws a lot of people to Heppner. Many of the people who move to Heppner do so when they retire because they have been here to hunt. According to Mrs. Doherty, many of the people who live here do so because of the excellent schools, but commute to other areas to work.

Mrs. Bates stated that Heppner is a small community that should be compared to towns such as Ukiah and Condon.

2. COMMUNICATIONS FROM THE PUBLIC. None.

3. CONSENT AGENDA.

A. Minutes of City Council Meeting, August 8, 2011, August 23, 2011 Special Meeting.

B. Monthly Financial Statement.

Discussion: Mr. High asked if the increased sewer rate has been beneficial. According to Mr. De Mayo, they are "holding their own" at this time. The \$7,922.35 for the Fire Department was for the new equipment.

Action: Motion by Mrs. Buschke to Approve the Consent Agenda. Seconded by Mr. Lewis. Motion Carried.

4. REPORTS.

A. Fire Chief.

Chief Estes stated that August was a busy month. He reported the following for the month of August:

- 3 Mutual aid to Lone
- 2 Mutual aid to Arlington
- 1 Mutual aid to Boardman
- 3 Wildland fires
- 2 Secure landing zone
- 1 MVA/fire
- 1 Motorcycle wreck
- 1 Structure fire

1 Vehicle fire
29 Chief calls

B. Morrow County Sheriff's Department

Mr. Bowles reported that 356.25 hours were reported. Most of these hours were spent by Deputies Carter, Adams, and Harper.

There has been an increase in traffic incidents and code enforcement that have kept the deputies busy. Mr. De Mayo stated that the Munkers property is not moving along; this may have to be liened. There is a lot of garbage on the property and it needs more attention.

Mr. Paustian commented that the report from the Sheriff's Department is very good.

Mrs. Doherty has concerns about people not stopping at crosswalks. She suggested an item in the local paper pointing this out.

C. Heppner Housing Authority.

Mrs. Buschke reported that there are currently two vacancies and one thirty-day move out for October 5. Mrs. Buschke explained the rental amount structure which is based on low income guidelines. Mr. Paustian asked if anyone has talked to Bruce Buchanan as to going to Salem and working this out. Mr. Paustian's opinion is that going to Salem to discuss this further is important.

The eviction of one tenant gives the tenant until November 4 to comply with the restrictions. The tenant is confident that other living arrangements will be found by that date.

This will leave four vacancies.

Cascade Management has notified the Housing Authority that they have not received management fees in the amount of \$10,832. There has not been enough income to meet expenses and Cascade pays themselves last. The CEO of Cascade will arrange a meeting in Heppner with Cascade's accountant to discuss the situation. Mrs. Buschke stated that changing the rental structure needs to be discussed. Mrs. Doherty wondered why the amount got so large before the Housing Authority was notified.

In answer to questions by Council members, Mr. De Mayo stated that having a management company was part of the restrictions on the HUD loan for the

rehabilitation of the apartments. The Housing Authority has \$38,000 in their own reserve account. Some of this was used to pay for the new deck.

D. Public Works.

Mr. Harmon reported that he has listed the hours for August 2010 and 2011 in his report. The hours expended for sewer are more this year. Having the summer employee has allowed Public Works employees to spend more time in their departments and Mr. Harmon recommends having a summer employee again next year.

E. City Manager's Report.

Mr. De Mayo reported the following:

1) There are three committees that do not have an establishing resolution to comply with the code requirements. This needs to be rectified. The Council agreed to discuss this issue next month.

2) The Personnel Manual is finished and ready for further discussion by the Council.

3) The HUD house sale has been finalized.

4) Well #3 will be discussed at the Utility Commission meeting on 15 September.

6) A citizen has requested that the Council change the City code to address the issue of how close to a neighboring fence a tree can be planted. This particular issue has been resolved between the two parties involved.

7) Funding to assist property owners with re-habilitating sidewalks. This will be discussed by the Utility Commission.

5. PUBLIC HEARINGS. None.

6. COUNCIL ACTION.

A. OLD BUSINESS.

1) Report of Closing of Sale of property at 160 S. Court. Mr. De Mayo reported that the loan has closed and funds have been deposited in the bank.

B. NEW BUSINESS.

1) Decision to proceed or not proceed with Artifix Media to market the five cities of Morrow County.

Discussion: Mr. De Mayo stated that Artifix is aware that the tax monies do not come in until November. He reported that \$4-5,000 might be available for this project. The Cities of Boardman and Irrigon would match Heppner's amount. Mr. High would like to see what Artifix would do for the City. This will be discussed at the next Mayor's meeting on September 21. Mrs. Buschke asked what the WCVEDC's thoughts are about this. According to Mr. Sykes, WCVEDG has not been in the business of marketing tourism; the Chamber of Commerce is more into marketing tourism. WCVEDG's emphasis is on housing. Mr. High feels that some sort of plan would be good and suggested more research before making a decision. Mr. Sykes agreed that a plan is needed. Mr. High feels that the public should be involved in any decision and is against doing this without research.

Mr. Paustian suggested that this has been discussed but they are not ready to make a decision. Mrs. Buschke is interested in this and commented that some of this has been discussed in the strategic plan.

2) Heppner Housing Authority need for financial assistance.

Mrs. Buschke stated that the heating and cooling system on the second floor roof of the apartments needs to be replaced. The cost quoted by Heppner Heating is \$20,800. This does not include electrical work. The Senior Center would pay 22% (\$4,576) which would leave \$16,224. Mr. De Mayo will research the previous HUD sale (Breeding property) and how these funds were distributed. Mr. High would like to see if there are any other ideas for using the funds from the Court Street sale. Mr. Bowles is not ready to make a decision. Mr. High advised meeting with Cascade Management and possibly get other bids on the heating

Issue tabled until next month.

7. MINUTES OF COMMISSION MEETINGS. (furnished for information only)

8. REPORT FROM CITY ATTORNEY.

Mr. Spicerkuhn reported that he worked on the Court Street property closing.

9. REPORT FROM MAYOR, CITY COUNCILORS. None.

10. COUNCIL ACTION. None.

11. ADJOURNMENT. Meeting adjourned at 9:17 PM.