

**MINUTES OF THE CITY OF HEPPNER CITY COUNCIL MEETING
HEPPNER CITY HALL, 111 N. MAIN STREET, HEPPNER, OREGON
7:00 PM, February 08, 2010**

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

ATTENDEES:

**Mayor, Les Paustian
City Manager, David De Mayo
Judy Buschke
Keith Lewis
Joann Burleson
Samarra Van Doorn**

**Sgt Mark Pratt, MCSO
Fire Chief, Rusty Estes
Anne Spicer, City Attorney**

Absent: John Bowles, Cindi Doherty, Brian Harmon

**Members of the Public: David Sykes, Heppner Gazette
Sheryll Bates, Heppner Chamber of Commerce
Jerry Breazeale, City Manager, Irrigon
Justin Nelson
Chuck Nelson
Erika Lasater
Kelsie Davis
Margaret Flaherty
Roger Chastain**

1. GENERAL BUSINESS.

A. Call to Order. The February 8, 2010, meeting of the City of Heppner City Council was called to order at 7:00 PM by Mayor Paustian.

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

C. Announcements – Agenda additions and deletions. Mr. De Mayo announced that Roger Chastain is in attendance to discuss leasing Tax Lot 103 (Well No. 5), as pasture for his mules and horses.

D. Correspondence. None.

E. Public Comment. None.

2. COMMUNICATIONS FROM THE PUBLIC. None.

3. CONSENT AGENDA.

A. Minutes of City Council Meeting, January 11, 2010.

B. Monthly Financial Statement.

ACTION:

Motion by Mrs. Burleson to approve the Consent Agenda as presented. Seconded by Mrs. Buschke. Motion Carried.

4. REPORTS.

A. Fire Chief.

Chief Estes reported the following for the month on January 2010:

1 Secure landing zone for helicopter.

2 Motor Vehicle Accidents.

1 In-City wild-land fire.

1 Structure alarm.

According to Chief Estes, the fire department is currently not burning on Monday nights, until the weather changes.

Mrs. Buschke asked about scheduling a fire drill at the Senior Center. This will be held once the weather warms up and will be conducted in the evening.

B. Morrow County Sheriff's Department.

Sgt Mark Pratt reported that there was not a lot of activity for the month of January. Most of the calls were animal-related calls, i.e., barking dogs, etc. Deputies have been working code issues regarding nuisance properties. They are preparing for St. Patrick's weekend.

C. Heppner Housing Authority.

Mrs. Buschke reported that there are currently three vacancies. There is still an issue on dealing with the low-income status. Two potential tenants have been rejected because they did not qualify as low-income. There was a misunderstanding on this policy when the project contract was negotiated. Those tenants who are currently occupying apartments are grand-fathered in unless their income exceeds 80% of the median income for the County. If their income is above that, the tenants could be charged 30% of their income for rent.

D. Public Works.

Mr. De Mayo reported that the crew is still working on solving the telemetry system problem. Two modems have been installed and five more have been ordered. They are hopeful that this should solve the problem.

E. City Manager's Report.

Mr. De Mayo reported the following:

1) Mrs. Flaherty will provide an after-action report on the Farmers Market held last summer and discuss plans for next summer.

2) Erika Lasater will discuss the web page with the Council.

3) Mr. Breazeale discussed the closing of the Umatilla Army Depot and Irrigon's plans to utilize a portion of the property for economic development.

4) Justin Nelson is planning on running for District Attorney in the next election and is seeking Council support.

5) The Concept for a Grant Writing Service proposal is included in the packets for consideration. A resolution to support this endeavor is included. The City would be charged \$200.00 initially and \$800.00 by the end of the year, to investigate whether this can be done. This would be a cooperative agreement with other cities.

6) With regard to the ODOT projects (HB 2001), the projects are on hold pending legislative discussions on these issues. A petition is being circulated for signatures, to repeal the gas tax and there is a movement to control tax increases and have this on the ballot for the next election.

7) Eastern Oregon Rural Alliance. This organization has been in existence for a number of years, and has a strong membership in several areas of Eastern Oregon. Currently at Portland State, there is ½ person that represents rural policy due to funding cuts. Eastern Oregon Rural Alliance would like to change this. Eastern Oregon University has offered to have one person complete with office and this individual will represent rural policy. Judge Pryor (retired), Gilliam County, has been one of the individuals behind this movement, also Judge Steve Grasby from Harney County is another "driver" of the movement. It would cost Heppner approximately \$145.00 per year to join this.

8) At the last Council meeting there was an issue on dog licenses; the Administrative staff has been working on streamlining the process

9) City Code. This will be discussed later in the meeting and obtain Council's decision on how to proceed, which is not necessary at this time. Mr. De Mayo stated that in this year's budget, \$2,000 was set aside for attorney fees and the City is currently at this threshold.

5. PUBLIC HEARINGS. None.

6. COUNCIL ACTION.

A. OLD BUSINESS.

1) Approve First Investors Contract. According to Mr. De Mayo, this would allow First Investors to prepare a deferred compensation package for employees. This is similar to a 401K which is unique to public employees. It is a 457 program. The attorney has reviewed the contract and has a several concerns. Mrs. Spicer has addressed these with Sarah Fischer, First Investors. This is related to the control the City would maintain over the program since they have to maintain some control to meet the IRS guidelines. On page two of the plan engagement agreement. Mrs. Spicer recommends that beneficiary designations be maintained by First Investors, and updated as necessary. Mrs. Spicer recommends signature.

Action: Motion by Mrs. Buschke to proceed with First Investors Corporation to implement the 457 plan. Seconded by Mrs. Burleson. Motion Carried.

2) City Code Revision – set work session dates. Mr. De Mayo advises putting this on hold due to the cost (attorney fees and newspaper publishing). Funds are not available at this time. According to Mayor Paustian some of the ordinances are not relevant at this time and recommends tabling the action.

Action: Motion by Mrs. Burleson to table the changes to the City Code indefinitely unless a situation arises that needs to be taken care of. Seconded by Mr. Lewis. Motion Carried.

3) Erika Lasater, Umatilla ESD, City Web Site.

Mrs. Lasater, stated that she works for the Umatilla ESD, Communications Department. She has been working with Mr. De Mayo to develop sample ideas or concepts for a new web site for the City of Heppner. Her goal is to bring the site up to date and update the content, and make the site more user-friendly. Mrs. Lasater provided an informational handout with her proposed recommendations and suggestions. Mrs. Bates, Chamber of Commerce commented that the Chamber has its web site in operation. Mr. De Mayo would like the Council to review this and hold a work session before making a decision. According to Mayor Paustian, the site would be automatically updated. Mrs. Doherty had requested that the City Code be put on the web sit. According to Mr. De Mayo, Sterling Codifiers cost for this is \$1,000 for setup and a \$500.00 fee per year. According to Mayor Paustian, the code book is available in City Hall and can be reviewed by individuals if necessary.

Mr. De Mayo will set up a working session and advise Council members of the date and time.

4) Farmers Market. Mrs. Flaherty reported that the first Farmers Market which was held in Heppner in the summer of 2009. The event was quite successful and there were between five and eight vendors each Friday. The market started on June 19 and ran through mid September.

Fruits, vegetables, dried herbs, homemade rugs, stepping stones, and other items. The market was advertised on Channel 3 and in the Heppner Gazette, as well as the East Oregonian, plus flyers throughout town. Future plans are to start the market on July 1, 2010, and continue until mid-October in order to accommodate the weather and take advantage of later season root vegetables. They would also like to install portable signs on each end of town to advertise the market. A general meeting will be held the first Friday in April to discuss planning. Insurance will be needed again this year and she intends to use the same company again this year. Out-of-Town vendors also participated. Mrs. Flaherty would like electricity installed in the park since it is not readily available. Mrs. Flaherty has also visited the Farmer's Market in Hermiston to invite them to participate. They would like permission to use the park again this year.

B. NEW BUSINESS.

1) Presentation – Jerry Breazeale, Irrigon City Manager, subject: Use of Umatilla Army Depot.

Mr. Breazeale distributed information concerning the potential use of Umatilla Army Depot (Umatilla Chemical Depot) since it will be closing after the last chemical agents are disposed of. When the facility closes more than 1100 people will be out of work. This will impact a payroll of \$46 million. Mr. Breazeale prepared a spread sheet outlining the impact of the closure on local communities. Hermiston, Irrigon, Umatilla and Boardman will be substantially affected by the closure, as well as a number of employees from other communities in the area.

Irrigon would like to consider making the facility accessible to people in Irrigon and make use of facilities on the base, to include warehouse buildings, railroad tracks, freeway access. The Port of Morrow has looked at the property but did not express an interest. According to Mr. Breazeale there is approximately 1 million square feet of buildings on the base; many are warehouse type buildings that need considerable work, but are basically structurally sound.

The Local Re-use Authority (LRA) will be making decisions on the future of the base when it is turned over to civilian use. This could be as early as March 2011, although could be delayed due to timely disposal of the mustard gas. Irrigon has submitted a notice of interest to the LRA. Irrigon would like to get a process started as soon as possible to offset the loss of the 1100 jobs, and the economic impact on the communities.

Mr. Breazeale would like support of Irrigon's plan to develop jobs at the base at the earliest possible time. The plan is designed basically for the community of Irrigon, and is also a regional plan because all of the surrounding communities will be affected. Irrigon intends to be proactive. Hermiston and Umatilla are supportive of this and Mr. Breazeale plans to talk to Ione, Lexington, and Boardman. He would like the letter of support to go to the LRA as soon as possible.

One of the considerations for use of the property is mushroom raising. The storage igloos are concrete structures and the climate could be stably maintained. A consultant has investigated this with favorable results. The project would be labor intensive and provide competitive wages.

This may not be the ultimate solution, but has received quite a bit of attention. Irrigon has received a number of calls. The LRA will make the final decisions, however; and Irrigon would like to let them know that they have an interest in the property and have an interest in the buildings as well as the containerized palleting.

Mr. Chuck Nelson commented that there are plenty of the raw materials in the area for growing mushrooms. Mr. Nelson is a farmer in the area. Mr. Breazeale added that the spent compost can also be used for fertilizer in farming activities.

Mr. Breazeale stated that he is asking a letter of support from Heppner to either the LRA or the City of Irrigon to deliver to the LRA.

Action: Motion by Mrs. Burlson that the Council support the Umatilla changeover and let the LRA know that Heppner is behind the Irrigon project. Seconded by Mrs. Buschke. Motion Carried.

2) Justin Nelson, Candidate for Morrow County District Attorney.

Mr. Nelson provided a background of his experience and thanked the Council for allowing him to attend the meeting. Mr. Nelson was born and raised in Morrow County and is a graduate of Heppner High School. He attended Oregon State University and graduated summa cum laude with a degree in Agricultural Business Management and Natural Resource Environmental Law and Policy. Following that, he attended law school at Willamette University College of Law and graduated with honors.

After graduation and passing the bar exam, he worked in the District Attorney's office in Umatilla County. There is a lot of criminal activity in Umatilla County and Mr. Nelson has extensive experience in handling these cases. He has resided in Morrow County his entire life and his wife is a teacher in Heppner schools.

In the future, he will have a web site, nelsonforda.com, and the site will outline his platform in detail. His focus is on property crimes and drug claims and is he basically interested in meth crime penalties for repeat offenders. His goal is to talk to every person in the county during his campaign.

3) Region #7 Small Cities Development Consortium, Resolution No. 765-10, A Resolution Supporting the Concept of a Grant Writing Service for Region #7, League of Oregon Cities.

Mr. De Mayo explained that this is a feasibility study to determine whether it will be advantageous to the cities in the area, i.e., Umatilla, Pilot Rock, Joseph, Elgin, and several other small communities in the area. Lexington and Ione are also invited to participate. If the study is approved, \$800.00 will be due at the end of the year.

Action: Motion by Mrs. Buschke to approve Resolution No. 765-10, A Resolution Supporting the Concept of a Grant Writing Service for Region #7, League of Oregon Cities. Seconded by Mr. Lewis. Motion Carried.

4) Dickinson Chiropractic Lease Renewal.

Mrs. Spicer reported that the new commercial lease contract has been prepared. Her only question was concerning the \$450.00 monthly rent, plus \$75.00 for sub-leasing for a massage therapist. Council recommended keeping the same terms for an additional year.

Action: Motion by Ms. Van Doorn to approve the Dickenson Chiropractic lease renewal at the same rent and terms which allow the sub-lease. Seconded by Mrs. Burleson. Motion Carried.

5) Resolution No. 764-10, A Resolution Ratifying Appointments to City Committees, Boards, Commissions, and Positions.

Action: Motion by Mrs. Burleson to approve Resolution No. 764-10, A Resolution Ratifying Appointments to City Committees, Boards, Commissions, and Positions. Seconded by Mr. Lewis. Motion Carried.

6) Mr. Roger Chastain. Mr. Chastain is requesting permission to lease pasture land adjacent to Well 5. According to Mr. De Mayo, Mr. Chastain had hoped to allow the SRTF facility to use his animals as part of their therapy. This was disapproved and Mr. Chastain approached the City regarding using the City's land. Mr. Chastain would pay the taxes on the land. He would like to use the 4.84 acres and would install a fence and maintain the lot. He has agreed to pay the taxes in order to use the property. A written agreement is required, and the property tax payment would serve as rent.

Action: Motion by Mr. Lewis to allow Mr. Chastain to use the property adjacent to Well 5 and install a fence and gate which will not obstruct traffic by City vehicles traveling to/from the well. Seconded by Mrs. Burleson. Motion Carried.

Mr. Chastain plans to begin relocating the animals this week.

7. MINUTES OF COMMISSION MEETINGS. For information only.

8. REPORT FROM THE CITY ATTORNEY. None.

9. REPORT FROM MAYOR/CITY COUNCILORS. None.

10. ADJOURNMENT. Meeting adjourned at 7:55 PM.