

**City of Condon
Regular Council Meeting Minutes
January 7, 2015
7 p.m.**

Present:	Staff Present:
Mayor Jim Hassing Councilor Tom Fatland Councilor Donald Jamieson Councilor Terri Carnine Councilor Boyd Harris Councilor Jan Stinchfield Councilor Michael Cronk	Kathryn Greiner, City Administrator Larry Durfey, Public Works Superintendent Dale Scobert, Police Chief

Absent:
None

CALL TO ORDER

Mayor-elect Jim Hassing called the meeting to order at 7:03 p.m.

MOMENT OF SILENCE

A moment of silence was observed.

OATH OF OFFICE

Council President Tom Fatland issued the oath of office to Mayor Jim Hassing, Councilor Michael Cronk, Councilor Boyd Harris, Councilor Terri Carnine and Police Chief Dale Scobert.

ROLL CALL

City Administrator Kathryn Greiner took roll call and noted that a quorum was present.

ADDITIONS TO THE AGENDA

Mayor Hassing added a request by Dallas Harsin for the use of the golf course for the Burning Barrel Open (9.13) and Gilliam County Sheriff Correspondence 8.3. He also moved the audit presentation after the consent agenda and before Old Business.

PUBLIC COMMENT

None

CONSENT AGENDA

A motion was made by Councilor Fatland to approve the December 3, 2014 council minutes. The motion was seconded by Councilor Boyd Harris and approved unanimously. A motion was made by Councilor Donald Jamieson to approve payment number 7 to M.L. Houck Construction in the amount of \$63,821. The motion was seconded by Councilor Jan Stinchfield and approved unanimously. Council also received an updated draft budget of the wastewater project from Anderson, Perry & Associates with the final engineer and construction costs. Council reviewed the financials and had no questions.

AUDIT PRESENTATION

Glen Kerns, of Accuity LLC stated that the city had received an “unmodified opinion” which is a “clean” opinion, meaning that the audit did not detect and material errors or admissions. He pointed out that the current asset to current liabilities was acceptable for a city of this size and that the change in net position was just over \$300,000. Kerns pointed out that many of the funds were restated from the previous audit report to be in accordance with reporting standards and all funds did not exceed appropriations. According to the auditors the city is in compliance with all major state compliance issues. There were several findings of the audit that included invoices that staff was not able to locate but with copies of the invoices and cancelled checks it was determined that they were all legitimate expenses but showed a lack of internal oversight. One month of the utility billing was not appropriately uploaded to the general ledger which showed that it must be reviewed for accuracy on a monthly basis. Kerns also stated that the council was not reviewing the monthly financial statements on a regular basis and there was not an adequate amount of council oversight of financial transactions and that due to limited number of employees. He recommended that the council review and document bank statement reconciliation monthly and continue to pick up the statements un-opened from the bank. Kerns stated that the review would be to detect any “red flags” or unusual reconciled items and that there were several items that were not known to staff regarding laws of reviewing reserve funds every 10 years and requiring the expenditure of 1% of the state road fund on bike or pedestrian paths annually. He noted that the majority of the findings had been addressed by city staff.

OLD BUSINESS

The council received a copy of the farming contract of the reclaimed water at the wastewater plant with John Johnson. CA Greiner stated that City Attorney Will Carey had reviewed and approved the written contract and she had spoken with Johnson about the lease with no issues. **A motion was made by Councilor Fatland to approve the City of Condon Agriculture Lease using Reclaimed Water with John Johnson. The motion was seconded by Councilor Michael Cronk and was approved unanimously.**

CA Greiner stated that the project to extend water to the airport is moving along with letters included in the packet from Oregon Department of Aviation and to landowner Jeff Nelson. She is working with City planner Dan Meader, Peter Mitchell of Port of Arlington and Gilliam County Planner Susie Anderson.

Councilor Fatland stated that he was not satisfied with the response from Gilliam County Sheriff, and said it did not address their issues from their letter to him in December. Councilor Fatland would like to have Sheriff Bettencourt state that his department will respond no differently than other areas of Gilliam County, especially areas that are not under contract with his department, such as City of Lonerock and unincorporated areas. Councilors were in agreement that the letter sent by Sheriff Bettencourt did not answer their questions or address their concerns. Chief Scobert stated that the original letter regarding protocol is state law and he is confident that he can work with the Sheriff's department. Councilor Jamieson stated that he felt that the council should leave this to the Chief Scobert and if problems continue or different issues arise, then Scobert can bring them to the council. Councilor Harris had the same concerns as Councilor Fatland, but recommended that they allow Chief Scobert to establish a working relationship with the Sheriff's department.

NEW BUSINESS

The council received the 2014 Mayor's Annual Report from former Mayor Dale Thompson. Councilors also heard Mayor Hassing appoint the following committees:

- Public Safety – Jamieson & Fatland
- Personnel – Carnine & Cronk
- Park & Recreation – Fatland & Harris
- Community Development – Stinchfield & Harris
- Public Works – Cronk & Jamieson
- Finance – Stinchfield & Harris

Mayor Hassing also appointed Kathryn Greiner as Budget Officer; The Times-Journal and East Oregonian as newspapers of record; Bank of Eastern Oregon and Oregon State Local Government Investment Pool as Condon Depositories; and Anderson, Perry & Associates, Dave Wildman as Engineers of Record.

The council decided to hold their annual retreat Friday, January 16, 2015, 8:30 a.m. at City Hall and will discuss the water and waste water master plans, goals and other issues for the 2015-16 fiscal year.

A motion was made by Councilor Fatland to enter into a scrap metal agreement with RS Davis Recycling. The motion was seconded by Councilor Jamieson and approved unanimously. CA Greiner will have attorney Will Carey complete the agreement and have Mayor Hassing sign when completed.

A motion was made by Councilor Jamieson to enter into agreements for the bands of FrogHollow, Sandy Saunders and Brewers Grade for the summer concert series in the city park. The motion was seconded by Councilor Harris and approved unanimously. CA Greiner state that the schedule is set for July 3 Frog Hollow; August 7 Sandy Saunders; and September 4 Brewers Grade but that the Community Development Committee may be asked to meet later this month to determine the name of the concert series. Councilor Jamieson asked if this project could be turned over to the Chamber with CA Greiner stating that the majority of the work is being done by the Chamber's executive director K'Lynn Lane.

An email was received from Dallas Harsin requesting the water turned on at the golf course for the Burning Barrel Open on March 13. Councilor Jamieson asked if this request needed to be brought to the council or if it could just be handled by city staff. It was the consensus of the

council to have the city staff work with the golfers to have the water on but have them realize that the course is not maintained until April 1.

STAFF REPORTS

PW Durfey stated that his crew has pulled the booster pump motor at City Farm for maintenance and realized that it had severe damage. Brass parts of the pump have been replaced with stainless steel in hopes of less damage due to the chlorine. He said that the schedule was to do maintenance ever ysix years, but is going to lower that to every 4-5 years. The irrigation pump has also been pulled and they will get that back in place prior to irrigating season. PW Durfey said that for the council retreat he has maps of what has been done with the water system improvements since 2005 and the last two years of the wastewater system improvement. He and CA Greiner will attend the February 4 Gilliam County Court meeting to give them an update of the improvements that have been made with the grant that has been received. He invited any or all councilors to attend that meeting. The council agreed that they are appreciative of the county funds that have allowed them to continue the infrastructure improvements.

Police Chief Scobert stated that he has spent his first few days working on paperwork with DPSST, ID cards, and setting up a filing system. He has been working on the streets familiarizing himself with Condon and will be attending the police executive training next week in Seaside.

CA Greiner asked for a volunteer to pick up the bank statements and review the bank statements as recommended by the auditor and Councilor Carnine volunteered. She also told the council that there is a grant from the state of Oregon Brownfields for redevelopment to possibly provide funds to determine the cost of removing the city's building at 228/234 S. Main Street. Councilor Jamieson said that he does not want to remove the building unless we have a serious buyer or use of the property. The city is currently using the building for storage.

COUNCILOR INFORMATION

Council received a copy of the Gilliam county Court Economic Development letter that was asking to change from GEODC to MCCED; and a letter sent to the Gilliam County Sheriff's department from the council in December.

NEXT REGULAR MEETING

The next regularly scheduled city council meeting set for Wednesday, February 4, 2015, 7 p.m. The meeting was adjourned at 8:30 p.m.

_____ Date _____
Jim Hassing, Mayor

ATTEST:

_____ Date _____
Kathryn Greiner, City Administrator