

CITY OF PRINEVILLE

MINUTES

January 22, 2008

The meeting of the Prineville City Council was called to order on January 22, 2008 at 6:30 PM in the Council Chambers at City Hall by Mayor Wendel. Present were Council Members Jack Seley, Dean Noyes, Betty Roppe, Steve Uffelman, Gordon Gillespie and City Manager Robb Corbett.

Present representing the press media were Don Wood from Hometown Radio Station and Kevin Gaboury from the Central Oregonian.

The meeting was opened with the flag salute.

Mayor's Annual Address: Mayor Wendel gave the following address:

In 2007 the City had several challenges, the housing down turn, several dry wells, and some people who wanted me to resign after some personnel issues.

Let's face facts, the housing down turn will be very challenging for the City's budget, but we will make it through this down turn and move on. Sure we drilled some bad wells, but we also drilled our biggest, most successful well this year. As far as my resignation, there never were 2,000 people who signed a petition, more like a couple of hundred and a lot of those did not even live in the community, heck, somehow my name was even on the petition.

As of today, I think most people are happy with what we are doing. In my opinion, I think that is a success, but yes, there are and always will be those people who can only look at government's mistakes.

I do and always will believe if you have a problem with government, you should not only come forth with the problem, but also come with a way to fix the problem. For example, people have asked me to add more public handicap parking, add the Pledge of Allegiance to our Council Meetings, approve our first ever Comprehensive Plan and many more. I am proud to say all of these were not all my ideas, but they were good ideas and I am happy to help bring them to fruition. I want to thank all of you who came forward with problems, ideas and solutions; you have helped make this a better community.

In 2008, we will still be dealing with the housing down turn, but this can also be good for us. It allows our Planning Commission and staff time to get caught up on issues, being proactive and not reactive. It will also allow the Council and staff to look more at long term goals for the City. I have decided not to guess what all we look for in 2008, but I will tell you that the City, and I, am willing to do what it takes to make you proud.

In closing, I want to thank all of our citizens. Over the last three years, there have been a lot of challenges for all of us, including my family. I want to thank all of you for your letters of support, your prayers and the times that you stopped me in the stores and said, "Keep up the good work." That is

what makes me proud to be from Prineville. I believe I have the best job in the world, Mayor of the City of Prineville.

CONSENT AGENDA:

A. Minutes of January 8, 2008 regular meeting.

Council Member Roppe moved to approve the consent agenda. Council Member Seley seconded and the motion passed with Council Member Uffelman abstaining since he was not present for this meeting.

VISITORS, APPEARANCES AND REQUESTS:

Bryan Iverson, Chamber of Commerce President elect for 2009, presented the Direction and Goals for Prineville-Crook County Chamber of Commerce for the coming year.

The new direction for 2008 included:

- Develop strong partnerships in our community and Central Oregon.
- Enhance and communicate benefits of Chamber membership to past, current and potential members.
- Connect local business community through Chamber activities.
- Stronger advocacy for members - public and private.
- Enhance the Chamber and community image amongst members, citizens, partners, tourists and businesses.
- Attract larger amounts of tourists to Prineville-Crook County through a variety of means.
- Be the most enthusiastic Chamber in the region.

Bryan briefly reviewed the goals the Chamber has set to assist in achieving the new direction.

Council Member Roppe asked if all of the funding has been committed for the branding project?

Bryan Iverson replied that the City, County and Chamber have committed to \$2500, so they are well on their way with this project.

Council Member Noyes asked how often the Council will be receiving a report from the Chamber on these goals?

Bryan replied that it would be more often. It is part of one of their goals is to develop that strong partnership. He would hope that as soon as they get the Executive Director position filled that they would come back and introduce that person.

Mike Elmore stated he was hoping that the dinner train was going to be on the agenda tonight, so he is speaking as a visitor.

The advertising that he has seen about the dinner train in the past few months, has advertised it as a "year around" attraction. He has been looking through some numbers that they have gotten from the City and it looked like the advertising budget was over budget within 6 months as the ridership dropped.

The website as of January 7th said that the 2008 schedule will be available shortly. Then a print out of the website as of January 18th said that there won't be any trains until May. A couple of weeks ago he believes Mr. Lovelady said they were going to hear some decision within a couple of week as to what was going to happen with the dinner train and they were hoping to maybe hear something about that.

Mike stated as far as the problem with where the train sits, he has investigated this a little bit on his own, just because he is interested in it. He ran into some guys from Hertzog that were training people there today, and as he understands it and as he paced it off, there is a historical place where that train did sit that was facing Prineville, where it will fit.

Mike stated that he and Terri have this little robbery company that they do as an entertainment thing that was set up to be self supporting and in their contract it says that they should be doing between 33 and 40 robberies a year. They are just wondering just how that is going to happen, if this train doesn't get going before May?

Mayor Wendel stated at the last meeting they were told that the City Manager Robb Corbett would be available for a meeting with them.

Mike Elmore stated he would like to meet with him.

Mayor Wendel asked if Council Member Roppe would be willing to be a part of this meeting. She agreed to do this.

Mike Elmore stated he would call and schedule a meeting.

Steven Moyer stated he just heard them talking about tourists and Prineville and that you would love to have tourist come to Prineville, so why kill the number one tourist attraction? He has been going into resources and he does have areas where he can acquire money, if you want to lease it or whatever deal that could be done. He does know that this train is very important, he has seen since he has been there the past year over a hundred people at least from all over the world who know of this, so he knows we are hurting this by breaking it off and not giving it the time frame that it needs. If you don't run it all year around, then people start thinking it is shut down and it will suffer tremendously. If we advertise it and get more shows and not just western theme. There are so many new people coming to Central Oregon, he can't understand how you can ever possibly look at the past numbers and the outcomes of it and draw conclusions for a place that is exploding in population today. There is so much more opportunities that he feels we are turning our backs on. He plans on attending this meeting also.

QUARTERLY REPORT FROM PRINEVILLE/CROOK COUNTY EXECUTIVE DIRECTOR JASON CARR: Jason Carr briefly reviewed the quarterly report that was included in the Council packet.

He reported there are several local businesses that are looking at growth and expanding their business. The recent layoffs at Contact Lumber are a result of the turnover in the housing industry. This is a tough time for the wood product industry.

Jason reported that he will be working with Roger Lee to expand the Enterprise Zone in and around Prineville.

PROPOSED BUDGET SCHEDULE: City Manager Robb Corbett reported the proposed budget schedule was included in the Council packet. If anyone had any issues with these dates, they should let him know.

There are three vacancies on the Budget Committee and we will be advertising for applicants to fill these positions.

ACKNOWLEDGE DONATION OF PICTURE: City Manager Robb Corbett reported Larry York of Prineville donated a panoramic photograph of Prineville to the City. This photo was taken from the Barnes Butte area and is now hung in the entrance to City Hall for everyone to enjoy.

REVIEW OF CITY ORDINANCES: City Manager Robb Corbett stated one of the adopted Council goals include a systematic review of City ordinances. He presented a timeline for ordinance review beginning in February through June.

The burn barrel ordinance was given priority, since it has been discussed by the Council to review this ordinance.

COUNCIL/PLANNING COMMISSION WORKSHOP SCHEDULE: Mayor Wendel reported the following dates have been set for Council/Planning Commission quarterly Workshops: February 5th, April 15th, June 24th and September 23rd. The February and April workshops will be held from 6:00-7:00 PM prior to the Planning Commission meetings. June and September workshops will be held from 5:30-6:30 PM prior to Council Meetings.

Council Member Uffelman stated he has some concerns about the June 24th date. It may not be appropriate due to the budget process and the additional meetings taking place during that month, besides what will need to be handled at that Council Meeting as far as the adopting the budget.

Mayor Wendel stated they will go ahead and look at moving the June 24th date to somewhere in the middle of July.

Mayor Wendel reminded the Council of the Goal Setting Session scheduled for January 29th.

Mayor Wendel stated he is still working with Judge Cooper on two meetings for this year with the County Court. Judge Cooper has suggested having breakfast type meetings, early in the morning. Council was agreeable to the morning meetings.

ORDINANCE NO. 1149, ALLOWING THE ESTABLISHMENT OF REIMBURSEMENT DISTRICTS: City Manager Robb Corbett gave a brief staff report. In the Council packet is a copy of an amendment to Ordinance No. 1077. He also included the existing Ordinance No. 1077. Recently we have had ongoing discussions about policy documents that we have and that lead to a conversation with City Attorney Carl Dutli regarding the process of amending ordinances and the challenges of keeping track of all those amendments.

One of the things that Mr. Dutli has suggested is that when we amend ordinances, that we adopt the entire ordinance with the changes within it, incorporating the new changes into the ordinance, so you just have one document, rather than searching through the first, second and third amendment to an ordinance and try to follow what has happened.

City Manager Robb Corbett stated one of the things that have been put in front of the Council is an ordinance No. 1149, that actually replaces Ordinance No. 1077, rather than the amendment that was in the original packet for the Council to consider.

Council Member Gillespie asked if there is ever a time when you need to know the history of an ordinance and how it has been changed.

City Attorney Carl Dutli stated the City has the original ordinance way back, so you could follow through looking at those ordinances. Also when the City codifies the ordinance, then in the codification, it recites when there are amendments and as ordinances are changed.

Mr. Dutli explained the first ordinance you received is only the amendment that now has been actually been included in the ordinance that is being presented tonight. Instead of making payments on Reimbursement Districts every 90 days, it is annually.

City Manager Robb Corbett stated depending on the Council's comfort level, we could postpone the first reading or your consideration of this until the next meeting to give the Council time to consider this change.

Council Member Roppe asked why are we changing it from 90 days to annually?

City Manager Robb Corbett stated we are required by policy by calendar year to make an annual accounting of SDC reimbursement agreements and other agreements and it is easier for us to keep track of these types of agreements and our accountability to comply with the reimbursement portion of those.

Council Member Roppe stated she feels a developer would like his refund sooner than 12 months and the old one said he would receive it in 90 days, which would be three months. Have you had any input from developers on this?

Mr. Corbett stated there are currently no agreements that we have that would fall under this 90-day reimbursement agreement. The agreements that we have fall underneath the Local Improvement District Ordinance, which has the calendar year compliance. This will have no impact on the reimbursement agreements that we have in place today.

Mr. Dutli stated this ordinance just makes it consistent with all other payouts that the City does.

Council Member Gillespie stated if he understands it correctly, it would be easier to track by using a different ordinance number. He does not see that he would know any different by next meeting, other than what he was just told. He does not see any reason to wait.

Council Member Roppe stated the only reason she is uncomfortable with this, whether it is standard or not, is to hold the reimbursement for a whole year before paying them back. If she were a developer she would want her reimbursement sooner than annually.

City Attorney Carl Dutli stated he has no doubt the developers would like to be paid every thirty days. The problem is the staff time that it takes to go through that every month or every three months verses a year. If it is tracked with the SDCs then it is consistent with what is in place with other ordinances and resolutions. He agrees with Council Member Roppe but it is just an added expense to the City and more tracking. Area developers are use to a one year period.

Council Member Roppe suggested perhaps doing the reimbursements on a quarterly or semi-annual basis.

Council Member Noyes stated he feels the Council should allow for input from the community on how they feel about the annual reimbursement.

The Council was in agreement to allow for public input at the next Council Meeting before moving forward with this ordinance.

RESOLUTION NO. 1070, CITY OF PRINEVILLE LOCAL GOVERNMENT PUBLIC CONTRACTING REGULATIONS: Council Member Uffelman moved to read Resolution No. 1070 by title only. Council Member Roppe seconded and the motion passed unanimously. City Manager Robb Corbett read Resolution No. 1070 by title only.

City Manager Robb Corbett reviewed the staff report that was included in the Council packet. Staff has recently been reviewing Resolution 1001, Local Government Public Contracting Regulations, developing a procedures document for employees to follow. In this work, we have identified a constraint within the resolution under "Informally Solicited Quotes and Proposals" (Section 9), so they would like to address this through an amendment to the resolution.

Resolution No. 1001 requires "The Solicitation Agent shall deliver or otherwise make available to potential offerors, a written scope of work.." (Section 9.A(1)). They feel there are times when this might be unnecessary.

As stated in the purpose statement at the beginning of the resolution, this policy is in place to maximize the efficient use of public resources and the purchasing power of public funds. The policy states that contracts in excess of \$5,000, at a minimum, require that employee's of the City follow the informal solicitation procedure. Each potential bidder is required to be given a written document that describes what the City desires to purchase.

In most instances, it is desirable to provide a written description to alleviate any misunderstanding. This is particularly true in situations where the request is complex or has many elements. However, there are times when the request is very straight forward and simply communicated.

Section 8(F) of the resolution lists eighteen items that "may be awarded in any manner which the Solicitation Agent deems

appropriate". This indicates that the policy provides for discretion on the part of staff.

The suggested changes to the resolution would extend that discretion to include whether or not to provide written descriptions of the goods and/or services wanted.

The new resolution 1070 requires that appropriate information be provided to the bidder in an attempt to obtain three quotes. However, it allows the agent to determine how the information is delivered.

City Manager Robb Corbett stated what they are suggesting to the Council, is that the law allows discretion and what they are asking for is the ability to exercise that discretion by making that minor adjustment in this resolution and adopting Resolution No. 1070.

Council Member Seley stated than basically what you are doing is striking the word "written" out of there. Mr. Corbett agreed.

City Attorney Carl Dutli made a change adding Section 14, which would revoke Resolution 1001, as well as an earlier resolution that was not revoked when Resolution 1001 was adopted. If the Council should approve this resolution tonight, you would amend the resolution by adding section 14, that stated that resolutions 1001 and whatever the other resolution number is, are hereby revoked.

Council Member Uffelman questioned paragraph 9A(1), that there is a financial limit, monetary limit to the "informal" process.

City Attorney Carl Dutli stated when they did this, they changed the law on public bidding in the 2003 or 2005 legislative session and they changed the statutes all around. Their suggested resolution is not the easiest to follow.

City Manager Robb Corbett stated the actual limit is \$5,000. Anything above \$5,000, requires that employees follow the informal solicitation process. So anything under \$5,000 is up to the discretion of the solicitation agent.

Council Member Roppe asked if that should be stated?

Mr. Corbett stated it is, actually. It is just stated dispersed amongst this document. He referred to page 5, F. Mr. Corbett briefly explained the quote process.

Council Member Uffelman stated under this, if he is understanding this correctly, you can exceed \$5,000 with simply a verbal request.

City Attorney Carl Dutli stated with a verbal request, but you at least attempt to get written quotes.

Mr. Corbett stated you are required to attempt to get three quotes for the purchase. Again, depending upon what it is, if we are spending \$6,000 on PVC pipe, the agent would probably pick up the phone and call three different pipe companies and ask what their price is for PVC pipe this week. They are required to document the date, who they talked to and what the quoted price was, and then they can make the purchase. The more complicated bid in order to be clear about what it is the City

wants to acquire, the agent would have the flexibility of documenting it, writing it down, faxing it over to each one of the suppliers, so they know exactly what they are bidding on.

City Attorney Carl Dutli pointed out that our resolution caps it at \$150,000 before it comes to the Council.

Council Member Noyes asked who is considered to be a purchasing agent or solicitor? Mr. Corbett stated he is a soliciting agent and he has authorized Department Heads to make purchases up to a certain cap. He is capped up to \$50,000 and he is required that any single purchase in excess of \$25,000, that he notifies the City Council.

Council Member Noyes asked if Mr. Corbett has any concerns with a \$40,000 purchase going out without RFP criteria? His concern is then one of the bidders could contest that the information that they received was inaccurate and they didn't receive the bid. Then that goes back onto the person that solicits the information in the first place, which comes back to the City.

Mr. Corbett stated in a situation like that, you are correct that by this ordinance you could go out and make a purchase up to \$49,000 and go through an informal solicitation process. If we were talking about PVC pipe, then he would not have any problem with that, because there is one standard and one standard only and we could technically call somebody up on the phone and get a quote and document it. Again, if you have something more complicated, the Public Works Department frequently makes purchases for equipment that is in excess of \$5,000 and what they are suggesting is the law allows it and your ordinance allows it. They think that it makes sense in a lot of instances to provide written documentation is a informality that they feel they would not get a lot from in being required to do that.

Council Member Gillespie stated it seems like they are looking at having personal discretion on when something is too simple to have to write it all out before, and he understands that. He thinks there is some concern that it can get up to a point that even PVC pipe, somebody can say "I thought you said black PVC instead of white PVC".

City Manager Robb Corbett stated what he is trying to communicate is there are times when our staff purchases something in excess of \$5,000 where the requirement that they put it in writing and fax it to someone, seems cumbersome given the kind of latitude that we have within the law and the adopted City Council policies.

Mayor Wendel asked what sets up a red flag, where you think you should probably get something in writing?

Mr. Corbett stated for him, as a solicitation agent, it would be something that has many elements to it.

Council Member Uffelman stated but this ordinance as proposed, does not stipulate that. If it is up to a certain amount of money, regardless of the complexity of the item being purchased, doesn't require that specifications be identified in writing. That is his concern with the direction that this is going. He understands where they are coming from on a philosophical standpoint, but it is not in the document. We get down the road

with the document as it is written and we have nothing concrete to turn to say, you are asking for a very complex piece of equipment and you have four different people with four different concepts of what they were suppose to be bidding on and all they have to look at and they can say they were only expected to go \$24,500 and he is not required to put it in a written document, and that is the part that is uncomfortable to him with the manner in which this document is designed.

Mayor Wendel stated he agreed with that. What sets up the red flag or where to do draw the line of what is simple to purchase and what is complex? How do you make that decision?

Council Member Uffelman stated when you go out to bid for mowers for the greens and you have six different companies that manufacture greens mowers and different horse powers and a lot of different factors, and all of them may be under \$25,000 and nothing against the golf course purchasing lawnmowers, but he is uncomfortable with that not going out in a written format of some sort, so we can compare A to B. He would be more comfortable putting a \$10,000 limit on that type of a bid request as opposed to a \$25,000 bid.

Council Member Seley stated he has a tendency to agree with Council Member Uffelman, because we need some criteria or perimeters on it. We need sideboards on this authority to do the telephone solicitation. A dollar amount is a good place to start.

Council Member Noyes stated the public funds administration, he thinks that it is a responsibility, not that it is Mr. Corbett's deal, Jerry Brummer's deal or anyone else that would be making these decisions, it is just whoever may be in their place or the Council's place, that it is not reflected in the integrity or the honesty or the business practice of any one person making that decision, it is just the departmental policy as opposed to the individuals that are doing it.

City Manager Robb Corbett stated he hears the Council expressing concerns about the perimeters that might qualify for a solicitation without something in writing. Would you be willing to give staff the next two weeks to consider language that might define perimeters that would qualify for solicitations without requiring it be in written form? He feels that it is possible for them to come up with some language that the Council would adopt, that maybe when we would require written or when we would not require written.

Mayor Wendel stated he would rather see that than the dollar amount, trying to differentiate what is complex and what is not complex.

City Manager Robb Corbett stated they will bring something back to the Council with that regard. Council was in agreement.

Council Member Uffelman moved to table Resolution No. 1070 until the next meeting. Council Member Seley seconded and the motion passed unanimously.

There being no further business to come before the Council, the meeting was adjourned at 7:58 PM.

