

City of Notus
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CITY COUNCIL MEETING MINUTES
Regular Session: **Monday, June 3, 2019**
@ 7:00PM at Notus City Hall

1. Meeting Called to Order

Meeting was called to order at 7:03 pm by Mayor, David Porterfield.

2. Roll Call

Roll call was taken with the following results: Councilwomen, Michelle DeGiorgio and Bonnie Emly, present. Councilmen, Richard Wallace Jr and Clint Berends, present. Also present Mayor David, Porterfield and City Attorney, Todd Lakey.

3. Pledge of Allegiance

4. Public Concerns, Comments

Dain Cain, 496 Notus Rd signed in to speak and was recognized by the Mayor. Dan asked what the City is going to do about cleaning this town up. It looks like a dump. Get somebody to stand up and say “clean up your yard or you are going to be charged.” That’s the way it used to work, why can’t it again? That’s all.

5. Approval of Amended Agenda

Mayor stated that the agenda was amended and reposted since “Budget Review” was moved in the BUSINESS lineup to the top at 10.1. Wallace Jr motioned to approve the amended agenda as written. Emly seconded. Roll call was taken with the following results: Wallace Jr; yes, Emly; yes, DeGiorgio; yes, Berends; yes. Motion passed.

6. Consent Agenda, Action Items

6.1 Disbursement List

Wallace Jr motioned to pay the bills as presented. Berends seconded. Roll call was taken with the following results: Wallace Jr; yes, Berends; yes, DeGiorgio; yes, Emly; yes. Motion passed.

6.2 Council Meeting Minutes

Emly motioned to approve Council meeting minutes from April 29, 2019, May 9, and 23, 2019. Wallace Jr seconded. Roll call was taken with the following results: Emly; yes, Wallace Jr; yes, DeGiorgio; no, Berends; yes. Motion passed.

6.3 Committee Meeting Minutes: Library, Community Events

NONE

7. Staff Reports

7.1 Public Works

NONE

7.2 Library Liaison

Sally Wells reported that the summer program is going well.

7.3 Treasurer

NONE

8. Community Relations

8.1 Notus School District, Craig Woods

NONE

9. Professional’s Reports

9.1 Wastewater

Mayor reported that Mike Black has been out to review the new operation that includes low discharge with chlorine, low discharge with dechlorination. In 2-3 weeks the system should be on line. Collection system work crossing Conway Gulch is proving more difficult than anticipated. Contractor is experiencing low man power issues as well. DeGiorgio asked why it is taking so long to complete since we have a contract. Attorney commented that there is no breach of contract.

9.2 Engineer

NONE

9.3 Crestline Engineering

NONE

10. Business, ACTION ITEMS

10.1 General Fund Budget Review

Mayor handed out a GF line item adjustment proposal for Council to review. It reflects areas that could be reduced to be able to pay rent for the Whitmire building while still leaving enough money to cover expenses. Line items like Contingency, Com Center Expense, Additional Equipment Purchase, Decorations, etc. These are all part of the General Fund Total Balance and are a way to adjust individual line items, within that fund, without changing the bottom line total. This kind of adjusting does not require a public hearing or a reopening of the budget to accomplish, as commented on by the City Attorney, Todd Lakey when questioned by a resident.

10.2 Whitmire Building, Consideration of Letter of Intent to Lease

Mayor handed out a draft of a "Letter of Intent to Lease" that reflects the rent of \$500.00 per month requested by the Whitmire building prospective buyer, Mike Watson to Council for review. Library Board Chair, Sally Wells recommended to Council that they accept the letter of intent to lease the Library, Community Center and storage room arera of the Whitmire building for a proposed monthly rent of \$500.00 with 50% of the Community Center rental gross revenues paid to Lessor. She also recommends that the parties work together to publicize, promote and encourage use of the community center to increase rental income.

Mike Watson addresses Council. He states that his main interest for acquiring the building is the Post Office. He owns several buildings that house post offices throughout different states. The PO area is leased at a rate .92 cents per sq. ft. and the Community Center, Library, and storage room will be .15 cents per sq. ft. He is not trying to take advantage of Notus and wants the Library to stay. He just needs it to pay for property tax, apartment tax and building exterior and roof maintenance and He needs to have some kind of return to compensate for that.

DeGiorgio commented the agreement states 50% of revenues will be paid (to lessor); City will be responsible for all maintenance, repairs, upkeep of the building including all equipment, fixture, HVAC, water, electrical, sewer, furnishings, windows, doors, etc. for the space leased. The lessor shall be responsible for the exterior walls of the building and roof. Any improvements made on the interior space occupied by the city shall be discussed and approved by the lessor in writing prior to making such improvements.

Mr. Watson commented that if he were a true investor, he would be looking to get \$3,000 per month out of that space. But he is happy to give that \$2,500 back to the community. But he has to have something to compensate him for insurance, for property taxes, for roof, and external structure of the building.

He believes the Center is underutilized. City could double or triple the use and should charge 1 1/2 or 2 times the current rent. Some of the City use/events would be exempt for charges.

City Attorney, Todd Lakey suggested adding a sentence to the letter stating "This letter of intent is non-binding but is an expression of the parties desire to negotiate the terms of a lease in good faith should the opportunity arise" and be signed by both parties.

Wallace Jr motioned to approve with Todd's modification, the letter of intent to lease with Mr. Watson to able to give to show to Mr. Vezesso. Berends seconded. Roll call was taken with the following results: Wallace Jr; yes, Berends; yes, DeGiorgio; no, Emly; yes. Motion passed.

10.3 Consideration of Sale of Wagner Rd/ 20-26 Property

Mayor stated that he has not received enough information yet. Attorney, Todd added that to sale a property, the city will need to get a value for it and determine if it is in the best interest of the City to put it up for auction with a minimum bid value. Need to give 14 day notice and hold a public hearing. DeGiorgio motioned to hold onto the property for at least 3 years. No second. Discussion. DeGiorgio motioned to hold onto the property for one year. Emly seconded. Roll call was taken

with the following results: DeGiorgio; yes, Emly; yes, Wallace Jr; no, Berends; no. Tie vote. Mayor votes to break tie; no. Motion fails.

Berends motioned to move forward with the appraisal and further pertinent information options for selling at auction. Wallace Jr seconded. Roll call was taken with the following results: Berends; yes, Wallace Jr; yes, DeGiorgio; yes, Emly; yes. Motion passed.

10.4 Discussion, Street Sign Regulations

Mayor commented that 3rd Street has a lot of speeding vehicles. He suggested that speed be dropped to 15 MPH. Wallace Jr suggested the entire town should be 15 MPH. Berends agrees. Mayor stated that enforcement will be part of the upcoming budget discussions. City Attorney comments that a Peace Officer can issue a formal citation, but he can file a criminal complaint but it is not as cost effective as a citation. Wallace Jr motioned to drop the speed limit for entire town to 15 MPH with adequate signs posted. Berends seconded. Roll call was taken with the following results: Wallace Jr; yes, Berends; yes DeGiorgio; yes, Emly; yes. Motion passed. Mayor stated that a lot of stop signs have been hit lately. If anyone has information regarding this, please let City Hall know.

10.5 Well #4 Building Addition Plan Update

DeGiorgio comments that Council has motioned on Jan 7, 2019 and on April 1, 2019 to have the building built on area "A". Why is it not done? Mayor stated that this all relates to how the building is going to fit on the lot, to the existing infrastructure items of the lot like water pipes and electrical conduit. After reviewing this with Engineer and/or DEQ seems like this area is not a good idea. To build in location "A" means to build over the top of the waterlines that go from the well head into the pump house. Tom Mehiel, City Professional Water Operator, says with that being PVC pipe, to self-protect, we would be better off to replace that pipe with ductile pipe that has a longer life span and to ensure ourselves not having to take our new building off its foundation, if have to replace those waterlines. That could probably cost 5 to 7 times the cost of our computer system.

DeGiorgio suggested having a boardwalk put it the building floor to access the water lines if needed.

Mayor doesn't want to waste our construction effort by making things worse if indeed, it might do that. He will seek Stuart's advice again.

10.6 Crestline Engineering

A. Chip Seal Update

Crestline has not delivered to us a bid document yet but as soon as he does we will get that out and attempt to get a contractor lined up. There is a priority listing of things that will need the most work. Part of the plan calls for a "double seal" on many of our older roads.

B. Consideration of Shoulder Repairs

The shoulders have fallen off on many of our streets. We could do shoulder patches to correct this to help straighten out the streets to make chip seal go on easier and last longer. DeGiorgio motioned to do what we can up to \$15,000 for shoulder repairs. Wallace seconded. But don't do anything until the sewer project is done. Roll call was taken with the following results: DeGiorgio; yes, Wallace Jr; yes, Emly; yes, Berends; yes. Motion passed.

Marie commented to Council that the chip seal grant money needs to be spent by September 30th and since we don't even have the project out for bid yet, we may have to ask for an extension of time. To odds of us getting it done by September 30 is pretty slim. Hopefully they will see that the sewer construction taking longer will be a good reason to approve time extension. We will start with Kremmwood since it is the best roads and it will keep them in good condition longer.

11. Mayor & Council Comment

Wallace Jr stated that he will be resigning after the next Council meeting for personal reasons. Mayor stated that he is disappointed but does understand.

12. Adjournment

DeGiorgio motioned to adjourn at 9:15 pm. Berends seconded. All in favor. Motion passed.

Respectively submitted by Loretta Vollmer, City Clerk _____

David Porterfield, Mayor _____