

**CITY OF SILVERTON
CITY COUNCIL REGULAR MEETING MINUTES**



Council Chambers 421 S Water Street and Zoom Web Conference Platform

February 5, 2024, 6:30 p.m.

I. OPENING CEREMONIES – Call to Order, Pledge of Allegiance & Roll Call

Mayor Freilinger called the meeting to order at 6:37 p.m. The City Council and staff were present both in person and through the virtual meeting platform Zoom.

Present	Absent	
<u> X </u>	<u> </u>	Mayor Jason Freilinger
<u> X </u>	<u> </u>	Council President Elvi Cuellar Sutton
<u> X </u>	<u> </u>	Jess Miller
<u> X </u>	<u> </u>	April Newton
<u> X </u>	<u> </u>	Eric Hammond
<u> X </u>	<u> </u>	Marie Traeger
<u> X </u>	<u> </u>	Matt Gaitan

STAFF PRESENT:

City Manager Cory Misley, Deputy City Manager Kathleen Zaragoza, Community Development Director Jason Gottgetreu, Police Chief Jim Anglemier, Police Captain Todd Engstrom, Public Works Director Travis Sperle, Assistant to City Manager/City Clerk Jamie Ward.

II. APPROVAL OF MINUTES

Councilor Sutton moved to approve the January 8, 2024, Regular Session Meeting Minutes as amended, and the January 22, 2024, Work Session Minutes. Councilor Newton seconded. No discussion. Motion passed unanimously.

III. PUBLIC COMMENT

Steve Barrett, Silverton Oregon,

Mr. Barrett raised a concern to the Council regarding the impact of a recent water leak at the Senior Center on the Meals on Wheels program. He expressed gratitude to City staff for their prompt response once the leak was discovered. Mr. Barrett explained that although the alarm was triggered, there was no one present in the building to hear it, resulting in significant flooding once staff were informed. He noted that a similar incident occurred approximately ten (10) years ago, leading to a six-month suspension of the Meals on Wheels program. He anticipates a similar outcome for the current program. Mr. Barrett emphasized that this situation also affects other social services that rely on the Senior Center, which serves as a crucial resource for Silverton seniors.

Public Works Director Travis Sperle explained the water break and verified his knowledge of the previous water leak and agreed that it appeared to be in the same location as this one. Sperle stated that contractors are uncertain if it was due to something specific with those pipes, but they are looking into installing better equipment moving forward.

Mayor Freilinger inquired whether decisions regarding the repair would be made before the Council's next meeting. City Manager Misley responded there are several factors to consider, including remediation and prioritizing the removal of damaged materials. Simultaneously, the City has been coordinating with the Senior Center and the City's insurance agent. Misley stated that a meeting needs to be facilitated to ensure coordination among all involved parties and to determine how these various moving pieces can work together effectively. Mayor Freilinger requested that Council and Mr. Barrett be included in email conversations regarding any actions that may be taking place before the next meeting date.

Councilor Traeger inquired whether Meals on Wheels was able to operate out of another kitchen. Mr. Barrett responded, explaining that the situation has severely impacted Meals on Wheels. As a state-organized and funded organization, they have encountered significant challenges. While some frozen meals have been delivered over the last couple of weeks, the service has not been consistent or daily.

Senior Center's newly hired Executive Director, Simone Stewart, introduced herself and informed the Council that she has been in contact with Meals on Wheels almost daily since assuming her position. She mentioned that negotiations are underway with a site location that is currently in the process of obtaining the necessary insurance. Additionally, two other certified kitchens have offered their sites as alternatives. Stewart is actively working to facilitate a solution that will enable the Meals on Wheels program to resume daily delivery service. She emphasized that she has been receiving at least five (5) calls a day regarding the Meals on Wheels service.

IV. SCHEDULED PRESENTATIONS

4.1 Audit Report for Fiscal Year 2023

Brad Bingenheimer, Partner at SingerLewak, LLP, introduced himself and mentioned that his firm had the privilege of serving as the City's auditor for the year ending in June 2023. Mr. Bingenheimer went on to state the first report concerns the opinions on the financial statements, which they consider an unmodified opinion. This means that, in their opinion, the financial statements accurately present the financial position and results of operations of the City for the year ending on June 30, 2023. The second report, issued under the requirements of the Oregon minimum standards, involves an examination of specific Oregon compliance laws. They did not find any conflicts with this report, which also addresses internal controls. The third report, under government auditing standards, delves deeper into internal controls. Mr. Bingenheimer provided a brief explanation of the auditing process for internal controls. He was pleased to report that they did not find any weaknesses in internal controls that rose to the level of what they call material weakness or a significant deficiency. The fourth and final report issued was under the requirements of the government and is referred to as the uniform guidance. Because the year ended on June 30, 2023, and the City expended more than \$750,000.00 of federal awards, they were subject to additional audit requirements. They audited two programs: the Coronavirus State and Local Fiscal Recovery Fund, where the City had \$2.8 million of expenditures during the year, and the Economic Development Administration Program, where it had \$1 million of expenditures. In total, they audited \$3.8 million of the total \$4.1 million in federal awards. They found the City in compliance with those awards as well. The City ended the year with an overall net position of over \$100 million, which is a \$10 million increase from the prior year. The biggest expenditure was the Civic Center Project.

4.2 Silverton Chamber of Commerce Executive Director, Stacy Palmer

Mrs. Palmer read the monthly update (Attachment 2). stating there were 117 phone calls and 93 visits in the month of January.

The Silverton Business Group meets on Wednesdays at 8:00 a.m. at Silver Falls Brewery. Mrs. Palmer mentioned that local chamber members and attractions will be featured on an interactive platform called 'Tour Silverton Online.' The tours will enable businesses to showcase their offerings and highlight local attractions. They are aiming to launch this initiative in the Spring.

The Marion County Earthwise Program has grants available for local businesses and nonprofit organizations interested in sustainability of resources. The program offers three different grant opportunities: Materials Management Track, Reusable Food Ware Track, and Sustainable Materials Programming Track. Those interested can find more information, including eligibility criteria and important dates, at www.mcearthwise.net.

North Marion Tourism Collaborative has partnered with Travel Oregon on a regional Digital Boost Program. Twenty (20) businesses in Marion County will be able to apply for free assistance with their digital online footprint which includes auditing current digital assets and ten (10) hours of consultation or assistance with creating digital programs that work for tourism facing business.

North Marion Business Alliance is hosting another round of Small Business Resource Fairs to help small businesses grow by providing resources on planning, financing, workforce development, and more. This is a bilingual event and children and families are welcome. Those who wish to attend can do so on February 27, at the Chemeketa Campus in Brooks or on February 29 at the Chemeketa Campus in Woodburn.

The 2024 First Citizen Banquet is on Saturday, February 17, 2024, at the Oregon Garden. Tickets should be purchased by Wednesday February 14, 2024, so the Chamber can plan meals and seating accordingly.

V. DISCUSSION/ACTION

5.1 League of Oregon Cities, High Functioning City Council Training – League of Oregon Cities, Assistant General Counsel – Robin Klein

City Manager Misley stated that, due to his onboarding and with numerous newer City Councilors, he felt that this was a good opportunity to reach out to the League of Oregon Cities (LOC) and provide a refresher overview on the structure of the Council-Manager form of Government. This overview would cover how to function effectively within this structure, emphasizing the complementary nature of the different roles and responsibilities. Additionally, transparency regarding expectations, goal setting, planning, performance evaluations, and program evaluations would be highlighted. Misley indicated that typically these training courses occur when a City is not doing well and wanted to reassure Council that this is not the case here, but rather an educational opportunity on how to effectively work together.

League of Oregon Cities General Counsel Robin Klein introduced herself and provided the Council with a PowerPoint presentation on League of Oregon Cities' High Functioning City Council Training. The presentation covered various topics, including the roles of City Council and staff. It delineated the responsibilities of Council members, the Mayor, Council President, and City Manager, elucidating the distinct roles and duties of each individual within the municipal governance structure. Additionally, the presentation highlighted the difference between a group and a team, with a group being a collection of individuals who collaborate closely, leveraging each other's strengths to achieve shared objectives, while teams typically exhibit a higher level of cohesion and collaboration. Furthermore, the presentation discussed the eight (8) habits of an effective City Council, which included clear vision and goals, effective communication, collaboration, accountability, decision-making, leadership, adaptability, and community engagement. Ms. Klein stated these habits are essential for fostering a productive and successful City Council that can effectively serve its community.

Council took a break at 8:47 p.m.

Council returned from break at 8:52 p.m.

5.2 Authorize the City Manager to Amend the Contract with M.L. Houck for \$99,816.00 for the Second Street Improvement Project – Public Works Director Travis Sperle

Public Works Director Sperle provided the Council with an update, stating that the project had encountered several change orders and product issues, resulting in delays. These delays coincided with the unusually wet November, exacerbating the situation due to the lack of proper storm drainage. Consequently, water accumulated on the 8-inch gravel and clay base. The heavy delivery trucks accessing the local businesses caused the rock to shift with the clay, affecting the integrity of the road fabric. The proposed amendment is for the removal and replacement of the 3-inch base rock that was affected by these issues.

A motion was made by Councilor Sutton to authorize the City Manager to amend the contract with M.L. Houck for \$99,816. For the Second Street Improvement Project. Councilor Miller seconded. No discussion. Motion passed unanimously.

5.3 Community Center Lease Discussion.

City Manager Misley reported to the Council that he recently met with Family YMCA, and during their discussions, it was discovered that their insurance policy would not cover the Community Center building. Consequently, after further research and consideration, the YMCA board decided not to proceed with taking over the sublease with the Military Department. As a result, they have decided to vacate the building when their lease expires on March 31, 2024.

This raises the issue of other subleases that were intending to sublease through the YMCA master lease. Ultimately, the Council needs to have a discussion on the City's role in supporting this building and the other subleases. Silverton Area Community Aid (SACA) has indicated that their new building will not be ready until Summer and has expressed interest in subleasing from the City or potentially entering into an agreement with the Military Department. However, they will need to have discussions with their board to finalize their plans.

Sarah DeSantis from SACA responded to questions from the Council regarding the project timeline. She explained that they are currently in the fundraising phase, which is typical for a nonprofit capital campaign. Ms. DeSantis emphasized that the completion of the project is contingent on securing funding, and the availability of funds will directly impact the timeline for completion. Additionally, DeSantis mentioned that while there is space available in the warehouse that they could utilize, if necessary, it is not ideal. She expressed openness to working with the Council and staff to find a suitable solution.

Councilor Hammond raised concerns about the budgetary implications of extending the lease, particularly in light of the new Civic Center building and potential maintenance costs for both facilities. City Manager Misley responded by stating that staff would conduct a thorough analysis and provide further information to the Council.

Councilor Hammond also expressed concerns about unforeseen issues arising during a lease extension and whether the City would be required to address them. City Manager Misley assured that these concerns would be addressed in a detailed meeting with the Military Department. Additionally, Misley expressed interest in understanding the Military Department's plans for the building once the City is no longer occupying it, citing potential issues that could arise if the building sits vacant.

Councilor Miller inquired whether the YMCA would continue to use the space if the City extended the sublease. Manager Misley responded that he had not yet discussed this matter with them and preferred to have this discussion with the Council first to gauge their direction. Councilor Traeger added that the YMCA is concerned about their programs to continue to run smoothly.

Councilor Miller expressed support for extending the lease for six (6) months, covering insurance and routine maintenance costs. He believes that the community is not yet prepared to completely walk away from the building, as he sees it being used daily and considers it an asset to the community.

Councilor Traeger asked Ms. DeSantis about the contingency plans for SACA if they do not receive the expected grants or fundraising funds to continue operations in their new building. She inquired about the building's operational capacity to run their programs in such a scenario. Ms. DeSantis responded by stating that, given their current position in the nonprofit capital campaign, she didn't foresee such a situation occurring.

SACA fully anticipates securing the necessary funds, including maintenance and operational funding, to support their programs.

Councilor Sutton expressed opposition to continuing the lease, citing concerns about Public Works managing maintenance for both the Community Center and the new Civic Center building simultaneously. Additionally, Councilor Sutton inquired about the possibility of SACA taking over the lease with the Military Department, allowing other organizations to remain in the building. Ms. DeSantis mentioned that this idea had been previously discussed, and they were initially informed that it wouldn't be necessary. However, she stated that they would be open to discussing this option with the board to assess its feasibility. While acknowledging that SACA is actively working to move out, Ms. DeSantis indicated they would consider taking over the lease if it made sense and was necessary.

City Manager Misley informed the Council that this matter would be discussed during the February 26, 2024, City Council work session, and he hoped to receive firm direction from the Council on how to proceed. Given his quick assessment with limited time on the job, he suggested that the best course of action, considering all the factors, would be a single firm extension with no further extensions beyond that. He emphasized that the City is uncertain whether they will be moving into the new Civic Center by the end of March and feels that facilitating a new lease with the Military Department and examining the insurance requirements and costs for that extension would be prudent. City Manager Misley stated that there are a lot of moving parts, and he will stay on top of these discussions moving forward.

Councilor Gaitan expressed uncertainty regarding the presence and programs offered by the YMCA in the Community Center, particularly what programs are offered and the size of the staff working out of that building. Councilor Traeger responded, indicating that the YMCA indeed offers a kids' program in the morning and is currently facing challenges in finding a suitable location for that program, as well as for the after-school program, pickleball, and evening basketball.

Public Works Director Travis Sperle provided a brief update on the status of the Community Center, highlighting the resources required from staff to maintain and ensure its efficient operation. That includes the manpower for cleaning, maintenance, and other necessary tasks. Additionally, Sperle discussed managing these resources effectively to support the functioning of the Community Center and what that will be like when the new Civic Center is complete.

Mayor Freilinger voiced support for a three-month extension with the conditions outlined by City Manager Misley, ensuring the City's ability to exit the lease in case of major issues. The rationale behind this decision is to provide the City Manager with more time to engage in discussions with the Military Department. Mayor Freilinger emphasized the unexpected nature of the situation for SACA, noting that an organization previously indicating intent to extend the lease had since changed its decision.

Ms. DeSantis expressed that SACA has been assisting with the cost of utilities annually and conveyed appreciation for the City's position on the matter. She thanked the Council for considering the issue.

City Manager Misley affirmed his commitment to continue working on the matter and assured the Council that he would share any relevant information with them when it becomes available.

VI. CONSENT

Councilor Gaitan pulled item 6.1 – Civic Center Change Order Request Ratification from the consent agenda.

A motion was made by Councilor Sutton to approve the Consent Agenda item 6.2. Councilor Miller seconded. No discussion. Motion passed unanimously.

Community Development Director Gottgetreu provided Council with a summary of his staff report and outlined the specifics of the change orders. Gottgetreu mentioned that there are design issues being addressed with the design team, particularly concerning roof anchors, and efforts are being made to resolve them.

Councilor Gaitan mentioned his participation in a recent tour of the facility and sought to understand the current state and the details included in the background of the staff report. One issue raised was regarding electricity, which is generally completed on the first and second floors but is currently not running due to a crucial piece being missing or mistakenly ordered. Director Gottgetreu clarified that the issue pertains to a meter problem, which has been reordered and delivered. He added that the electrical process has commenced and expects power to be restored by the end of the month.

City Manager Misley announced that there will be a standing Civic Center update at meetings until the project is complete.

A motion was made by Councilor Gaitan to approve the Consent Agenda item 6.1. Councilor Sutton seconded. No discussion. Motion passed unanimously.

VII. COMMITTEE APPOINTMENTS

Mayor Freilinger stated that there were no appointments at this time but will have four (4) to recommend during the upcoming March 4, 2024, City Council Meeting.

VIII. CITY MANAGER UPDATE

City Manager Misley stated that tomorrow, we will meet for the goal-setting meeting.

City Manager Misley commended the staff for their exemplary work over the past year, expressing admiration for their efforts in ensuring the continued progress of projects such as the civic center, all while fulfilling their regular duties.

City Manager Misley informed the Council that he would eventually be submitting a City Manager Memo in the packet and will refer to it during the meetings.

IX. COUNCIL COMMUNICATION

Councilor Gaitan will be unable to attend the goal setting meeting due to a work conflict. Nevertheless, Gaitan wanted to formally express gratitude to the Council for appointing him to serve on his seat. He stated that it has been a valuable learning experience and that he has thoroughly enjoyed being a part of it.

Councilor Traeger expressed enjoyment in meeting Officer Hibbs during the Silverton Basketball game the previous weekend. She also mentioned that she had a great time watching the 78' dancers perform during halftime. Additionally, Councilor Traeger attended the Fall Line Stout & Ale Festival and wanted to let the council know that it was a really good time for a really good cause.

Councilor Hammond notified the Council that he will be attending a conference during the February 26th work session meeting and will be unable to attend. He also mentioned that he toured the Dam last Friday with Public Works Director Travis Sperle and found it very informative and interesting. Councilor Hammond suggested planting trees in the portion of property owned by the City near the gardens to preserve the view amidst the upcoming development on Eureka Ave.

Mayor Freilinger announced that Council will soon receive documents from the Assistant to the City Manager/HR Coordinator, Tammy Shaver, regarding City Manager Misley's six (6)-month review scheduled for April. Councilors are requested to complete the document and return it to Tammy, who will compile the information and send it back to Council for review.

X. ADJOURNMENT

A motion was made by Councilor Sutton to adjourn. Meeting Adjourned at 10:01 p.m.

Respectfully submitted by:

/s/Jamie Ward – Assistant to the City Manager/City Clerk