

ADAIR VILLAGE CITY COUNCIL-Final
City Hall - 6030 Wm. R Carr Av.
****Tuesday, December 5, 2017 - 6:00 pm****

1. ROLL CALL – Flag Salute

2. CONSENT CALENDAR: - *The following items are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a Council member so requests, in which case the item will be discussed before the Consent Calendar is considered. If any item involves a potential conflict of interest, Council members should so note before adoption of the Consent Calendar.*

- a. Minutes – City Council Meeting – November 7, 2017 (Attachment A)
- b. Bills List through November 30, 2017 (Attachment B) – \$ 77,308.19

3. PUBLIC COMMENT (Please limit comments to 3 minutes)

4. STAFF REPORTS:

- a) Community Service Officer (CSO) Report (Attachment C) Jerry Jackson
- b) Public Works (Attachment D) Pat Hare
- c) City Administrator (Attachment E) Pat Hare
- d) Sheriff's Report (Attachment F) Pat Hare
- e) Financial Report-Through November 30, 2017 (Attachments G, G-2) Pat Hare

5. OLD BUSINESS:

- a) Community Service Officer Contract (Attachment H) Pat Hare
Action: Discussion/Decision
- b) City Administrator Contract (Attachments I, I1, I2,) Pat Hare
Action: Discussion/Decision

6. NEW BUSINESS:

- a) Adair Village Market (Attachments J, J1) Pat Hare/Paul
Action: Discussion
- b) Barracks Loan (Attachment K, K1) Pat Hare
Action: Discussion

7. ORDINANCES, RESOLUTIONS, AND PROCLAMATIONS:

- a) N/A Pat Hare
Action:

8. COUNCIL and MAYOR COMMENTS:

9. ADJOURNMENT:

Next meetings -

City Council–Tuesday, January 9, 2017 6:00 PM
Planning Commission- Tuesday, January 15, 2017 6:00 PM

The Community Center is accessible to person with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting by calling City Offices at 541-745-5507 or e-mail "kathy.edmaiston@adairvillage.org", or Oregon Relay Services by dialing 7-1-1. The City of Adair Village is an Equal Opportunity Employer.

The order in which items on the Agenda are addressed by the City Council may vary from the order shown on the Agenda.

ADAIR VILLAGE
CITY COUNCIL MINUTES
6030 William R. Carr Avenue

****Tuesday, November 7, 2017 – 6:00 PM****

Agenda Item	Action
<p>1. Roll Call: City Council Members present: Councilors Real, Andrews, King, Canfield and Mayor Currier were present. CA (City Administrator) Hare was present and took Minutes.</p>	<p>Mayor Currier called the meeting to order at 6:00PM and led the flag salute</p>
<p>2. Consent Calendar (Agenda Item 2). Minutes of October 3, 2017 City Council Meeting. Bills List through October 31, 2017, (\$122,192.64 total).</p>	<p>Councilor King moved to approve the Consent Calendar as presented. Councilor Andrews seconded. Unanimous Approval (5-0).</p>
<p>3. Public Comment (Agenda Item 3). Gene Abraham, 3122 NE Willamette. Talked about use of City owned Vehicles. Faye Abraham, 3122 NE Willamette. Asked about any long range goals and thought the City should consider it. She also talked about the City's emergency preparedness plan.</p>	
<p>4. Attachment C – Community Services Officer (Agenda Item 4a). Jerry Jackson, CSO, presented the report for October.</p>	<p>Councilor King mentioned she had noticed more stuff on porches. Councilor Andrews asked if we could put house checks in the news letter during the Holidays.</p>
<p>5. Attachment D – Public Works (Agenda Item 4b). CA Hare presented the report for October.</p>	<p>Councilor Andrews asked that we look at the intersection of William R. Carr and Columbia for safety.</p>
<p>6. Attachment E – City Administrator Report (Agenda Item 4c). CA Hare presented the report for October.</p> <p>Administration</p> <ul style="list-style-type: none"> • Barracks Loan – The RFP has been sent out to different banks for the loan to finish the west barracks. • City Administrator – CA Hare is asking the Council if in December the City Administrator contract can be negotiated. <p>Property/Businesses</p> <ul style="list-style-type: none"> • Adair Village Market – The market has fallen behind again on rent. We are working with Paul to get them caught up. • Sweet Taste Bakery – Linda has started closing on the weekends due to lack of business on those days. She is hoping that when some of the development starts, she can go back to being open seven days a weeks • AVIS – The three parties working together have engaged DEQ. We are hoping to begin preliminary studies and work in the spring. <p>Major Projects/Engineering</p>	<p>Council received the report. Mayor Currier asked that we look at the City Website and add relevant search capabilities.</p>

<ul style="list-style-type: none"> • Wastewater/Leachate – We met with Republic and are hoping to have a rough draft of an agreement by November 17. • Water Intake – The intake work is complete. The fish screen has been installed and is working great. • Water Plant – The last meter at the plant was calibrated. We will have those readings starting next month. • Barracks – The barracks have been painted. • Calloway – There have been some problems with the pump station so we are trying to get quotes to have that fixed ASAP. <p>Planning/Permits</p> <ul style="list-style-type: none"> • Calloway Creek – Brownstone has submitted their application to DEQ for their C1200 permit which covers the grading. • ServPro – They are still trying to be in their facility by spring. 	
<p>8. Attachment F – Sheriff’s Report (Agenda Item 4d). CA Hare presented the report.</p>	<p>Council received the report.</p>
<p>9. Attachment G – Financial Report-through October 31, 2017 (Agenda Item 4e). CA Hare presented the report. Income through October 31, 2017 is \$ and expenses are \$. The balance in the Local Government Investment Pool is approximately \$, last year the balance was \$.</p>	<p>Council received the report.</p>
<p>10. Old Business – Youth Program Brittany Kennedy gave a review of the Summer Program. In her review she mentioned that numbers were down but she was hopeful for next year. Brittany also mentioned that she is going to try some day camps next year.</p>	<p>Councilors inquired about attendance from outlying areas and how we might reach those kids.</p>
<p>11. Old Business – TMDL Report – Administrator Hare gave the Storm Drain report for the City. This is a requirement by DEQ.</p>	
<p>12. New Business – Supplemental Budget Administrator Hare presented the supplemental budget to add the DEQ loan to the wastewater fund. This will allow the City to continue working with Republic Service on the new wastewater plant. A public Hearing was held but there were no comments made.</p>	<p>A public Hearing was held 6:30pm no comments. Councilor Canfield moved to approve the budget Councilor King seconded. Unanimous Approval (5-0).</p>
<p>13. Resolution 2017-8 Adjusting Wastewater Fund Administrator Hare explained that this was the resolution to adjust the wastewater fund to allow the supplemental budget. Mayor Currier read the title.</p>	<p>Councilor King moved to approve Resolution 2017-8 Councilor Real seconded. There was no discussion Unanimous Approval (5-0).</p>
<p>14. 2016/2017 Audit Merina and Company presented the Audit findings to the council. This is the current Audit so the City is all caught up and received no major remarks. The Auditors mentioned that everything looked good and that staff was a pleasure to work with.</p>	
<p>15. Council and Mayor Comments (Agenda Item 8):</p> <ul style="list-style-type: none"> • Mayor Currier – None. • Councilor Real – None. • Councilor Andrews – None. 	

<ul style="list-style-type: none"> • Councilor King – None. • Councilor Canfield – None. 	
<p>16. Adjournment: Next meeting- Council meeting on Tuesday, December 5, 2017 at 6:00 PM.</p>	<p>Mayor adjourned the meeting at PM. 7:45pm</p>

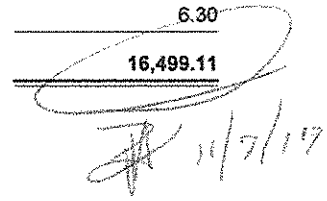
Mayor's Approval

Date

2:57 PM
11/07/17

City of Adair Village
Unpaid Bills Detail
As of November 7, 2017

Type	Date	Num	Due Date	Aging	Open Balan...
American Business Software, Inc		22013			
Bill	11/7/2017	Invoice...	11/17/2017		59.00
Total American Business Software, Inc					59.00
Bank of America		22014			
Bill	11/7 11/2/2017	Sept/...	11/12/2017		766.58
Total Bank of America					766.58
Benton County, Oregon		22015			
Bill	11/7 11/2/2017	Invoice...	11/12/2017		4,513.25
Total Benton County, Oregon					4,513.25
Berkadia Commercial Mortgage LLC		22016			
Bill	11/7/2017	Loan ...	11/17/2017		304.87
Total Berkadia Commercial Mortgage LLC					304.87
Brittany Kennedy		22017			
Bill	11/7/2017	Nove...	11/17/2017		74.04
Total Brittany Kennedy					74.04
Civil West Engineering Services, Inc		22018			
Bill	11/7/2017	Octob...	11/17/2017		6,213.01
Total Civil West Engineering Services, Inc					6,213.01
Delapoer Kidd Attorneys at Law		22019			
Bill	11/7 11/2/2017	Invoice...	11/12/2017		1,837.50
Total Delapoer Kidd Attorneys at Law					1,837.50
Ferguson Enterprises		22020			
Bill	11/7/2017	Invoice...	11/17/2017		2,300.00
Total Ferguson Enterprises					2,300.00
Mid-Valley Media Group		22021			
Bill	11/7/2017	Order...	11/17/2017		424.56
Total Mid-Valley Media Group					424.56
One Call Concepts		22022			
Bill	11/7 11/2/2017	Invoice...	12/2/2017		6.30
Total One Call Concepts					6.30
TOTAL					16,499.11


11/7/17

9:00 AM

11/16/17


City of Adair Village
Unpaid Bills Detail
 As of November 16, 2017

Type	Date	Num	Due Date	Aging	Open Balan...
Al's Sweeping Service 22025					
Bill	11/16	11/15/2017	Invoic...	11/25/2017	750.00
Total Al's Sweeping Service					750.00
Cornerstone Janitorial 22026					
Bill	11/16	11/15/2017	Invoic...	11/25/2017	236.11
Total Cornerstone Janitorial					236.11
Edge Analytical Laboratories 22027					
Bill		11/8/2017	Nove...	11/18/2017	343.80
Bill	11/16	11/15/2017	Nove...	11/25/2017	284.40
Bill		11/16/2017	Nove...	11/26/2017	88.20
Total Edge Analytical Laboratories					716.40
Oregon Association of Water Utilities 22028					
Bill	11/16	11/15/2017	Invoic...	11/25/2017	335.00
Total Oregon Association of Water Utilities					335.00
Pacific Power/PacificCorp 22029					
Bill		11/16/2017	10/2-...	11/26/2017	1,636.66
Total Pacific Power/PacificCorp					1,636.66
Pape Machinery 22030					
Bill	11/16	11/15/2017	Invoic...	11/25/2017	1,399.70
Total Pape Machinery					1,399.70
Republic Services #452 22031					
Bill		11/16/2017	Nove...	11/26/2017	63.90
Total Republic Services #452					63.90
Simply Payroll 22032					
Bill		11/16/2017	Invoic...	11/26/2017	93.80
Total Simply Payroll					93.80
Staples Credit Plan 22033					
Bill		11/16/2017	Invoic...	11/26/2017	233.72
Total Staples Credit Plan					233.72
US Bank 22034					
Bill	11/16	11/8/2017	Invoic...	11/18/2017	505.00
Total US Bank					505.00
Verizon 22035					
Bill		11/16/2017	Invoic...	11/26/2017	225.19
Total Verizon					225.19
TOTAL					6,195.48

2:01 PM
11/29/17

City of Adair Village
Unpaid Bills Detail
As of November 29, 2017

Type	Date	Num	Due Date	Aging	Open Balan...
Brittany Kennedy	22037				
Bill 11/30	11/29/2017	11/1...	12/9/2017		120.60
Total Brittany Kennedy					120.60
Business Oregon	22038				
Bill 11/30	11/16/2017	IFA L...	11/26/2017	3	30,827.29
Total Business Oregon					30,827.29
Century Link	22039				
Bill 11/30	11/29/2017	11/11...	12/9/2017		157.58
Total Century Link					157.58
CIS TRUST	22040				
Bill 11/30	11/16/2017	Dece...	11/26/2017	3	4,896.43
Total CIS TRUST					4,896.43
Comcast	22041				
Bill 11/30	11/16/2017	11/18...	11/26/2017	3	92.85
Total Comcast					92.85
Consumers Power Inc.	22042				
Bill 11/30	11/29/2017	10/12...	12/9/2017		2,945.27
Total Consumers Power Inc.					2,945.27
De Lage Landen Financial Services, Inc.	22043				
Bill 11/30	11/29/2017	Invoic...	12/9/2017		131.00
Total De Lage Landen Financial Services, Inc.					131.00
Edge Analytical Laboratories	22044				
Bill 11/30	11/29/2017	17-34...	12/9/2017		175.50
Total Edge Analytical Laboratories					175.50
Kevin Armstrong Excavating	22045				
Bill 11/30	11/29/2017	Invoic...	12/9/2017		4,035.20
Total Kevin Armstrong Excavating					4,035.20
M & H Pump Services	22046				
Bill 11/30	11/29/2017	Invoic...	12/9/2017		7,890.12
Total M & H Pump Services					7,890.12
Oregon Dept of Environmental Quality	22047				
Bill 11/30	11/16/2017	Invoic...	11/26/2017	3	574.00
Total Oregon Dept of Environmental Quality					574.00
Oregon Health Authority	22048				
Bill 11/30	11/29/2017	ID# 4...	12/9/2017		75.00
Total Oregon Health Authority					75.00
R. G. Smith	22049				
Bill 11/30	11/29/2017	Invoic...	12/9/2017		117.76
Total R. G. Smith					117.76
Smith-Wagar Consulting	22050				
Bill 11/30	11/29/2017	Invoic...	12/9/2017		1,075.00
Total Smith-Wagar Consulting					1,075.00
Willamette Valley Processors	22051				
Bill 11/30	11/29/2017	Invoic...	12/9/2017		1,500.00
Total Willamette Valley Processors					1,500.00
TOTAL					54,613.60

 CODE COMPLIANCE	Willamette Valley Processors, LLC
End of Month	11/1/17 through 11/30/17

CSO	Jerry Jackson
Hours Worked:	65.5
Complaint Total:	Monthly Case Load Citizen Complaints 2 Grass/Vegetation Warnings - hand out letter Self-Initiated 9 Total Calls 4
Cases	1 old cases, 11 new cases, 10 closed 2 open

A17-101	10/3/17	Columbia & Azalea - Open	Branches covering one-way sign
A17-103	11/1/17	Unlicensed vehicle parked on the street - closed	43.220 warning
A17-104	11/7/17	Unlicensed vehicle parked on the street - closed	43.220 tagged for tow
A17-105	11/7/17	Working on vehicle parked at store - closed	43.220 assist
A17-106	11/13/17	Removed some branches covering street sign - closed	Assist
A17-107	11/13/17	Removed leaving blocking drains - closed	Assist
A17-108	11/14/17	Construction material piled in front of house. - closed	Warning
A17-109	11/14/17	Distributed letters for CSO	Education/Service
A17-110	11/14/17	Distributed letters for CSO	Education/Service
A17-111	11/14/17	Unsanitary Boat	Education/ Assist
A17-112	11/17/17	Distributed letters for CSO	Education/Service
A17-113	11/21/17	Trailer parked over four days - open	43.235(1) citation 0482

			/ tow warning
A17-114	11/21/17	Driving the wrong way on one-way street-closed	Sent warning letter

Parking Report Total 4

Wrong Way Driving 1
 On yellow curb 0
 Prohibited Parking 3

Animal Control Total

Noise 0
 Animal at large 0
 Livestock Violations 0

Citizen Assist Total 4

Trash Container 0
 Information/Paperwork/Letters Provided ½ town
 Vacation assist/ 0

Animal Control: Continue to work with the Sheriff's Office Animal Control Officer

Parking: Yellow zones will be painted this year.

City Assist: Trimmed tree/cleared leaves from drains

- Taking correspondence courses with FEMA online – IS-00907 Active Shooter
- Preparing for Ordinance update



PUBLIC WORKS
OPERATIONS AND MAINTENANCE REPORT
PERIOD: 10/20/2017 TO 11/20/2017

WATER USE / DISTRIBUTION REPORT

WATER USE REPORT

Water Produced: 4,903,132 Million Gallons

Average Usage per Day 163K

Water Loss: 31%

WATER DISTRIBUTION REPORT

Maintenance Activity: No leaks were reported this month. Numerous locate requests this month has used up a lot of staff time this month.

Collected Monthly, Bacterial Sample: Results were clean.

Collected quarterly, Fourth quarter samples have been taken.

WASTEWATER TREATMENT REPORT

Flows into the WWTP flows are high with winter rains increasing. Staff continues to devote more time to monitoring and making adjustments as needed.

Total Monthly Influent: 7.7 Million Gallons

Discharged: Discharge from the holding pond has begun.

STORM WATER COLLECTION SYSTEM REPORT

Maintenance Activity: Storm drains are clear and we have had no flooding concerns staff continues to make rounds to all storm drains twice daily.

STREETS MAINTENANCE REPORT

Maintenance Activity: Streets are in good shape. Fall leaf pick up and street sweeping has begun. One more leaf pick up and street sweep is planned for early December.

CITY HALL / PARKS AND WETLANDS

Maintenance Activity: Mowing has ended for the year. Staff continues to removed leaves and branches from parks and city hall weekly.

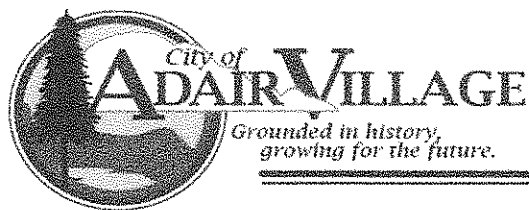
WATER TREATMENT PLANT

Maintenance Activity: High turbidity into the plant has brought a few issues to staff but nothing out of the ordinary this time of the year. Staff continues to monitor and make adjustments as needed. With the installation of the new tanks and added storage run times at the plant are way down.

WASTEWATER TREATMENT PLANT

Maintenance Activity: The wastewater treatment is in great shape with no issues to report. Staff has completed winterizing of equipment.

Completed by Matt Lydon, Public Works Supervisor



CITY ADMINISTRATOR'S REPORT December 5, 2017 Council Meeting

Administration

- **Wastewater DRC** – Eric Harvey now has enough time to apply and test for his wastewater treatment II certification. This will allow the City to sign off on all wastewater functions.
- **January Council Meeting** – The January meeting is scheduled for January 2nd and I was wondering if we could change it to the 9th?
- **Planning** – I am working with Philomath, Monroe, and Benton County to look at the possibility of contracting an in house planner from the County. The three cities would basically cover most of the cost of a county employee that would work in our jurisdictions every week.

Property/Businesses

- **Farm Foods** – Jim Jones will be coming to the January meeting to present his proposal to the council.

Major Projects/Engineering

- **Wastewater/Leachate** – We met with Republic Services and went over the first draft of an agreement. There were no major setbacks so they are going to send it through their legal department for review.
- **Water Intake** – Now that the intake work has been completed and in operation for a month we are happy to report it is working well. ODFW has taken responsibility for any maintenance on the screen and intake canal.
- **Water Tanks** – Engineering America is performing their last inspection on the inside of the west tank to see if there is any deficiency with the liner that was installed. They have given Civil West the final documents that we were waiting for. After Civil West has reviewed them we can make the final payment less the funds withheld for the leaks.
- **Calloway** – The pump station has been fixed and everyone has really appreciated the work that was done. The last thing that needs to be done is the roof on the pump house needs replaced.

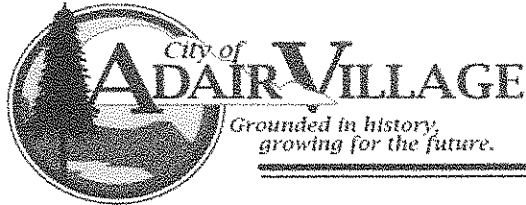
Planning/Permits.

- **Brian Dunne** – Brian has purchased the residential portion of the Serve Pro property and they want to submit an application for a planned development at the January meeting. This will require a joint meeting with the planning commission.
- **Serve Pro** – Tim McGinnis is hoping to be moving into the new facility by March.

	TOTAL			Total General Fund			
	Jul '17 - Jun 18	Budget	\$ Over Budget	% of Budget	Jul '17 - Jun 18	Budget	\$ Over Budget
Income							
4001 - Property Taxes--Current	0.00	115,000.00	-115,000.00	0.0%	0.00	115,000.00	-115,000.00
4002 - Property Taxes - Prior Year	428.72	1,650.00	-1,221.28	25.98%	463.42	1,650.00	-1,186.58
Total 4010 - Government Sources	122,948.93	659,450.00	-536,501.07	18.64%	4,569.50	24,450.00	-19,880.50
Total 4020 - Rental Income	19,034.12	108,920.00	-89,885.88	17.48%	19,034.12	108,920.00	-89,885.88
Total 4030 - Fees	350,769.18	763,195.00	-412,425.82	45.96%	20,534.57	4,000.00	16,534.57
Total 4050 - Other Income	7,397.73	158,400.00	-151,002.27	4.67%	8,935.90	155,500.00	-146,564.10
4060 - Interest	3,177.15	3,200.00	-22.85	99.29%	3,153.50	3,200.00	-46.50
Total 4080 - Transfers In	0.00	95,497.00	-95,497.00	0.0%	0.00	0.00	0.00
4090 - Beginning Fund Balance	0.00	867,082.00	-867,082.00	0.0%	0.00	160,000.00	-160,000.00
Total Income	503,755.83	2,772,394.00	-2,268,638.17	18.17%	56,691.01	572,720.00	-516,028.99
Expense							
5000 - Personal Services							
5010 - City Administrator	26,152.00	75,500.00	-49,348.00	34.64%	8,819.20	26,425.00	-17,605.80
5016 - Utility/Court Clerk	11,454.57	34,200.00	-22,745.43	33.48%	2,429.01	6,840.00	-4,410.99
5018 - Finance Clerk	4,872.72	13,027.00	-8,154.28	37.41%	731.67	1,954.00	-1,222.33
5025 - Summer Program Coordinator	2,389.27	12,904.00	-10,514.73	18.52%	2,389.27	12,904.00	-10,514.73
5050 - Public Works Supervisor	17,852.37	53,352.00	-35,499.63	33.46%	0.00	0.00	0.00
5054 - Utility Worker II	11,510.61	33,516.00	-22,005.39	34.34%	0.00	1,919.00	-1,139.00
5058 - Utility Worker I	2,599.98	6,396.00	-3,796.02	40.65%	780.00	6,396.00	-5,178.81
5064 - Intern	1,217.19	6,396.00	-5,178.81	19.03%	1,217.19	6,396.00	-5,178.81
5081 - Employee Health Ins Benefits	24,455.81	73,834.00	-49,378.19	33.12%	3,422.82	10,152.00	-6,729.18
5082 - Retirement Benefits	14,918.73	45,175.00	-30,256.27	33.02%	3,430.74	10,836.00	-7,405.26
5085 - Employment Taxes	6,452.87	32,516.00	-26,063.13	19.85%	1,907.88	7,800.00	-5,892.12
Total 5000 - Personal Services	123,876.12	386,816.00	-262,939.88	32.03%	25,127.78	85,226.00	-60,098.22
Total 5100 - Material & Services	262,259.67	1,141,100.00	-878,840.33	22.98%	83,065.73	209,450.00	-126,384.27
Total 5300 - Capital Outlay	0.00	124,000.00	-124,000.00	0.0%	0.00	100,000.00	-100,000.00
Total 5400 - Debt Service	97,455.66	235,327.00	-137,871.34	41.41%	0.00	11,279.00	-11,279.00
Total 5500 - Transfers	0.00	95,497.00	-95,497.00	0.0%	0.00	65,210.00	-65,210.00
5700 - Contingency	0.00	133,500.00	-133,500.00	0.0%	0.00	35,000.00	-35,000.00
7777 - Unappropriated Fund Balance	0.00	656,154.00	-656,154.00	0.0%	0.00	66,555.00	-66,555.00
Total Expense	483,581.45	2,772,394.00	-2,288,802.55	17.44%	108,193.51	572,720.00	-464,526.49
	20,164.38	0.00	20,164.38	100.0%	-51,502.50	0.00	-51,502.50

	Storm Drain Fund			Street Fund			
	Jul '17 - Jun 18	Budget	\$ Over Budget	% of Budget	Jul '17 - Jun 18	Budget	\$ Over Budget
Income							
4001 - Property Taxes--Current	0.00				0.00		
4002 - Property Taxes - Prior Year	0.00				0.00		
Total 4010 - Government Sources	0.00				13,019.19	52,000.00	-38,980.81
Total 4020 - Rental Income	0.00				0.00		
Total 4030 - Fees	6,329.46	18,000.00	-11,670.54	35.15%	0.00		
Total 4050 - Other Income	0.00	200.00	-200.00	0.0%	0.00	200.00	-200.00
4060 - Interest	0.00				0.00		
Total 4080 - Transfers In	0.00	15,000.00	-15,000.00	0.0%	0.00	75,000.00	-75,000.00
4090 - Beginning Fund Balance	0.00				0.00		
Total Income	6,329.46	33,200.00	-26,870.54	19.07%	13,019.19	127,200.00	-114,180.81
	6,329.46	33,200.00	-26,870.54	19.07%	13,019.19	127,200.00	-114,180.81
Expense							
5000 - Personal Services							
5010 - City Administrator	1,308.40	3,775.00	-2,466.60	34.66%	1,633.00	3,775.00	-2,142.00
5016 - Utility/Court Clerk	434.63	1,710.00	-1,275.37	25.42%	0.00		
5018 - Finance Clerk	243.90	651.00	-407.10	37.47%	243.90	651.00	-407.10
5025 - Summer Program Coordinator	0.00				0.00		
5050 - Public Works Supervisor	892.62	2,666.00	-1,773.38	33.46%	1,785.24	5,335.00	-3,549.76
5054 - Utility Worker II	575.53	1,676.00	-1,100.47	34.34%	1,151.06	3,352.00	-2,200.94
5058 - Utility Worker I	130.00	320.00	-190.00	40.63%	130.00	320.00	-190.00
5064 - Intern	0.00				0.00		
5081 - Employee Health Ins Benefits	1,222.84	3,692.00	-2,469.16	33.12%	1,467.45	4,615.00	-3,147.55
5082 - Retirement Benefits	743.33	2,073.00	-1,329.67	35.86%	899.00	2,579.00	-1,680.00
5085 - Employment Taxes	357.59	1,492.00	-1,134.41	23.97%	554.86	1,856.00	-1,301.14
Total 5000 - Personal Services	5,988.84	18,057.00	-12,148.16	32.72%	7,864.51	22,493.00	-14,618.49
Total 5100 - Material & Services	72.76	6,500.00	-6,427.24	1.12%	7,689.64	29,450.00	-21,760.36
Total 5300 - Capital Outlay	0.00				0.00	24,000.00	-24,000.00
Total 5400 - Debt Service	0.00				0.00		
Total 5500 - Transfers	0.00	1,670.00	-1,670.00	0.0%	0.00	3,202.00	-3,202.00
5700 - Contingency	0.00	4,500.00	-4,500.00	0.0%	0.00	15,000.00	-15,000.00
7777 - Unappropriated Fund Balance	0.00	2,473.00	-2,473.00	0.0%	0.00	33,065.00	-33,065.00
Total Expense	5,981.60	33,200.00	-27,218.40	18.02%	15,554.15	127,200.00	-111,645.85
	347.86	0.00	347.86	100.0%	-2,534.96	0.00	-2,534.96

	Wastewater Fund			Water Fund			
	Jul '17 - Jun 18	Budget	\$ Over Budget	% of Budget	Jul '17 - Jun 18	Budget	\$ Over Budget
Income							
4001 - Property Taxes--Current	0.00				0.00		
4002 - Property Taxes - Prior Year	0.00				0.00		
Total 4010 - Government Sources	0.00	33,000.00	-33,000.00	0.0%	151,607.00	550,000.00	-398,393.00
Total 4020 - Rental Income	0.00				0.00		
Total 4030 - Fees	74,102.82	206,395.00	-132,292.18	35.3%	249,802.33	534,800.00	-284,997.67
Total 4050 - Other Income	0.00	1,000.00	-1,000.00	0.0%	0.00	1,500.00	-1,500.00
4060 - Interest	0.00				0.00		
Total 4080 - Transfers In	0.00	15,000.00	-15,000.00	0.0%	0.00		
4090 - Beginning Fund Balance	0.00				0.00	315,000.00	-315,000.00
Total Income	74,102.82	255,395.00	-181,292.18	29.02%	401,409.33	1,401,300.00	-999,890.67
	74,102.82	255,395.00	-181,292.18	29.02%	401,409.33	1,401,300.00	-999,890.67
Expense							
5000 - Personal Services							
5010 - City Administrator	3,925.20	11,325.00	-7,399.80	34.66%	10,466.20	30,200.00	-19,733.80
5016 - Utility/Court Clerk	2,863.64	8,550.00	-6,686.36	33.49%	5,727.29	17,100.00	-11,372.71
5018 - Finance Clerk	1,463.31	3,908.00	-2,444.69	37.44%	2,189.94	5,863.00	-3,673.06
5025 - Summer Program Coordinator	0.00				0.00		
5050 - Public Works Supervisor	4,463.10	13,339.00	-8,875.90	33.46%	10,711.41	32,010.00	-21,298.59
5054 - Utility Worker II	3,453.18	10,055.00	-6,601.82	34.34%	6,330.84	18,433.00	-12,102.16
5058 - Utility Worker I	519.99	1,279.00	-759.01	40.66%	1,039.99	2,558.00	-1,518.01
5064 - Intern	0.00				0.00		
5081 - Employee Health Ins Benefits	6,114.24	17,535.00	-11,420.76	34.87%	12,228.46	37,840.00	-25,611.54
5082 - Retirement Benefits	3,216.50	9,303.00	-6,086.50	34.58%	6,644.16	20,384.00	-13,739.84
5085 - Employment Taxes	1,824.91	6,696.00	-4,871.09	27.25%	3,648.43	14,672.00	-11,023.57
Total 5080 - Personal Services	27,844.07	81,990.00	-54,145.93	33.96%	58,966.72	179,060.00	-120,073.28
Total 5100 - Material & Services	18,937.89	92,450.00	-73,512.11	20.48%	285,107.54	803,250.00	-668,142.46
Total 5300 - Capital Outlay	0.00				0.00		
Total 5400 - Debt Service	35,461.00	62,048.00	-26,587.00	57.15%	61,984.66	162,000.00	-100,005.34
Total 5500 - Transfers	0.00	8,059.00	-8,059.00	0.0%	0.00	17,356.00	-17,356.00
5700 - Contingency	0.00	4,000.00	-4,000.00	0.0%	0.00	75,000.00	-75,000.00
7777 - Unappropriated Fund Balance	0.00	6,848.00	-6,848.00	0.0%	0.00	164,634.00	-164,634.00
Total Expense	82,242.96	255,395.00	-173,152.04	32.2%	356,088.92	1,401,300.00	-1,045,211.08
	-8,140.14	0.00	-8,140.14	100.0%	45,320.41	0.00	45,320.41



STAFF REPORT
Attachment G – Financial Report
 December 5, 2017 Council Meeting

Totals - Income shown for Fiscal Year 2018 is \$503,755.83. (18.17% of budget) and Expenses are \$483,591.45 (17.44% of budget), which shows a Net Income of \$20,164.38 for all funds.

Category	Expenses	Percent of Budget
• Personal Services	123,876.12	32.03
• Materials & Services	483,591.45	17.44
• Capital Outlay	0.00	0.00
• Debt Service	97,455.66	41.41

Totals by Fund – Income and Expenses for each Fund (Reserve and System Development Charges funds are not included, because they are basically in stasis with no expenses) are shown below.

Fund	Income	Expenses	Difference
• General	56,691.01	108,193.51	-51,502.50
• Storm Drain	6,329.46	5,981.60	+347.86
• Streets	13,019.19	15,554.15	-2,534.96
• Wastewater	73,102.82	82,242.96	-8,140.14
• Water	401,409.33	356,088.92	+46,320.92
• TOTAL	\$503,755.83	\$483,591.45	+\$20,164.38

NOTE:

The large difference in income v expenses in the General Fund will even out when we receive the roughly \$30,000.00 in rental fees from Republic Services. Also, tax income has been coming in but not yet recorded in the approximate amount of \$115,000.00

We have approximately \$852,518.00 in the Local Government Investment Pool (LGIP). Last month we had \$882,518.00. Last year we had \$896,827.28.



6030 William R. Carr Ave.
Adair Village, OR 97330
Voice: 541-745-5507
Fax: 541-230-5219

EMPLOYMENT AGREEMENT

THIS AGREEMENT is made and entered into this 1st day of January, 2018, by and between the City of Adair Village, hereinafter referred to as "City" and Jerry J. Jackson, hereinafter referred to as "Contractor".

WITNESSETH:

That for and in consideration of the mutual covenants and promises between the parties hereto and the payments hereinafter to be made, it is hereby agreed as follows:

SECTION A – CODE COMPLIANCE SERVICES

- I. As routine services, Contractor will:
 1. Enforce and interpret City Codes-Nuisance, Animal Control and Parking and Standing Vehicles-with a focus on compliance.
 2. Conduct patrols and field inspections and respond to complaints related to Code issues.
 3. Contact citizens directly whenever possible.
 4. Initiate citations for ongoing problem areas.
 5. Initiate appropriate enforcement actions with the Municipal Court. Appear and testify in Municipal Court as necessary.
 6. Manage and improve database for maintenance of records. Provide entries into database for all contacts.
 7. Meet weekly with City Administrator and provide weekly report of all contacts and actions. Provide written report and present report to the City Council at their monthly meeting (first Tuesday of each month)
 8. Establishes and Implements Emergency Preparedness Plan while involving an active citizens group.

SECTION B – TERMS OF EMPLOYMENT AND WORKING CONDITIONS

1. Contractor shall provide 22.5 hours per week with 75 percent (16 hours) focused on patrol and response to complaints.
2. Contractor will use his own vehicle and cover the costs of maintenance and fuel.
3. Contractor will establish a regular patrol schedule after consultation with City.

SECTION C – COMPENSATION

1. Contractor shall be paid \$1750 per month for 22.5 hours of service per week.
2. There will be a yearly review to discuss service to that point and level of service in the future.
3. The compensation for services will be subject to review and renegotiation in December of each year. Changes to the contract will be effective January 1st unless otherwise stated.

SECTION D – EFFECTIVE DATE – TERM

1. This agreement will be effective January 1, 2018 and shall continue, unless otherwise terminated by either party upon 30 days notice, through December 31, 2019.

SECTION E – INSURANCE

1. City shall provide Contractor with tort liability coverage consistent with ORS Chapter 30.
2. City shall hold harmless and indemnify Contractor for General Liability for actions within the scope of duties of this contract.
3. Contractor shall hold the City Harmless for Worker’s Compensation

CITY

Date: _____

CONTRACTOR

Date: _____



Memorandum

To: Adair Village City Council

From: Pat Hare, City Administrator

I am requesting a salary increase of \$21,000 annually in recognition of savings the city has realized during my tenure and keeping my compensation competitive. I have been able to reduce the city's payroll from \$390,547 in FY2014-15 to \$335,995 in FY 2016-17. Payroll in FY 2017-18 is projected to be \$336,000. During the three years I've served as city administrator total payroll savings has been \$166,000. Despite the payroll reduction, there has been no decrease in service to citizens. I have assumed many of the duties formerly assigned to the city administrator and assistant city administrator.

We have increased revenue by increasing commercial leases and by adding property to the tax rolls that had previously been overlooked. Successful grant applications have reduced our share of the cost of significant infrastructure improvements.

The City's audits were delinquent by four years when I assumed my position and we are now completely current with no deficiencies and no management concerns. These accomplishments have taken place during a time when the city is growing and new development projects are becoming routine. Our infrastructure is improving and the city is in a better position to accommodate growth. Water loss, for example, was reduced from nearly 80 percent to less than 30 percent during the past three years and we should see further improvements with the completion of the reservoir project.

Finally, I have made it a priority over the years to learn how to operate the City's water and wastewater plants, which means we require fewer employees to maintain essential services. We have also been able to achieve road improvements and better maintenance of our water intake with assistance from Benton County and the Oregon Department of Fish and Wildlife. Benton County also recently granted title to the City of six acres in the heart of our future downtown.

I am grateful for the opportunity to work for the City of Adair Village and I appreciate the experience I have gained while serving as city administrator. I believe over the next three years we will have more and better opportunities to improve the community and services we provide to our citizens.

<u>City</u>	<u>Population</u>	<u>CM salary</u>	
Eagle Point	8,765	\$116,300	
Hood River	7,760	\$137,950	
Milton-Freewater	7,070		
		\$124,000	
Scapoose	6,785	\$125,000	
Brookings	6,700	\$110,000	
Seaside	6,605	\$114,564	
Talent	6,305	\$105,000	
Madras	6,275	\$129,152	
Junction City	6,010	\$98,838	
Winston	5,410	\$90,000	
Creswell	5,360	\$104,000	
Warrenton	5,265	\$95,000	
Veneta	4,800	\$96,000	
Philomath	4,665	\$104,628	
Phoenix	4,585	\$92,500	
Reedsport	4,155	\$75,000	
Lafayette	4,000	\$92,800	
Aumsville	3,945	\$96,800	
Coquille	3,920	\$90,000	
Wood Village	3,915	\$126,000	
Harrisburg	3,645	\$88,904	
Toledo	3,586	\$95,000	
Myrtle Creek	3,490	\$81,000	
King City	3,425	\$70,000	
Mt. Angel	3,410	\$89,000	
Nyssa	3,285	\$72,000	
Dundee	3,185	\$80,340	
Estacada	3,085	\$86,284	
Shady Cove	3,045	\$65,000	
Jacksonville	2,920	\$73,000	
Burns	2,830	\$65,196	
Sublimity	2,755	\$72,000	
Dayton	2,635	\$82,820	
Gervais	2,555	\$73,472	
Sisters	2,390	\$109,907	New Hire
Gold Beach	2,275	\$120,000	
Carlton	2,125	\$87,985	
North Plains	2,015	\$120,000	New Hire
Millersburg	1,730	\$80,000 to 100,000	
Cascade Locks	1,250	\$80,000	New Hire
Coburg	1,070	\$90,167	New Hire
Scio	900	\$76,000	
Adair Village	900	\$76,000	
		\$94,705	Average

CITY ADMINISTRATOR EMPLOYMENT AGREEMENT
January 1, 2018

THIS AGREEMENT made and entered into this 1st day of January 2018 by and between the City of Adair Village, hereinafter called the "City," and Patrick Hare, hereinafter called "Administrator."

Recitals

WHEREAS, the City is a municipal corporation, duly organized under the statutory authority of the state of Oregon; and

WHEREAS, the City desires to employ the services of Patrick Hare as the City Administrator of the City of Adair Village to perform the duties of the City Administrator under the conditions and provisions of the Adair Village Charter; and

WHEREAS, it is the desire of the City to establish the terms, to provide certain benefits, and to set working conditions and other conditions of employment of the Administrator; and

WHEREAS, it is the desire of the City to (1) retain the services of the Administrator and to provide inducement for him to remain in such employment; (2) make possible full work productivity through the establishment of these terms of employment and a regular process for evaluating performance; and (3) provide a just means for terminating the Administrator's services at such time as he may be unable to fully discharge his duties due to age or disability or when the City may desire to otherwise terminate his employ; and

Agreement

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. DUTIES AND AUTHORITY.

- A. The City hereby agrees to employ Patrick Hare as City Administrator of the City to perform the functions and duties of City Administrator consistent with the Adair Village City Charter and state law.
- B. The authority of the ADMINISTRATOR, shall include, but not be limited to, the following: the overall management, administration, and direction of all City operations; hiring, evaluating, disciplining, and firing all City employees, EXCEPTING contractual management staff such as, City Attorney and Municipal Judge; the negotiation, execution, and administration of City contracts within budget appropriations pursuant to City policy and ordinance; providing policy advice to elected officials and to perform such other duties and functions as the City Council shall assign from time to time.

SECTION 2. TERM.

- A. This agreement shall be for a term of three years.
- B. Nothing in the Agreement shall grant the Administrator any property rights in his position nor shall it prevent, limit, or otherwise interfere with the right of the City to terminate the services of the Administrator at any time, with or without cause, subject only to the provisions of this agreement pertaining to Termination and Severance Pay.
- C. The Administrator may resign at any time, subject only to the requirement that he provide not less than

ninety (90) days' written notice to the City.

- D. The Administrator agrees, except as specifically authorized by the City Council, to remain in the exclusive employ of the City and not to become employed by any other employer until the effective date of any termination or resignation. The term "employed" shall not be construed to include occasional teaching, writing, or consulting work, which does not interfere with the Administrator's ability to effectively discharge his assigned duties. Further, the Administrator shall not engage in any outside employment, consulting, or retainer agreement without the prior written consent of the City Council. Such consent shall be at the sole discretion of the City Council. The Administrator agrees that any outside business activities shall be performed without the use of any City resources and shall not interfere with the Administrator's duties and employment with the City. The Administrator further agrees that any outside activity shall be consistent with the requirements of Oregon's government ethics laws, the City Charter, the Adair Village Municipal Code, and the City's human resources policies.

SECTION 3. TERMINATION AND SEVERANCE PAY.

- A. In the event the Administrator is terminated by the City Council at a time when the Administrator is willing and able to perform the duties of City Administrator or due to a medical disability, then, and in that event, the City agrees to pay the Administrator a cash payment equal to three (6) months of annual salary, payable on a monthly basis at the same rate as the current agreement provides until such benefits are exhausted and provided further that such payments shall terminate upon the Administrator obtaining comparable full-time employment. Any portion of a month shall be prorated.
- B. In the event the Administrator voluntarily resigns his position while this agreement is in effect, Administrator agrees to reimburse the City the sum of \$5,000. This provision may be waived by the City at the City's sole discretion. Additionally, the Administrator shall not be entitled to severance pay in accordance with this section
- C. In the event the Administrator is terminated because he willfully and repeatedly fails or refuses to comply with the policies, rules, regulations, and standards established by the Council in accordance with the City Charter and which have been communicated to him in writing prior, the City is discharged of responsibility with respect to the termination pay referenced in this section.
- D. In the event of the Administrator's conviction of, or plea of guilty or no contest to, (a) a felony (other than a traffic violation), (b) a crime involving moral turpitude, or (c) a criminal act which adversely affects the business or reputation of the City, the City is discharged of responsibility with respect to the termination pay referenced in this section.

SECTION 4. SALARY.

- A. The City agrees to pay the Administrator for his services rendered pursuant hereto to a monthly base salary of \$8,042.00 payable in installments at the same time as other City employees are paid. In addition, the City Council agrees to review the base salary and other benefits of the Administrator at the Administrator's annual performance review which shall be conducted in March of each year.
- B. The amount of the base salary referred to above may be adjusted annually (July 1) to reflect the percentage increase in the National CPI-W Index. The percentage adjustment may be calculated by determining the percentage change in the aforesaid index during the 12-month period ending with the last day of the preceding March. This percentage, if an increase, may be used to determine the percentage increase to which the Administrator may automatically be entitled. This cost-of-living adjustment may then remain in effect for a 12-month period until the succeeding July 1 at which time a new calculation may be made using the same formula.

SECTION 5. PAID LEAVE OF ABSENCE.

The Administrator shall be entitled to paid leave of absence (e.g., holidays, sick leave, vacations) with accrual, accumulation, and use in accordance with City policies applying to other Executive unit employees of the City. The Administrator shall take no less than fifty percent (50%) of his annual earned vacation during each year of employment. The Administrator shall retain all accrued leave which he currently holds.

SECTION 6. DUES AND SUBSCRIPTIONS.

The City agrees to budget and pay the professional dues and subscriptions of the Administrator appropriate for his continuation and full participation in national, regional, state, and local associations and organizations necessary and desirable for his continued professional participation, growth, and advancement, and to improve his performance in his duties as City Administrator of the City.

SECTION 7. PROFESSIONAL DEVELOPMENT.

In accordance with City policy, the City agrees to budget and pay the registration, travel, and subsistence expenses of the Administrator for professional and official travel, meetings, and occasions deemed necessary or desirable to continue the professional development of the Administrator and to adequately pursue necessary official functions of the City. The Administrator shall receive prior approval from the Mayor regarding registrations and travel expenses to be paid or reimbursed by the City.

SECTION 8. CIVIC MEMBERSHIP.

The City recognizes the desirability of representation in and before local civic and other organizations, and the Administrator is authorized to become a member of civic clubs or organizations for which the City shall pay membership expenses excluding the cost of meals. The Administrator shall report to the Council on each such membership prior to becoming a member.

SECTION 9. FRINGE BENEFITS.

The Administrator shall receive the same fringe benefits as other City Executive unit employees currently receive and such fringe benefits as may hereafter be provided by the City to its Executive unit employees. As used herein, "fringe benefits" includes long-term disability, health insurance, life/ad&d insurance, retirement benefits, 401a deferred compensation, and other benefits paid by the City for its Executive unit employees. These benefits are governed by but not limited to the member handbook and human resources policies.

A. Vacation, Sick, and Administrative Leave

The Administrator shall receive the same vacation, sick, and administrative leave benefits as other City Executive unit employees currently receive and such benefits as may hereafter be provided by the City to its Executive unit employees. These benefits are governed by but not limited to the member handbook and human resources policies.

SECTION 10. PROFESSIONAL LIABILITY.

The City agrees to defend, hold harmless, and indemnify the Administrator on any and all claims brought

against him arising out of his actions within the scope of the employment relationship with the City. The City agrees to carry appropriate insurance therefore through the City's insurance program.

SECTION 11. USE AND RETURN OF CITY PROPERTY.

The Administrator recognizes and agrees that all personal property provided by the City to him shall be and remain the property of the City. The Administrator will preserve, use, and hold the City property only for the benefit of the City and to carry out the City's business. When the Administrator's employment terminates or upon demand of the City Council pending or during any review of the Administrator's conduct, he will immediately deliver to the City all City property that he has in his possession or control.

SECTION 12. ATTORNEY FEES.

In the event suit or action is instituted to interpret or enforce the terms of this employment agreement or seek damages for its breach, the prevailing party shall be entitled to recover from the other party such sums as the court may adjudge reasonable as attorney fees at trial or on appeal of such suit or action.

SECTION 13. AMENDMENTS TO THIS AGREEMENT.

Nothing shall restrict the ability of the City and Administrator to amend or adjust the terms of this agreement; however no amendment or adjustment shall be valid unless in writing and signed by both the City and the Administrator. Administrator reserves the right to discuss terms of this agreement with the City Council as a whole in either closed Executive Session or open Regular Session as state law allows and as Administrator deems appropriate.

SECTION 14. GENERAL PROVISIONS.

This Agreement shall be binding upon and inure to the benefit of the heirs-at-law and executors of the Administrator.

SECTION 15. ENTIRE AGREEMENT.

The Administrator shall be subject to all employment policies and directives applicable to his position. These policies as they presently exist or may be subsequently modified, along with this employment agreement, constitute the entire agreement between the parties, integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiation or previous agreements between the parties with respect to all or any part of the subject matter hereof.

SECTION 16. WAIVER.

Failure of either party at any time to require performance of any provisions of this employment agreement shall not limit the parties' right to enforce the provision, nor shall any waiver of any breach of any provision be a waiver of any succeeding breach of the provision itself or of any other provision.

SECTION 17. MEDIATION AND ARBITRATION.

- A. Should any dispute arise between the City and Administrator regarding the terms of this Agreement or the terms of any Exhibit or work or services covered thereby, it is agreed that such dispute will be submitted to a mediator prior to any arbitration. Submission of the matter shall occur, if at all, not later than sixty (60) days from the date the cause of the dispute is known or should have been known to either the City or Administrator. The parties shall exercise good faith efforts to select a mediator who

shall be compensated equally by both parties. Mediation will be conducted in Adair Village, Oregon unless both parties agree otherwise. Both parties agree to exercise good faith efforts to resolve disputes covered by this section through this mediation process. If either the City or Administrator requests mediation or the other party fails to respond within ten days, a mediator shall be appointed by the presiding judge of the Benton County Circuit Court upon request of either party. In the event the parties are unable to mediate their dispute, then the sole and exclusive remedy shall be as set out in the subsequent section Arbitration.

B. In the event the parties have a dispute concerning the terms of this Agreement, the terms and conditions of the employment relationship or the alleged violation of any federal, state or local law relating to the employment relationship (and they have not otherwise resolved the matter through the mediation process set out in section A above) then the dispute shall be resolved by submitting it to binding arbitration. Submission of the matter to binding arbitration must occur, if at all, not more than sixty (60) days after the mediation referred to in subsection A has failed or been abandoned by one or both parties.

1. Within thirty (30) days of notice by either party to the other requesting arbitration, City and Administrator shall select an arbitrator from a list of three (3) obtained from Benton County Circuit Court. The arbitrator shall for purposes of the arbitration proceedings, apply the rules of mandatory arbitration as adopted by the Benton County Circuit Court in effect at the time of the arbitration. If the parties fail to select an arbitrator as required above, on application by either party, the arbitrator shall be appointed by the presiding judge of the Benton County Circuit Court.
2. Within Sixty (60) days of the selection or appointment of the arbitrator, both City and Administrator shall concurrently submit to the arbitrator (supplying a copy to each other) a written statement of their respective legal and factual positions on the dispute. The arbitrator shall determine, after hearing on the merits and within forty-five (45) days after receipt of statements, his/her determination of the dispute which determination shall be final and binding.
3. Each party shall bear equally the expense of the arbitrator and all other expenses of conducting the arbitration. Each party shall bear its own expenses for witnesses, depositions and attorneys.

SECTION 18. SEVERABILITY.

If any provision, or any portion thereof, contained in this employment agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this employment agreement or portion thereof shall be deemed severable and shall not be affected and shall remain in full force and effect.

SECTION 19. EFFECTIVE DATE.

This agreement shall be effective commencing on the 1st day of January 2018.

IN WITNESS WHEREOF, the City of Adair Village has created this employment agreement to be signed and executed on its behalf by its Mayor, and the Administrator has signed and executed this employment agreement the 1st day of January 2018.

By: _____
Patrick Hare, City Administrator

By: _____
Bill Currier, Mayor



STAFF REPORT
Adair Village Market

The Adair Village Market has been struggling over the last year to cover their costs and their management of the business has been inadequate. The City has reduced the rent of the market two different times to help the tenants be successful. The current contract ends December 31st of this year. It is my recommendation that we just do a month to month contract and explore other options before making any long term decision.

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT (the "Amendment") is made and entered into this 1st day of January 2017, by and between the City of Adair Village, hereinafter called the "Lessor" and MAM LLC hereinafter called "Lessee".

RECITALS

WHEREAS, Lessor and Lessee did enter into that certain Lease Agreement dated May 15, 2013, pursuant to which Lessee leased certain premises located at 6002 NE William R. Carr Street, Suite A, Adair Village, Oregon (the "Leased Premises") and more particularly described in the Lease; and

WHEREAS, Lessor and Lessee desire to extend the Lease and amend and add certain other terms and conditions of the Lease.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties mutually agree as follows:

1. Recitals Incorporated: Certain Defined Terms. The recitals set forth above are incorporated herein by this reference and shall be deemed terms and provisions hereof with the same force and effect as if fully set forth in this Paragraph 1. Capitalized terms that are not otherwise defined shall be deemed to have the same meanings herein as are ascribed to such terms in the Lease. As used herein, the "Lease" hereinafter shall be deemed to mean the Lease, as amended by this Amendment.

2. Extension of Lease. Lessor and Lessee hereby agree to the term of the Lease through December 31, 2017.

3. Base Rent. In lieu of the monthly rent specified in the original lease, the Base Rent applicable through the end of the term of the Lease shall be One Thousand Two Hundred Dollars (\$1,200.00) per month. Lessor and Lessee hereby acknowledge that the amended Base Rent is a reduction of \$522.95 per month from what would currently be owed under the original

lease of \$1,722.95. It is hereby agreed between Lessor and Lessee that Lessee's failure to comply with any of the terms of the Lease and this Amendment shall result in the original amount of rent being immediately due and payable for the remainder of the Lease term.

4. Advertising. Lessee hereby agrees to advertise its business no less than once every 4 months in the City of Adair Village newspaper. Such advertisement shall be submitted to the City in WORD format no later than the 20th day of the month in which the advertisement is submitted.

5. Cost Reduction Measures. As additional consideration for this Amendment, Lessee hereby agrees to submit to the City a minimum of three (3) cost reduction plans in order to help make Lessee's business more profitable. The 3 cost reduction plans shall be submitted to the City in writing no later than December 31, 2016.


6. Reaffirmation of Terms. Except as expressly modified herein, all of the terms, covenants and provisions of the Lease are hereby confirmed and ratified and shall remain unchanged and in full force and effect.

7. Counterpart Copies. This Amendment may be executed in two or more counterpart copies, each of which shall be deemed an original and all of which counterparts shall have the same force and effect as if the parties hereto had signed a single copy hereof.

IN WITNESS WHEREOF, the parties hereto have executed this instrument in duplicate at the place and on the day and year first above written, any corporate signature being by authority of the Board of Directors.

LESSOR:

City of Adair Village

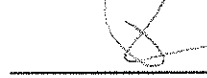


Pat Hare, City Administrator

Date: 1/1/17

LESSEE

MAM, LLC



Birpal S. Johal Owner/President

Date: 1-1-17



6030 William R. Carr Ave.
Adair Village, OR 97330
541-745-5507
Fax: 541-230-5219

Memorandum

To: Prospective Loan Providers
From: Pat Hare, City Administrator
RE: City of Adair Village, Oregon – Request for Bank Loan Proposals

The City of Adair Village is seeking proposals to provide a five-year loan in the amount not to exceed \$100,000. The Loan Provider will be awarded based on overall borrowing cost and terms most favorable to the City based on the City's sole discretion. The Loan will be a private placement and the City is not preparing an offering statement with respect to the Loan.

The Loan will be issued to finance the City's Barracks Building Improvements. The City will use unassigned General Fund revenues to pay the loan.

30/360 Day Count Basis
Payment Frequency: Monthly or Semi-annual

Loan closing should be no later than December 8, 2017.

REQUEST FOR PROPOSALS

City of Adair Village

Request for Bank Loan

The City of Adair Village is requesting proposals for a fixed rate Five-year Term Loan. The proposal shall include the following:

1. Interest Rate Fixed to Maturity based on a **five-year term**.
2. Prepayment Provisions, including frequency and dollar amounts of both principal and interest, together with any fees or penalties for prepayment.
3. Other Fees and Expenses of the Proposer
4. Other Provisions required by the Proposer

The City's budget and annual financial report are available by request. Any inquiries or requests concerning clarification or solicitation for additional information shall be submitted in writing to Pat Hare, City Administrator, 6030 NE William R Carr Ave, Adair Village, Oregon 97330 or via email to pat.hare@adairvillage.org.

The successful proposer will be required to certify that they:

- have knowledge and experience in financial and business matters and are capable of evaluating the merits and risks of lending funds to a municipality
- have had access to and have reviewed such information concerning the City as they have deemed necessary to submit the proposal, and
- understand the Loan is an unlimited general obligation of the City.

Proposals must be submitted in a *sealed envelope, clearly marked* "Request for Bank Loan Proposals" to City of Adair Village, Pat Hare, City Administrator, 6030 NE William R Carr Ave, Adair Village, Oregon 97330 no later than **Friday November 17, 2017 at 4:30 pm PST**.

THE CITY OF ADAIR VILLAGE RESERVES THE RIGHT TO REJECT ANY OR ALL PROPOSALS AND TO REQUEST NEW PROPOSALS, TO ACCEPT THE LOWEST AND BEST BID IN THE BEST INTEREST OF THE CITY; AND THE CITY RESERVES THE RIGHT TO WAIVE, IF PERMITTED BY LAW AND IN THE BEST INTEREST OF THE CITY, ANY IRREGULARITY OR INFORMALITY IN ANY PROPOSAL.



November 17, 2017

Pat Hare, City Administrator
City of Adair Village, OR

U.S. Bank National Association ("U.S. Bank") is pleased to consider your request to provide financing to the City of Adair Village, OR ("City"). A summary of some of the terms U.S. Bank is considering for this financing package is as follows:

Re: \$100,000
City of Adair Village, OR
General Obligation Tax-Exempt Loan ("Loan")

The Loan financing to the City is to finance the City's Barracks Building Improvements.

Fixed Rate Loan:

Amount: \$100,000

Length: 5 years

Amortization: 5 years

Interest Rate Features: The interest rate, below, is being held as a courtesy to the City until noon (Pacific) on Friday, December 29, 2017. Please advise U.S. Bank of your intentions to proceed or not prior to that date and time. The interest rate will be formally locked by an agreement between the City and U.S. Bank once U.S. Bank is selected to provide the Loan. The interest rate assumes a 30/360-day interest accrual basis. The interest rate also assumes that the City and legal counsel will designate the Loan as tax-exempt (bank qualified) under existing federal tax regulations.

Interest Rate: A fixed interest rate, based upon an indicative rate of 3.31% per annum as of November 17, 2017.

Margin Rate Factor: The fixed Stated Rate will be subject to adjustment by a Margin Rate Factor (i.e., the product of the Stated Rate and the Margin Rate Factor). The Margin Rate Factor is the greater of:

(i) 1.0, or,

(ii) the product of (a) one minus the Maximum Federal Corporate Tax Rate multiplied by (b) 1.5083.

The effective date of any change in the Margin Rate Factor shall be the effective date of the decrease or increase (as applicable) in the Maximum Federal Corporate Tax Rate resulting in such change. The Maximum Federal Corporate Tax Rate is currently 35% such that the current Margin Rate Factor equals 1.0.

Payments: Interest rate, above, assumes semiannual interest and semiannual principal payments that result in, essentially, level annual debt service requirements over the 5-year amortization period.

Prepayments: Prepayment is allowed, in whole or in part, on any U.S. Bank business date, upon a 3 business day notice, without prepayment fee.

Debt Service Reserve Fund: Not required.

Default Interest Rate: The default interest rate will be the stated rate plus 3%.

Security: The Loan will be a non-voted general obligation of the City. U.S. Bank will not take a subordinate lien position to any other City non-voted general obligation financing.

Loan Counsel: The loan documents and an unqualified legal opinion must be provided by a nationally recognized bond counsel that is currently listed in the "Red Book" more formally known as The Bond Buyer's Municipal Marketplace ("Loan Counsel").

Loan Agreement: In addition to the normal financing documents produced by Loan Counsel, there must be a loan agreement to be executed by the City and U.S. Bank. This Loan Agreement is similar to a bond purchase agreement but will contain covenants, default features, and other components of a relatively standard, municipal/government loan from U.S. Bank (see Covenants/Provisions below).

Costs: Various costs, expenses and fees relating to due diligence and Loan documentation, including all legal fees and expenses are the responsibility of the City. U.S. Bank does not expect to require separate Bank Counsel for this financing. U.S. Bank must be explicitly permitted to rely on the documents and legal opinion of the City's Loan Counsel.

Covenants/Provisions: Documentation will include standard covenants regarding maintenance of business operations, adequate insurance coverage, and to collect fees, taxes and other revenues in an amount sufficient to meet all City obligations, including debt service on this Loan. The loan documents must not refer to the Bank as a "Purchaser" but, rather, a "Lender". We must not have a "Bond Purchase Agreement" but, rather a "Loan Agreement" in order to further distance this financing away from being a securities issuance in favor of being a "loan". The Loan Agreement will be signed by U.S. Bank and the City and will specifically include the following covenants/provisions:

1. The City will covenant to automatically provide the Government Banking Division of U.S. Bank with copies of its annual, audited financial statements within 330 days of the end of each fiscal year for the duration of the Loan.
2. The City will provide U.S. Bank with a copy of the City's final budget within 45 days after its adoption.
3. The City will provide the Bank financial or other information as may be reasonably requested from time to time.
4. The City will promptly notify the Bank of any development which is likely to have a material, adverse effect on the financial condition of the City.
5. The City will covenant to maintain rates, fees, and revenues to result in a minimum debt service coverage (funds available for debt service divided by the outstanding current debt service on all non-voted general obligation debt) of 1.0 times. Failure to maintain this coverage ratio will result in an automatic adjustment of the interest rate to the Default Interest Rate.
6. The City will agree to take all actions necessary to preserve tax-exempt status of the obligation. Should the tax designation change, the interest rate will change accordingly and to be effective the same date as the tax designation.
7. The default interest rate will be the stated rate plus 3%.
8. There will not be a 3rd party paying agent.
9. The Loan will not be registered with the Depository Trust Company or any other securities depository.

10. The Loan shall not be:

- (i) assigned a separate rating by any rating agency;
- (ii) issued pursuant to any type of offering document or official statement; and,
- (iii) assigned a CUSIP number by Standard & Poor's CUSIP service.

Other: U.S. Bank's continued involvement with this financing is predicated upon U.S. Bank obtaining credit approval of the various terms, conditions, and creditworthiness of the City. The credit approval process includes the mandatory analysis of the City's most recent four years of audited financial statements.

All funds transfers must be directly deposited to a U.S. Bank account.

This Letter of Interest automatically expires, unless already acted upon, at noon (Pacific Time zone) on Monday, December 18, 2017.

Documentation for the transaction will be prepared by Loan Counsel for the Loan and will include an appropriate authorizing resolution or ordinance, 8038 filing, promissory note, and Loan Counsel legal opinion that the Loan is a legal, valid, binding, enforceable and properly authorized obligation of the City. The City will designate the Loan as a "tax-exempt, bank qualified obligation" under section 265(b) of the Internal Revenue Code of 1986, as amended, for investment by financial institutions.

As we obtain more information, additional substantive conditions will be required and terms may be changed or be supplemented. In addition, upon completion of our analysis and due diligence and if we obtain credit approval of this proposal, Loan Counsel will prepare loan documentation which will include terms and conditions customary to U.S. Bank, as well as warranties and covenants specific to this transaction.

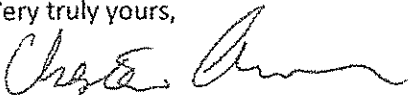
To that end, this letter is an expression of interest only. Except with respect to your obligation to reimburse U.S. Bank for expenses as provided below and not to disclose the contents of this letter except as permitted below, this letter is not a contract, commitment nor intent to be bound, and U.S. Bank does not intend that this letter or discussions relative to the terms of this letter create any legal rights, implicit or explicit, in your favor, nor is it intended to create any obligation on the part of U.S. Bank. Also, no oral discussions and/or written loan agreements shall be in place of or supersede written loan agreements executed by your business and accepted by U.S. Bank.

Please note that this proposal is for your review only. You may not disclose this letter or any of the terms contained in this letter to any third party other than your attorney, accountant and authorized agents representing you.

Thank you for discussing your financing needs with U.S. Bank. Should you wish us to continue to consider your credit request, you will be responsible for all of U.S. Bank's out-of-pocket expenses related to this financing request. Without limitation, these expenses may include expenses of Bank Counsel, appraisals, surveys, title insurance commitments, environmental assessments, background checks and/or collateral audits. We look forward to the opportunity to consider your credit request.

If you have any questions regarding this letter, please contact Chester Anonson.

Very truly yours,



U.S. BANK NATIONAL ASSOCIATION

U.S. BANK NATIONAL ASSOCIATION