

**DALLAS CITY COUNCIL**  
**Tuesday, September 6, 2011**  
**Council Chambers**

The Dallas City Council met in regular session on Tuesday, September 6, 2011, at 7:00 p.m. in the Council Chambers of City Hall with Mayor Brian Dalton presiding.

**ROLL CALL AND PLEDGE OF ALLEGIANCE**

Council members present: Council President Wes Scroggin, Councilor Jim Fairchild, Councilor Beth Jones, Councilor Jackie Lawson, Councilor Mark McDonald, Councilor Murray Stewart, and Councilor LaVonne Wilson. Excused: Councilor Kevin Marshall and Councilor Ken Woods, Jr.

Also present were: City Manager Jerry Wyatt, City Attorney Lane Shetterly, Administrative Services Manager Robert Spivey, Police Chief John Teague, Public Works Director Fred Braun, Finance Director Cecilia Ward, and Recording Secretary Emily Gagner.

Mayor Brian Dalton led the Pledge of Allegiance.

**QUESTIONS OR COMMENTS FROM THE AUDIENCE**

Gerold Floyd stated he was a Kids, Inc. Board Member and the current softball coordinator, adding he was addressing the Council as a citizen and parent. He indicated he was concerned about the direction of sports in Dallas being taken by David Brautigam, a City employee. He added the direction was without consultation of Kids, Inc. with meetings taking place after decisions were made, when Kids, Inc. was just told of the decision. Mr. Floyd commented it was a grave injustice to Kids, Inc. which was a pillar of the community for over 50 years and brought sports to the community in an economical way that was supportive of the participants. He stated sports were taken away from Kids, Inc. with no explanation as to why. He asked what was wrong with the old system that sports needed to be redone. He indicated Kids, Inc. played a vital role in offering sports opportunities to kids in the community. He asked how, when Kids, Inc. was a non-profit organization, that a City employee could tell them what they could or could not do. Mr. Floyd stated his concern was that the decisions were being made without the full understanding of the Council. He recommended taking the time to ask what the benefits were to the direction being taken. Mr. Floyd reported that the explanation he got was that the City and School District felt it was necessary to put each sport under one specific organization. He stated football was now under Pop Warner and he was told that was a decision by the school district and coaches. Mr. Floyd indicated the Kids Inc football coordinator was told by the High School staff that it was n't their direction. Mr. Floyd asked where the decisions were coming from. He stated the concept sounded great, but the new organizations were competitive leagues, not designed or built for recreational sports that involved all kids regardless of their capabilities. He reported Kids, Inc. didn't turn anyone away and every participant got playing time. Mr. Floyd declared the other organizations wouldn't provide an opportunity for all participants to play. He added with increasing obesity, recreational sports provided a way for kids to get active and fight obesity.

**PUBLIC HEARINGS**

There were none.

**CONSENT AGENDA**

It was moved by Councilor Lawson and seconded by Councilor Wilson to approve the Consent Agenda as presented. The motion carried unanimously.

Items approved by the Consent Agenda: a) August 15, 2011, City Council minutes; b) acknowledge report of the August 22 Public Safety Committee Meeting; and c) acknowledge report of the August 22 Public Works Committee meeting.

**ITEMS REMOVED FROM CONSENT AGENDA**

There were none.

**REPORTS OR COMMENTS FROM COUNCIL**

Councilor McDonald indicated he was interested in the situation with Kids, Inc., adding that was the first he'd heard about the change in programs. He asked for some facts to be brought forward to the Council. Mr. Wyatt stated the Council had been briefed twice about the direction of the

sports program and added he would have staff follow up with a briefing to the full Council. Councilor Lawson indicated the topic had been discussed at length in the Park and Recreation Board meetings and referred Councilor McDonald to the minutes of those meetings.

## **REPORTS FROM CITY MANAGER AND STAFF**

### **REFINANCING SEWER OBLIGATIONS**

Mr. Wyatt reviewed the staff report.

Ms. Ward and Kieu-Oanh Nguyen, of Western Financial Group, LLC, gave a presentation. Ms. Ward stated the amount for the DEQ loan was actually \$7.6 million now, since a payment was made August 1. Ms. Nguyen indicated she had worked for Dallas on many bond financings over the years, noting she was involved when the DEQ loan was originated. She stated it was a very low rate of 3.93% and a half a percent loan rate, and never thought the City would beat that. She noted since interest rates were currently so low and the bonds were getting shorter until their maturity, the estimates show the City would be replacing that debt with a rate of 2.9%, or about \$390,000 in savings. She added that would be an annual savings of \$50 to \$60 thousand for the sewer fund. Ms. Nguyen reviewed the process for the refinancing and reported she anticipated selling the bonds at the end of September and closing by the first part of October.

In response to a question, Ms. Nguyen stated this refinancing would not extend the maturity date for either loan.

Councilor McDonald asked if Ms. Nguyen foresaw any problems selling the bonds. Ms. Nguyen stated it had been an unstable market, but with the volatility of the stock market, many investors were seeking out the safety of municipal bonds. Councilor McDonald asked if the sale wasn't successful would the old instruments remain in place. Ms. Nguyen reported that anytime a City refinanced, there was concern that the savings may not be achieved. She added in the notice of sale, it would state the City would have the ability to not award the bond if it didn't achieve a certain level of savings. Councilor McDonald stated bundling the loans into one was fiscally responsible. He asked if the spread between the interest rate and the APR would be less than an eighth of a percent. Ms. Nguyen stated that in the bond world, they state it differently. She indicated her estimate of the anticipated interest rate was around 2.47%. She noted that by the time the cost of the underwriters was added it would be around 2.7%. She explained some banks offer lower interest rates and charge more for the salesmen's compensation, while some do the reverse, noting from the City's standpoint they didn't really care. Councilor McDonald noted that three-tenths of a percent point was not a lot with a rate under 3%. Ms. Nguyen explained that when all the other costs were added, her conservative estimate would be that the final cost would be around 2.86%, adding she was hopeful the City could achieve higher savings than anticipated.

There was some discussion about the maturity dates of the two loans. Ms. Nguyen explained that the dates would stay the same, so that the OECDD loan would still be paid off in 2017.

### **AWARD CONTRACT FOR 2011 KINGSBOROUGH PARK IMPROVEMENT PROJECT**

Mr. Wyatt reviewed the staff report.

It was moved by Councilor Stewart and seconded by Council President Scroggin to award the contract for the 2011 Kingsborough Park Improvement Project to J.P. Contractors, Inc., of Portland, in the amount of \$129,500. The motion carried unanimously.

### **OTHER**

## **RESOLUTIONS**

**Resolution No. 3234:** A resolution of the City of Dallas, Polk County, Oregon, authorizing the issuance and sale of full faith and credit refunding obligations, series 2011; designating an authorized representative; authorizing the execution and delivery of a financing agreement and an escrow agreement; and related matters.

Councilor McDonald commented that it was important for the City to make hay while the sun shines so if the City could lower its debt service obligation, it should before the opportunity passed. He added he appreciated the work of Ms. Ward to save money.

A roll call vote was taken and Mayor Dalton declared Resolution No. 3234 to have PASSED BY A UNANIMOUS VOTE with Council President Wes Scroggin, Councilor Jim Fairchild, Councilor Beth Jones, Councilor Jackie Lawson, Councilor Mark McDonald, Councilor Murray Stewart, and Councilor LaVonne Wilson voting YES.

**FIRST READING OF ORDINANCE**

**Ordinance No. 1741:** An Ordinance amending Dallas City Code Section 5.020, relating to Unnecessary Noise; and repealing prior conflicting ordinances.

Mayor Dalton reviewed the staff report.

Councilor McDonald stated he could identify with the needs of the Police for a specific ordinance. He noted it was difficult because different people had different sensitivities. He acknowledged this particular ordinance might have benefits.

Mr. Shetterly reviewed the standard in section 2A of the Ordinance that defined a noise disturbance as a sound that annoyed a reasonable person of normal sensitivities. He explained that gave Law Enforcement some latitude so hypersensitive people would not get the full benefit of the ordinance.

Councilor Stewart asked why the Code didn't provide a warning but went straight to a civil infraction with a fine of \$142. Mr. Shetterly explained the Police could still issue a warning. There was some discussion about the procedure used for barking dogs. Chief Teague indicated that was usually not a long-term issue because people cooperated.

Mayor Dalton declared Ordinance No. 1741 to have passed its first reading.

**SECOND READING OF ORDINANCE**

**Ordinance No. 1740:** An Ordinance amending Dallas City Code Section 2.200 relating to Department Heads.

Mayor Dalton declared Ordinance No. 1740 to have passed its second reading. A roll call vote was taken and Mayor Dalton declared Ordinance No. 1740 to have PASSED BY A UNANIMOUS VOTE with Council President Wes Scroggin, Councilor Jim Fairchild, Councilor Beth Jones, Councilor Jackie Lawson, Councilor Mark McDonald, Councilor Murray Stewart, and Councilor LaVonne Wilson voting YES.

**OTHER BUSINESS**

There being no further business, the meeting adjourned at 7:36 p.m.

Read and approved this \_\_\_\_\_ day of \_\_\_\_\_ 2011.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Manager