

CITY OF MERRILL
BUDGET HEARING
AND
REGULAR BUSINESS MEETING
301 E SECOND STREET MERRILL, OREGON 97633
Wednesday, June 10, 2026
6:00 P.M.

MEETING CALLED TO ORDER:

Mayor Guthrie called the Wednesday, June 10, 2026 Business Meeting to order at 5:57 p.m.

ROLL CALL:

Roll call was taken with the following members of Council and others being present: Councilor Johnson, Councilor Gatliff, Councilor Baley, Vacant, Mayor Guthrie and City Recorder Hernandez.

FLAG SALUTE:

The **Flag Salute** immediately followed with Mayor Guthrie taking the lead.

MAYOR STATEMENT:

Mayor Guthrie asked that everyone please turn cell phones on silence. All meetings are recorded. When addressing the City Council, please speak clearly and state your name.

No public comment followed.

PUBLIC COMMENT:

Mayor Guthrie stated the public is invited to provide their comments and opinions to the City Council at this time on issues of concern. Non-emergency issues brought up in this form will not be considered tonight other than in this preliminary discussion, but if found warranted, may be considered at a future meeting of the city council. Public comment is limited to five minutes per person.

BUDGET HEARING:

- Approve Budget Appropriations (Resolution 2026-997): City Recorder Hernandez read Resolution 2026-997 into the record. Councilor Gatliff made a motion to approve Resolution 2026-997. Councilor Johnson 2nd the motion. The motion passed 3-0 in favor.
- Approve Tax Rate (Resolution 2026-997): City Recorder Hernandez read Resolution 2026-997 into the record. Councilor Gatliff made a motion to approve Resolution 2026-997. Councilor Johnson 2nd the motion. The motion passed 3-0 in favor.
- Ordinance/Resolution Declaring the City's Election to Receive State Revenues (Resolution 2026-996): City Recorder Hernandez read Resolution 2026-996 into the record. Councilor Baley made a motion to approve Resolution 2026-996. Councilor Johnson 2nd the motion. The motion passed 3-0 in favor.

CONSENT AGENDA:

Meeting Minutes:

Meeting Minutes:

1. Approve May 13, 2026 Executive Session and Regular Business Meeting Minutes: Councilor Gatliff made a motion to approve May 13, 2026 Executive Session and Regular Business Meeting Minutes. Councilor Johnson 2nd the motion. The motion passed 3-0 in favor.
2. Approve May 20, 2026 Special Business Meeting Minutes: Councilor Johnson made a motion to approve May 20, 2026 Special Business Meeting Minutes. Councilor Gatliff 2nd the motion. The motion passed 3-0 in favor.

Business License:

- Volcanic Winery 2026 Annual Business License: Councilor Gatliff made a motion to approve Volcanic Winery 2026 Annual Business License. Councilor Baley 2nd the motion. The motion passed 3-0 in favor.

Phone poll ratifications:

Accounts Payable:

May 2026 Account Payables: Councilor Gatliff made a motion to approve Account Payables. Councilor Johnson 2nd the motion. The motion passed 3-0 in favor.

May 2026 Water Transfer: Councilor Bailey made a motion to approve Water Transfer. Councilor Gatliff 2nd the motion. The motion passed 3-0 in favor.

STAFF REPORTS:

Police:

- Report: Chief Hetherwick read submitted report as follows: 15 traffic stops, 3 citations, assisted Klamath County Sheriff's Office with 2 calls, 911 hang up call and one trespass issued, assisted Malin Police Department, harassment issue, assisted Merrill Rural Fire Department with flags along Front Street, relocated transient person to Klamath Falls, assisted public works with traffic control for fixing a pot hole on Front Street, trespassed individual from residence on Swisher Road, attended monthly MDT meeting at Klamath Falls Police Department, and citizen assist regarding a suspicious 50 gallon barrel in alley behind Third Street and Garfield Street.
- Discuss Police Vehicle Purchase: Chief Hetherwick stated being in communications with the Fleet Manager of Deschutes County. There is an option to purchase a 2020 Dodge for \$22,000.00 (originally had been quoted \$19,000.00) with 70,000 miles. To purchase a new vehicle, there is a delay of 2-3 years. Councilor Gatliff inquired to budgeted amount. City Recorder Hernandez stated \$40,000.00 has been allocated for a new vehicle. Councilor Johnson made a motion to approve the purchase of the 2020 Dodge. Councilor Gatliff 2nd the motion. The motion passed 3-0 in favor.
- Discuss Taser Purchase: Chief Hetherwick requested permission to purchase an Axon Taser in the \$900.00 to \$1,000.00 range. The taser currently in use is on loan from Tulelake Police Department until July 2026. Councilor Gatliff made a motion to purchase a new taser. Councilor Johnson 2nd the motion. The motion passed 3-0 in favor.

Public Works:

- Report: Interim Public Works Director Roman Vazquez read submitted report as follows: Checked lift stations, submitted Discharge Monitoring Report (DMR) to Department of Environmental Quality (DEQ), hung pink tags, performed multiple locates, collected water samples, collected sewer samples, outside dumping revenue is at \$118,000.00, bulk water revenue is at \$2,440.00, fixed sewer pumps at lift stations, cleaned lagoon, read water meters, sprayed weeds, mowed parks, mowed cemetery for Memorial Day, chopped weeds, replaced sump pump at Lincoln Lift Station, lift stations and shop flooded during rain storm, fixed multiple sewer plugs, fixed water leak at Third and Grant Street, finished kiosk at Third and Elm Street for RV Dump Station, and patched hole on Front Street. Interim Public Works Director Roman Vazquez reported 8-foot sewer line collapsed and will require 3-4 loads of gravel. Interim Public Works Director Roman Vazquez fixed a broken water meter on Dencer Lane. Part-time Utility Worker Nunn will begin full-time employment June 16, 2026.

City Recorder:

- Report: City Recorder Hernandez read submitted report as follows: submitted authorization and Form 5500 to Northwest Retirement for submission to IRS, met with Midland Empire, performed Case 480C tractor research for insurance purposes, finalized Water Relocation Project Contract, submitted CCR and CCR Certification (mailed with utility billing), emailed PFAS Report, and other administrative duties.

Lawyer:

- Report: No report.

Code Enforcement:

- Report: Ongoing issue with boxes by the river from Tacos a la Mexicana. Issued a verbal warning and boxes were removed. Received an unfounded complaint regarding wooden pallets along fence at corner of Roosevelt Street and Second Street.

Planning:

- Report: *Planning Meeting Cancelled*

- Approve *Municipal Code Article 154 Development Code* June 12, 2007, Updates Per DLCD Guidelines: Tabled.

LOST RIVER ARTS AND CULTURAL ALLIANCE:

- No report.

NEW BUSINESS:

- Presentation by Lost River FBLA: *Flyers were distributed to the City Council and visuals were set-up.* Sophia O'Brian, Chapter President, introduced self. (*Other members made self introductions; however, were inaudible*). Benji Henslee, Advisor and Business Teacher at Lost River High School introduced self. FBLA, Future Business Leaders of America, is a technical career-oriented organization, which has 230,000 members. FBLA helps students become community-minded business leaders through career preparation and leadership experiences. FBLA attends a Regional Skills Conference at Oregon Institute of Technology, State Business Leadership Conference in Eugene, Oregon, and Nationals in San Antonio, Texas. Community service has included Soroptimist, Benefit for the Basin, volunteered to set up the City of Malin's Christmas lights, and provided free t-shirts for every Lost River staff member to show deep appreciation for the Lost River Chapter. Fundraising has included the Snack Shack, Raffle Boxes, Can Drive, Concessions, and Lost River Carnival. Eight members have committed to attending the National Conference from June 26, 2026-July 03, 2026. The cost per person is \$1,900.00. FBLA Members sought financial assistance from the City of Merrill. Councilor Johnson made a motion to approve \$2,000.00 to the Lost River FBLA Chapter to attend the National Conference. Councilor Gatliff 2nd the motion. The motion passed 3-0 in favor.
- Consider Merrill Commercial Property Price Adjustment and Listing Price Extension: Cayla Darcy, Broker with Fairfield Realty, updated the City of Merrill on the status of Merrill Commercial and sought ideas for incentives. Cayla Darcy suggested the property be reduced by \$10,000.00. Councilor Gatliff countered and made a motion to lower the listing price by \$5,000.00 and relist the property. Mayor Guthrie stated opposition though acknowledged a depressed economy. Councilor Johnson made a motion to lower the listing price by \$5,000.00. Councilor Baley 2nd the motion. The motion passed 3-0 in favor. Councilor Gatliff made a motion to extent the listing. Councilor Johnson 2nd the motion. The motion passed 3-0 in favor. Cayla Darcy sought City Council opinion on the possibility of owner financing with interest and the title company managing the complexities of such. Councilor Gatliff made a motion to allow the option of owner financing with a substantial down payment. Councilor Johnson 2nd the motion. The motion passed 3-0 in favor.
- Discuss Dangerous Dog Restrictions and/or Ban: Tabled.

OLD BUSINESS:

ORDINANCES:

- 2071 Hunter Franchise-Second Reading: Ordinance 2071 Hunter Franchise was submitted to the City Council. The ordinance reflected changes requested by Hunter Communications, which include striking Section 8.3. City Council stated opposition to eliminating Section 8.3. Councilor Johnson stated permits would also be a requirement. Changes will be reflected with a third reading July 8, 2026.

RESOLUTIONS:

- Resolution 2026-1001 Bank Signature Authorization: Resolution 2026-1001 Bank Signature Authorization was read into the record by title. Councilor Johnson made a motion to approve Resolution 2026-1001 Bank Signature Authorization. Councilor Gatliff 2nd the motion. The motion passed 3-0 in favor.

OTHER-FUTURE AGENDAS:

PUBLIC COMMENT:

The public is invited to provide their comment and opinion to the City Council at this time on issues of their concern. Non-emergency issues brought up in this forum will not be considered tonight other than in this preliminary discussion, but if found to be warranted, may be considered at a future meeting of the City Council. Public comment is limited to 5 minutes per person.

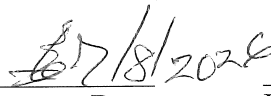
No public comment followed.

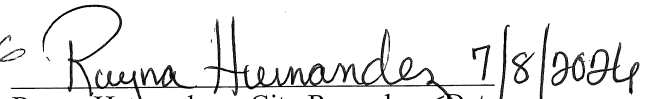
ADJOURN MEETING:

Councilor Johnson made a motion to adjourn the June 10, 2026 Meeting. Councilor Gatliff 2nd the motion. With all in favor, the meeting adjourned at 6:56 p.m.

Respectfully Submitted,


Terry Guthrie – Mayor


Date


Rayna Hernandez – City Recorder Date

File #2024-10-03-09-57-05