

CITY OF MERRILL
BUDGET HEARING
and
REGULAR BUSINESS MEETING
301 E SECOND STREET MERRILL, OREGON 97633
Wednesday, June 10, 2024 5:30 P.M.

9025

MEETING CALLED TO ORDER:

Mayor Guthrie called the Wednesday, June 11, 2025 Business Meeting to order at 5:55 p.m.

ROLL CALL:

Roll call was taken with the following members of Council and others being present: Councilor Johnson, Councilor Gatliff, Councilor Baley, Councilor McCollam, 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.

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.

- Kraig Beasley: Kraig Beasley introduced self as a potential home buyer within the City of Merrill. Kraig Beasley was inquiring about the process and guidelines of installing a fence on a corner lot on Front Street and Garfield Street. Councilor Gatliff stated the fence must be 4' along Front Street with additional set-back being a corner lot. The Planning Commission is the first Monday of each month at 5:30 p.m. The application must be submitted one week prior to the meeting.
- Gilberto Idrogo: Gilbert Idrogo, a resident of Newell, California, travels through the City of Merrill and is attending the City Council Meeting to speak on behalf of stray dogs roaming the City. Gilbert Idrogo inquired whether water could be put out for the animals or a solution to help the dogs. Councilor Johnson stated the dogs are difficult to catch. Gilbert Idrogo used to catch the dogs and take them to Klamath County Animal Shelter; however, dogs are no longer accepted. Gilbert Idrogo reiterated bring the issue to the attention of the City.

BUDGET HEARING:

- Approve Budget Appropriations (Resolution 2025-970): Resolution 2025-970 was read into the record. Councilor Johnson made a motion to approve Resolution 2025-970. Councilor McCollam 2nd the motion. The motion passed 4-0 in favor.
- Approve Tax Rate (Resolution 2025-970): Resolution 2025-970 was read into the record. Councilor Johnson made a motion to approve Resolution 2025-970. Councilor Gatliff 2nd the motion. The motion passed 4-0 in favor.
- Ordinance/Resolution Declaring the City's Election to Receive State Revenues (Resolution 2025-969): Resolution 2025-969 was read into the record by title. Councilor Gatliff made a motion to approve Resolution 2025-969. Councilor McCollam 2nd the motion. The motion passed 4-0 in favor.

CONSENT AGENDA:

Meeting Minutes:

1. Approve May 14, 2025 Supplemental Budget Hearing and Regular Business Meeting Minutes

Councilor Gatliff made a motion to approve the May 14, 2025 Supplemental Budget Hearing and Regular Business Meeting Minutes. Councilor Baley 2nd the motion. The motion passed 4-0 in favor.

Phone Poll Ratification:

Business Licenses:

Accounts Payable:

2. May 2025 Account Payables
3. May 2025 Water Transfer

Councilor Gatliff made a motion to approve the entire consent agenda. Councilor Johnson 2nd the motion. The motion passed 4-0 in favor.

STAFF REPORTS:

Police:

- Report: Sergeant Hetherwick read submitted report as follows: 10 traffic stops with 1 speed citation and one Driving While Suspended citation. Responded to an animal complaint at 320 E Front Street regarding a dog attack. After follow-up, Sergeant Hetherwick was informed the attacked dog was euthanized due to sustained injuries; therefore, the offending owners were cited for “potentially dangerous dog”. Responded to 3 disturbances at 245 Willow Street within a 3-hour time period, which were determined to be civil issues and were advised thereof. Complaints regarding 2 loose dogs continue to be ongoing. The Water Hole requested a patron who had been “86’ed” be formally trespassed. Assisted a customer of R & J Auto regarding extortion. Former owner, Rodney Green, resolved the confusion. Responded to an unfounded complaint of people on resident’s roof attempting to tap telephone lines at 315 N Monroe Street. Requalified in firearms, conducted by Klamath County Sheriff’s Department. Middle Management Academy has been postponed to October 20-24, 2025. Resident Murray Kullrich (429 Polk Street) stated observance of reduced speeding due to Sergeant Hetherwick.
- Discuss Civiceye Report Writing System: Requested to remove from future agendas.

Public Works:

- Report: Public Works Director Matthews read submitted report as follows: Checked lifts; well level of 66’ with pump running; completed and mailed Discharge Monitoring Report; hung pink tags and turned off services; performed 8 locates; cleaned restrooms; cleaned tules from lagoon; outside dumping revenues received, \$120,000.00; bulk water revenues received, \$4,700.00; Klamath County paved 2” overlay on Main Street; complications with Lincoln Street Lift Station resulted in replacing new pump, unplugging alternate pump, and Modoc Sanitation pumping out 7 loads; PacifiCorp cut down tree at City Hall Park; chopped commercial property and lagoon; sprayed weeds; Oregon Department of Transportation (ODOT) swept Front Street; installed water service on Elm Street; assisted Merrill Elementary with irrigation system on the flat; acquired desks, chairs, etc. from Merrill Elementary; welded weed chopper; fixed 2 sewer plugs; Klamath County will extend the Small City Allotment Grant to include Elm Street; and ODOT will need to relocate 6 inch water lines for the Safe Routes to School Project the City will be required to pay and be reimbursed. The project has been resourced to City Engineer Darryl Anderson.
- Water Quality/Consumer Confidence Report: Annual report was submitted to the State of Oregon and residents with Utility Billing.
- Discuss 319 McKinley Illegal Grease Dumping: A resident residing on McKinley Street has a food truck. There have been issues in the past. Logs of grease are clogging the lines. There are two other residences, which are not contributing to the plug. Hours of Utility Worker Roman Vazquez will be logged for reimbursement by the resident. Klamath County Public Health has been notified of the illegal dumping. A grease trap will need to be installed. City Recorder Hernandez stated the resident has an agreement in place with a local business for dumping.

City Recorder:

- Report: City Recorder Hernandez read submitted report as follows: Submitted Weed Shop Conveyance for hearing and received title to property; electrical storm “burned-out” router resulting in no telephone and internet for 1 week; held Budget #2; attended conference with City Attorney; printer set-up for emergency purposes; Thank you letter to Merrill’s Lion’s Club for new flags; received Land Lease Renewal Contract;

City Clerk Northcutt attended court; worked through Utility Billing issues; set-up Asyst FY 25-26; and other administrative duties.

Lawyer:

- Report: City Attorney Ratliff attended court, and the City of Merrill is awaiting a verdict. The City of Merrill received an invoice for \$1,880.00 for services rendered.

Code Enforcement:

- Report: Code Enforcement Officer Perry read submitted report as follows: 19 abatements have been sent out, 9 remains open, and 1 abatement resent. Code Enforcement Officer Perry attended court. Code Enforcement Officer Perry had one resident contact and 5 tag warning placed on doors, all in compliance. Patrolled City for abatement violations; checked City Hall after rentals and clean-up; connected with Sergeant Hetherwick for weekly updates; prepared Code Enforcement Report; Safety Meeting paperwork; and June 16, 2025, summer hours begin. Councilor Johnson inquired whether Code Enforcement Officer Perry has contacted the Dollar General and Les Schwab Tires. Code Enforcement Officer Perry affirmed the Dollar General and stated negative for Les Schwab Tires.

Planning:

- Report: No report.
- File #02-2025 4110-00200-01703 Merrill Tract, Lot 9 General Review Application: Tabled.
- File #05-2025 (2) LUCS Application and Site Plan for Tax Lot 4110-011AB-00300: Due to Oregon Department of Transportation opposition of the Site Plan, the applicant has rescinded the application.

LOST RIVER ARTS AND CULTURAL ALLIANCE:

- Report: Public Works Director Matthews reported planting flowers at Friend's of Merrill Park. Public Works Director Matthews thanked Rural Klamath Connects for the funding of the flowers, Owner Bev Moore for the flowers, and Utility Worker Roman Vazquez for the irrigation set up. Merrill Historical Society had a group from Yreka, California tour the Merrill Historical and Modoc War Museum, which included descendants of George Fiock, the first civilian during the Modoc War to shoot at Hooker Jim. Public Works Director Matthews elaborated further on the Modoc War history and tour guests. Public Works Director Matthews updated the City Council on the progress of the Lost River Bluegrass Festival and sought approval for campers to utilize the City Hall Park. No objections followed. The Rotary is granting \$1,500.00. The Stukel Mountain Stranglers will be playing at Collier Park for the Living Pioneer Days.

NEW BUSINESS:

- FBLA-Oregon Community Foundation Grant Request: Future Business Leaders of America (FBLA) Advisor Benji Henslee introduced self. FBLA Members Hector and (*inaudible*) introduced selves (*last names unknown*). Lost River High School FBLA Chapter will be travelling to Anaheim, California for Nationals Conference on June 27, 2025 for 7 days. Lost River FBLA, a career and technical organization, currently has 57 members, 43 high school members and 14 junior high 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 Portland, Oregon, and Christmas Get-Together. Community service has included Soroptimist Jingle and Mingle, 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. FBLA Members in attendance volunteered to assist the City of Merrill in any capacity. FBLA has engaged members by utilizing guest speakers, running a student store, creating t-shirts and designs, and providing opportunities for social interactions. Fundraising includes a student snack shack open every break, concessions, can drives, carnival, "sell" sponsorship spots of t-shirts, etc. Seven members will be attending the National Conference, six Lost River students and 1 Bonanza student. The cost per person is \$1,600.00. FBLA Members sought financial assistance from the City of Merrill and thanked the City Council. Advisor Benji Henslee elaborated on other volunteer and fundraising activities such as: The Lost River Bluegrass Festival, The Merrill Lion's Club, Benefit for the Basin, etc. Mayor Guthrie inquired how much has been raised to date. Advisor Benji Henslee stated the members are at different rates but range from \$200.00-\$500.00. Councilor Gatliff sought clarification regarding City of Merrill donations from past years. City

Recorder Hernandez affirmed denominations from \$2,000.00-\$3,000.00. Councilor Johnson listed assumed necessary expenditures and further inquired about non-essential expenses. Advisor Benji Henslee stated the primary goal is to reach the \$1,600.00 threshold; thereafter, activities that are free or minimal may be considered such as industry tours, etc. Councilor Johnson made a motion to approve \$2,500.00 to FBLA. Councilor Gatliff 2nd the motion. The motion passed 4-0 in favor.

- Discuss Merrill Mobile Manor Water Audit: Merrill Mobile Manor Owner introduced self as Lee Schlegel. Owner Lee Schlegel stated: "this is kinda of a rerun on this situation. When we implemented this in, uh, 2018, we had an agreement with the City. Uh, first of all, Merrill Mobile Manor has two meters out on the street and comes in. One of them, uh, on the far side, which is 12 sites, and on the north side, I guess I should say the east side actually, has 20 sites in it. Our agreement was (inaudible) the 12 sites would be considered the same as motels, they're exempt for tourism, and I cater to the working man. And these working guys spend a lot of money in town. They buy their gas, they grocery shop, they...most of them don't cook so they go to the restaurants. They generate a lot of business, plus, I do a lot of overnighter's. My center consists of six sites, is uh, that is what it is designated for, and if you get somebody on the outside perimeter that is full of the longer term gentlemen, uh longer term RV's, we will put them in the center, but as soon as the sites come open, they move to the outer perimeter. Right now, there's one RV in that center section. That's me. I'd had, uh, eight overnighter's weekly in there since I have been here this three weeks (inaudible) having a new manager. I do know, my old manager was not moving these people like they're supposed to, and I have new managers now because of situations like this. I feel like with what I got in the letter that's a 50 % increase in my water bill. I said we expand \$322.00 for water. If you figure that out, that is at upper the first meter, which is at 20, and then the second one, if you implement that, you put me in a disadvantage to the motels. Both the motels have RV sites over there, and with their door count, they don't have to pay this price."

City Recorder Hernandez: "Yes, they do. They are set up exactly like you are. They are per site and per room."

Owner Lee Schlager: "And per room? That is not what your letter says. Motels are exempt."

City Recorder Hernandez: "They are set up the exact same way, and the difference is, one of the problems that we found out when we were going through...well when Klamath County came through, is we have only been charging you for 14 sites."

Owner Lee Schlager: "I beg your pardon \$322.00 and take it out and figure that out, and it's about 20 sites."

City Recorder Hernandez: "We did do the math when we sent the letter out. It's 14 sites that you are being charged for, and you have 32 parking spaces (*sic*) (23 back in sites with full hook-ups and 6 pull thru sites that are non-metered). This is from your website."

Owner Lee Schlager: "Do you know what I say when I say non-metered? They are overnight sites and there's no electric meter on them. We have our outside perimeter electric meters, so that has nothing to do with it. With this part. My whole thing is last winter, and every winter, I have anywhere's from 10 to 12 empty sites through the winter. I am still paying \$13.80 for every one of them sites and I ain't taking any water. I don't mind paying my fair share. I know the City has to make money because I do too. My preference would be, if I had a choice on this, is set up a meter charge with no water given to it, and charge for the water meter. That way, if I got an empty site set in there, it don't cost me \$13.00-\$14.00 a month. As it sets here now, this is going to cost me \$13.80 a month even if it that things empty and there is not a drop of water going to it. I don't see that as being fair. I am one of the largest contributors to the City. For the City's businesses for the revenue coming in, and uh,...this is a 50% increase in my water bill, and uh, then I'm paying in the wintertime for water... for a concrete box that produces nothin'. I know I got to make money too, and I..I understand you folks do too. I would really like to see you consider just charging me for a flat rate for each one of them meters and then pay for all the water (inaudible) then I am not paying for water when is not being used, and the same thing for over there. I, uh, don't know if you have changed the rules or whatever, but that is what we did (inaudible) but anywhere's that is where I am coming from is this is, uh, going to be, uh, real burden. It's not bad in the summertime, but it's bad in the wintertime for me. And, uh, so if I understand you right, then the motels are pay per door?"

City Recorder Hernandez: "Yes, whether it's..."

Owner Lee Schlager: "Per door or per RV site?"

City Recorder Hernandez: "Both. Whether it's rented out or not. They are paying the exact same."

Owner Lee Schlager: "Well, I don't really think it's just, but..."

City Recorder Hernandez: "Same with the apartments."

Owner Lee Schlagel: “Anyways, that is my, uh, complaint on it because it is...it does get quite expensive in the wintertime when people are not here. I do cater to overnigher’s when they come in. I do contribute (*inaudible*). On average, an overnigher will spend \$50.00 in town, and I have no idea how much these, uh, workers do. The average worker stays there 2-3 months out of the year. Like I’ve got, right now I’ve got three Pipe Liners in there. They’re will be leaving the first of August. They’ve been there about a month now, and I’ve got, uh, a manager come in this, uh, managing goodwill. Naturally, he will be looking for a house. I’ve got two folks working at John Deere up here, they’re looking for a house. They’ve come in and stayed and looked for a house. So, I kinda feel like I’m transient, more of tourists (*inaudible*). And I, uh, I feel like this is pushing the issue on me and it creates a burden. And a second thing that really creates a burden on me is the state’s tenant clause to say that I have to give a 90 day notice for increase, and I can only increase once a year. So, I put in for an increase, in the rents for...come the first of July and April every year. I do it every year ‘cause I can do it only once every year. If I did that, this increase will cost me \$5 a site from now until next year because I can’t recoup any of that. So, it’s a lost revenue totally...but you know, and it’s not your fault, you guys are just doing your business, but my, uh. I am controlled by the state, and I can’t just go back and say, ‘hey, you know, I’ve had a big raise on my water, and I need to raise the rates’. I get to eat this for the next year. It puts a (*inaudible*) on any business like that, I mean. So, I sure would appreciate a little consideration here on it ‘cause the fact that...you know, not only does it put a heavy increase in water, but its, uh, it puts a direct burden on my net bottom line. As you well know, we all have a bottom line that we’re in trouble. Anyway, anyone have any questions?”

No questions followed.

Owner Lee Schlagel: “Thank you for your consideration. I appreciate it if you would reconsider this. At least give me a break on the six sites in the middle ‘cause they are strictly overnigher’s. Thank you.”

Tabled.

OLD BUSINESS:

- HB 926A Logo Support: No consensus. Councilmen were undecided and against.

ORDINANCES:

RESOLUTIONS:

- Resolution 2025-971: Transfer Line-Item Funds to Comply with Budget Law Requirements: Resolution 2025-971: Transfer Line-Item Funds to Comply with Budget Law Requirements was read into the record by title. Councilor Johnson made a motion to approve Resolution 2025-971: Transfer Line-Item Funds to Comply with Budget Law Requirements. Councilor McCollam 2nd the motion. The motion passed 4-0 in favor.
- Resolution 2025-972 Transfer Line-Item Funds to Comply with Budget Law Requirements: Resolution 2025-972 Transfer Line-Item Funds to Comply with Budget Law Requirements was read into the record by title. Councilor Johnson made a motion to approve Resolution 2025-972 Transfer Line-Item Funds to Comply with Budget Law Requirements. Councilor Gatliff 2nd the motion. The motion passed 4-0 in favor.

OTHER-FUTURE AGENDAS:

PUBLIC COMMENT:

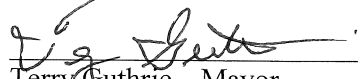
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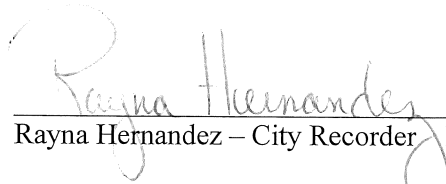
No public comment followed.

ADJOURN MEETING:

Councilor Johnson made a motion to adjourn the June 11, 2025 Meeting. Councilor Gatliff 2nd the motion. With all in favor, the meeting adjourned at 6:55 p.m.

Respectfully Submitted,


Terry Guthrie – Mayor 5/8/2025
Date


Rayna Hernandez – City Recorder 7/9/2025
Date

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