

Minutes of the Veneta City Council
May 29, 2007

Council

Present: Mayor T. J. Brooker, Thomas Cotter, Sharon Hobart-Hardin and Marion Esty

Absent: Darrell Carman

Others: Ric Ingham, City Administrator; Margaret Boutell, Community Services Director; Jerri Moore, Finance Director; Darci Henneman, Assistant City Recorder; Joan Mariner, Linda Boothe, Heather Hill, and Jenny Ramsey

Mayor Brooker called the Veneta City Council meeting to order at 7:05 p.m.

1. **PUBLIC COMMENT** - Maximum time 20 minutes. Speakers will be limited to 3 minutes each. The Council will not engage in any discussion or make any decisions based on public comment at this time; however, they may take comments under advisement for discussion and action at a future Council meeting.

Joan Mariner, 25712 Cochran Ct., Veneta, OR;

Ms. Mariner thanked the Council and community on behalf of ART, Inc. for the sold out shows. She said ART, Inc. will be doing more plays in the future and a way to get tickets in advance is by becoming a member of ART, Inc. She said now until December 31, 2007 people can become founding members and will be listed as such. She said on July 21st Rain Song Winery in Cheshire will be hosting a wine bottling party, where people can bottle their own wine using ART, Inc. labels. She said this is a great way to get involved and support ART Inc.

Joan Mariner, 25712 Cochran Ct., Veneta, OR;

On behalf of Neighbors 4 Responsible Growth (N4RG), Joan thanked the Council and City staff for sponsoring the Earth Day Clean Up. She said, however, N4RG were disappointed there was no recycling opportunities for residents and suggested following Eugene's lead in becoming a more "green" community.

Linda Booth, 25331 Jeans Rd., Veneta, OR;

Ms. Boothe said the Fern Ridge Chamber of Commerce will be opening soon.

Heather Hill, 88150 Territorial Rd., Veneta, OR;

Ms. Hill spoke on behalf of Lane County Fire District No. 1 and the 4th Annual Safety on Wheels program to be held on Friday, June 1, 2007, at 4:00 to 6:30 p.m., targeting elementary and middle school age. Country Transfer & Recycling will bring a service truck for kids to explore. Ms. Hill asked the Council to partner in the expense of the helmet give-a-way. She ordered 1,500 helmets and would like the Council to make a donation to help pay for the helmets. She said the Fire District would be holding assemblies at the schools prior to the event to get the word out to the children.

2. **CONSENT AGENDA**

MOTION: Thomas Cotter made a motion to approve the consent agenda. Sharon Hobart-Hardin seconded the motion.

Vote: Marion Esty, aye; Thomas Cotter, aye; Mayor Brooker, aye; Sharon Hobart-Hardin, aye.

The consent agenda as approved included minutes for May 14, 2007 and Bills Payable for May 2007.

3. DEPARTMENT REPORTS

a. FROM MAYOR/COUNCILORS

(1) Law Enforcement Activities Report, Sgt. Harrold LCSO
Sgt. Harrold referred to the Public Safety Report in the Council packets and asked Councilors if they had any questions. He has been working with the Oregon Country Fair staff and ODOT to open the lines of communication. Adding the fourth deputy has made a huge difference in covering summer events. Issues that require more than one shift are getting covered more easily and more efficiently.

In response to a question from Mayor Brooker, Sgt. Harrold said he is planning to attend the pre-Country Fair meeting set for June 7th. In response to a request from Thomas Cotter, Sgt. Harrold said he would patrol the intersection of Hunter and Huston.

(2) Subordination Agreement for Chicago Joe's
Ric referred to Carolyn Connelly's letter regarding the Subordination Agreement between Deacon and Hillary Matthews of Chicago Joe's pizza parlor and the City. In order for the Matthews' to refinance, the City would be required to sign the Subordination Agreement, which would put the City in a second mortgage position for the re-payment of the remaining System Development Charges (SDC) the Matthews' owe to the City. Ric felt this isn't an ideal situation for the City but recommends signing the agreement in order to keep the restaurant open and to support local businesses.

In response to questions from Marion Esty and Thomas Cotter, Margaret said the Matthews' have made two annual SDC payments since they have been in business approximately 22 months ago.

Thomas Cotter didn't understand Ms. Connelly's recommendation pertaining to the two paragraphs she suggested be deleted. In response, Ric said after her review, she felt the language was standard and didn't provide any undue protection to the Lender, therefore the language wouldn't effect the City's position so the language should stay in the document.

In response to a question from Sharon Hobart-Hardin, Ric said originally there were three owners of Chicago Joe's. The Matthews will use the funds from the refinance to pay off the other two owners and be sole owner of Chicago Joe's. Lana Hire is lending the Matthews the funds for the refinance/buyout of the other partners.

In response to a question from Thomas Cotter, Ric said Ms. Hire's financing will be used to buyout the other two partners but will not name herself as a partner nor are the Matthews selling any portion of the business. The business is not changing hands but is going from three partners to sole ownership. The refinancing is to buyout those partners only. Ric said the City's SDC agreement has always been with the Matthews, which will not change if the Council decided to sign the agreement.

Margaret said his former partner was on the agreement until just recently and the Matthews' bought her out.

In response to a question from Thomas Cotter, Margaret said Oregon State Statutes do not allow the City to enforce the acceleration of payment of SDCs based on a change of ownership. She said new owners are permitted to take over payments for the SDCs.

The City originally agreed to allow deferment on the SDCs for 10 years. The Matthews' have been in business for two years so they have eight years to pay the remaining SDCs.

Mayor Brooker said it made sense for the City to sign the agreement because it doesn't materially change the City's position in the agreement. The Matthews' are still willing to pay the SDCs.

Thomas Cotter doesn't want to hold up the Matthews' transaction to buyout their partners, however, he didn't understand the intent of the agreement and would like a clearer explanation of the document. Sharon Hobart-Hardin agreed. They were concerned about setting a potential precedence for the City. Ric suggested Sharon Hobart-Hardin and Thomas Cotter speak with Carolyn to clarify the document. They agreed.

MOTION: Sharon Hobart Hardin made a motion to conditionally approve Mayor Brooker signing the Subordination Agreement with Chicago Joe's upon clarification by Legal Counsel no later than June 5th, 2007. Thomas Cotter seconded the motion, which passed with a vote of 4-0.

(3) Explorer's Club Request

Jenny Ramsey, Project Coordinator for the Explorer's Club, thanked Councilors for last year's donation of \$1,000 to the program. She said 60% of last year's participants were Veneta residents and required scholarships to allow children to attend the program. She requested \$1,000 for the 2007-08 Explorer's Club program, which will run July 11th to August 3rd. The program hires 11 high school students every summer to help with the Club. This year, two of the students are past Explorer's Club participants. Because the program is becoming more popular, she is able to place children into age appropriate groups. She also thanked the Council and City staff for creating the summer recreation guide which included several other community programs.

Sharon Hobart-Hardin said Ms. Ramsey's program is a major piece of the summer program schedule and thanked her for her efforts.

MOTION: Thomas Cotter made a motion to approve a \$1,000 contribution to the Explorer's Club for scholarship fees. Sharon Hobart-Hardin seconded the motion, which passed with a vote of 4-0.

b. COUNCIL/COMMITTEE LIAISONS

Marion said she attended the Fern Ridge School Board meeting last week. She said the Library Foundation Board is looking for newcomers and asked any interest persons to talk to her.

4. STAFF REPORTS

a. FINANCE DIRECTOR JERRI MOORE

(1) Resolution 941 - A RESOLUTION TRANSFERRING APPROPRIATIONS FOR THE 2006/07 FISCAL YEAR

Jerri said Resolution 941 is for transferring appropriations from one account to another. Certain City of Veneta programs, purchases and projects were appropriated without actual components, time lines or known costs. There are no costs involved in this transfer.

MOTION: Sharon Hobart-Hardin made a motion to approve Resolution 941. Thomas Cotter seconded the motion, which passed with a vote of 4-0.

Jerri said Resolution 942 refers to certain City of Veneta property which was lost during the 2006-07 fiscal year. (The pick-up truck that was totaled in the snow storm). Expenditures to replace the destroyed property could not have been known at the time the budget was prepared. Resolution 942 will allow the appropriations to increase in order to budget for the lost vehicle.

(2) Resolution 942 - A RESOLUTION AUTHORIZING AN INCREASE OF APPROPRIATIONS AFTER DESTRUCTION OF PROPERTY FOR THE 2006-2007 FISCAL YEAR.

MOTION: Sharon Hobart-Hardin made a motion to approve Resolution 942. Thomas Cotter seconded the motion, which passed with a vote of 4-0.

Jerri said staff is finalizing the budget. She received the revised draft from the auditor of the final audit report, which she will be providing to Councilors upon receipt. Councilor's thanked Jerri for the updated budget information.

b. COMMUNITY SERVICE DIRECTOR MARGARET BOUTELL

(1) Coordinated Population

Margaret referred to the population forecast handout which LCOG created to provide forecasting for five and 15 year population trends. Based on LCOG's growth chart, staff believes the five year trend is a truer picture to follow and recommended Mayor Brooker sign a letter to LCOG requesting they use the five-year trend rate for calculating Veneta's future population growth.

Margaret said in order to update the Wasterwater Facilities Plan, staff would like to see a population number which reflects build-out of the Urban Services Area.

In response to a question from Thomas Cotter, Margaret said the recommendation is for the 9, 990 population figure.

MOTION: Sharon Hobart-Hardin made a motion to authorize Mayor Brooker to sign letter to LCOG. Thomas Cotter seconded the motion, which passed with a vote of 4-0.

(2) Spay/Neuter Program

Margaret said 30 cats were spayed or neutered plus various vaccinations were done at the first spay/neuter clinic in Veneta provided by the Neuter Scooter. She said it was very well organized and the cost to the City was minimal, consisting of the use of the community center and Teresa Warrick's time while she assisted with the clinic.

Margaret said the next scheduled clinic will be Friday, August 3, 2007. She suggested that because staff will have more time to prepare for the next clinic, a coupon could be created as a discount for residents.

(3) Code Enforcement Proposal

Code Enforcement was discussed at the April 18, 2007 Council work session. At that time staff was asked to submit a proposal for improving Veneta's code enforcement program. Margaret suggested from July 1 to December 31 the following:

1). High grass issues would be enforced as previously, 2). Nuisances would still be enforced on a complaint basis; 3). Site plans and planning code compliance checks would be added, which may require additional work; 4). Staff would work with legal counsel to propose code language to allow staff to issue citations for code infractions to be heard in Municipal Court, including other code revisions necessary as work continues; and 5). Set up a tracking system and process for a more active enforcement program that is not complaint driven but is efficient and cost effective.

Approximately 30% of an existing full time employee would be required to complete the above tasks. Margaret said in January, 2008 staff would submit a progress report on the code amendments and processes to the Council for review and possible additional steps to follow.

MOTION: Thomas Cotter made a motion to approve the Code Enforcement proposal. Sharon Hobart-Hardin seconded the motion, which passed with a vote of 4-0.

In response to a question from Mayor Brooker, Ric said the building permits duties will be taken over by Sheryl Hackett from Teresa Warrick, which will give Teresa time to complete the code enforcement duties.

Margaret said the grant for the Territorial Sports Complex was submitted and the presentation would be on June 13, 2007, at 10:00 a.m. in Bend, Oregon. Margaret spoke with Sterling Pew, President of Territorial Sports Program, who said he may attend. Marion Esty said she may also attend. All other Councilors would not be available.

Margaret said approximately one year ago (June 1, 2007) a deadline notice was sent out to approximately nine property owners on Hunter Rd. who were required to hook-up to City services. At this time, four of those have yet to hook-up. The Funari's have a tentative approval on a subdivision so they will hook-up as part of their public improvement. Both neighbors of the Funari's, the Alliance Church on one side and the other neighbor would like to coordinate the hook-up to keep the costs down. The final property owner has begun the hook-up process and will require an additional three months to complete the process. Margaret said the code states that Councilors can extend the time-line, which will expire June 1, 2007. Ric suggested Margaret provide an extension memo at the June 11, 2007 meeting for Councilors to sign and at this time, Councilors could extend the deadline to the June 11, 2007 meeting.

MOTION: Sharon Hobart-Hardin made a motion to extend the sewer hook-up deadline on Hunter Rd. until June 11, 2007. Thomas Cotter seconded the motion, which passed with a vote of 4-0.

c. CITY ADMINISTRATOR RIC INGHAM
(1) Water Plant Update

Jerry Elliott provided a memorandum for the Water Plant change order no. 3. The total increase was \$13,233.55, which is just over what was appropriated. Ric said at this time, the contractor is basically done and the project completed. 2-G Construction and the City started testing the facility last week and it is running at full speed at this time. One meter will need to be replaced in order to determine the flow. At this time the well is producing 180 g.p.m. and draw down on the well has not been detected.

In response to a question from Sharon Hobart-Hardin regarding item 9. of Jerry Elliott's memo, Margaret said Kyle discovered the leak is at the well, which was fixed, and not in the water line.

In response to Sharon Hobart-Hardin's question regarding items 2. and 3. of Jerry Elliott's memo, Ric said he wasn't sure his response would be the same as the engineers as to why certain criteria was not planned in the beginning. He said they worked through the system and brought new items into the plan and in order to get this to operate in an optimal way, change orders and add ons are part of the process. He said the City was credited back for a few change orders.

MOTION: Thomas Cotter made a motion to approve Change Order No. 3. Sharon Hobart-Hardin seconded the motion, which passed with a vote of 4-0.

(2) Garbage Franchise Renewal Discussion
Council was asked to provide policy direction regarding the current franchise agreement with Country Transfer & Recycling (CT&R), which expires in January, 2008. Ric presented several policy questions; 1). Does the Council wish to renew the franchise agreement through a Request for Proposal (R-F-P) process; 2). If so, would the City want to solicit for more than one provider; 3). At what level of service would we be requesting (i.e., clean-up events and level of recycling); and 4). Establishment of an appropriate time-line to match the selected process.

Mayor Brooker said a policy decision needs to be made with respect to franchise agreements in general.

Sharon Hobart-Hardin suggested an RFP process but said she does not support more than one garbage service provider.

Marion Esty agreed the City doesn't need more than one garbage service provider and the service the City is getting now is wonderful and felt the existing process is fine.

Thomas Cotter said he is not in favor of an RFP process and would like to continue with the existing franchise agreement.

Mayor Brooker felt the City will never have multiple companies vying for the City's business nor do we need more than one provider. He said an R-F-P process is the

fairest way to award the franchise to more than one company competing against one another, but both companies need to be willing to take the entire contract.

Ric asked the Council for clarification. Ric felt an R-F-P process would only apply to garbage service and wouldn't apply to any other City franchises. He asked the Councilors for policy direction. As a related matter, Charter Communications will be at the June 11, 2007 City Council meeting. They would like to extend the micro-wave lease tower agreement and will make a presentation to the Council at that time.

In response to a question from Marion Esty, Ric said staff would provide more information to the Councilors on the franchise agreement with Charter Communications at the next Council meeting.

Mayor Brooker said at this time the policy will not be changed with regard Country Transfer and Recycling (CT&R) and an R-F-P process will not be pursued at this point. He said the City will continue to process the franchise agreement with CT&R for it's renewal in January, 2008.

MOTION: Thomas Cotter made a motion to direct staff to begin franchise negotiations with Country Transfer & Recycling's in the fall of 2007 for renewal of their franchise agreement in January, 2008. Sharon Hobart-Hardin seconded the motion, which passed with a vote of 4-0.

(3) Update Work Plan

Ric said staff has updated last fiscal year's work plan showing work completed or very near complete. Staff is creating a new fiscal work plan for 2007-08, which will be presented at the June 11, 2007 Council meeting. Ric felt it was appropriate to shade the 38 completed entries of the approximately 90 tasks listed on the work plan. Ric said water and waste water are priorities for City and the new work plan will reflect these priorities.

In response to a question from Mayor Brooker, Margaret said the Region 2050 strategy of coordinated population has not been completed but we've established the direction the City wants to take and are making our position clear to LCOG.

Ric said Margaret is working on getting an appraisal on the acquisition of the St. Catherine property and that entry will be shaded under the water category in the next fiscal year.

In response to a question from Sharon Hobart-Hardin, Ric said the Wetland Mitigation Site Study should never have been listed. The City should not be in the wetland bank business because of the technical nature of managing the wetlands.

Ric said a fiber optics company has forwarded an agreement for the City's review. Ric said under Urban Renewal, item 4., the Lane Transit District has indicated to the City they will be sponsoring the "Connecting Oregon grant" for the acquisition of the Luther Lane property, in conjunction with the design and construction the facility.

Pool Discussion

In response to a question from Sharon Hobart-Hardin, Ric said if the City were to take out a bank loan for the construction of the pool rather than creating a bond, the revenues

from the pool could not repay a conventional bank loan. He said the current income from a pool could not meet that kind of payment so it would be an ongoing obligation of general funds.

Mayor Brooker said some companies offered a lease purchase program, which would give the funds to construct a facility and then lease it back to the City over a period of time and the lease payments would apply to the loan.

Ric said the end cost of a lease purchase would add several hundred thousand dollars to the final ending cost of such a facility. Ric said the appropriate information to collect is the completed conceptional designs from Carl and the polling and survey information to see what the community is in favor of and willing to support. Everyone agreed.

5. OTHER

Margaret said work on the Pine Street extension will begin the first or second week of July.

Ric said the 2007-08 work plan is fairly substantial.

Ric said regarding the Fire Department helmet give-a-way, there is funding available in the Zumwalt or Discretionary fund. Jerri said the bulk of the Zumwalt funds are still available.

MOTION: Sharon Hobart-Hardin made a motion to contribute \$400 to assist Lane County Fire District No. 1 with the helmet give-a-way. Thomas Cotter seconded the motion, which passed with a vote of 4-0.

Mayor Brooker said since Ric Ingham had his evaluation in February, 2008 he still has not received the appropriate raise of 10%. Effective June 1, 2007, Councilors agreed to a 10% raise to the City Administrator's salary.

MOTION: Sharon Hobart-Hardin made a motion to increase the City Administrator's annual salary by 10%. Marion Esty seconded the motion, which passed with a vote of 4-0.

6. ADJOURN

Mayor Brooker adjourned the Veneta City Council at 8:48 p.m.



Mayor Brooker, Chairman

ATTEST:



Darci Henneman, Assistant City Recorder
(prepared by dhenneman)