

Minutes
Veneta City Council
January 28, 2008

Council
Present: Mayor T. J. Brooker, Thomas Cotter, Darrell Carman, and Sharon Hobart-Hardin

Absent: Marion Esty

Staff: Ric Ingham, City Administrator; Brian Issa, Community Services Director; Jerri Moore, Finance Director; Darci Henneman, Assistant City Recorder; Sheryl Hackett, City Recorder; and Jerry Elliott, City Engineer

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

1. PUBLIC COMMENT

None

2. CONSENT AGENDA

MOTION: Sharon Hobart-Hardin made a motion to approve the Consent Agenda as presented. Thomas Cotter seconded the motion. Thomas Cotter, aye; Mayor Brooker, aye; Darrell Carman, aye; Sharon Hobart-Hardin, aye.

The Consent agenda was approved including Minutes for January 14, 2008 and the Civic Calendar for February, 2008.

3. PUBLIC HEARING - BOLTON HILL ROAD SANITARY SEWER LOCAL IMPROVEMENT DISTRICT (LID)

- a. Mayor Brooker opened the public hearing at 7:08 p.m.
- b. Declaration of Conflict of Interest or Ex-Parte Contacts: None
- c. Staff Report - Brian Issa

On January 14, 2008 the Veneta City Council passed Resolution 963 declaring the City's intent to make sewer improvements to portions of Bolton Hill Road from Territorial Road to Dogwood Lane. (On January 15, 2008 the notice was sent via certified mail to effected property owners). Brian said currently the City is at step five in the process where the Council will accept public comments at tonight's meeting and will then take action based on written letters of remonstrance and other comments received.

Brian said remonstrance of 15 or more owners forces a decision on the City's part. If sufficient remonstrances are filed, the City has two options: 1) Abandon the improvement for at least six months; or 2) Proceed with the improvement by unanimously declaring an emergency by saying the improvements are needed at once. Brian said if the required number of remonstrances is not filed, and the Council elects to move forward, the Council will make a motion to order the improvements be carried out in accordance with Resolution 963. If adequate remonstrances are filed, staff recommends the Council consider declaring an emergency. Brian said there is no definition given for declaring an emergency. He said the coordination

of this project with Lane County road improvements means that delaying the project six months is not an option in order that the project be installed as part of the County road upgrade. The County is hoping to bid both projects together in March 2008. If the sewer line is not installed as part of the County project, it would be left to landowners to install improvements on an individual basis as they develop, abandoning the prospect of sewer service on Bolton Hill Road for many years. He said installing sewer lines in a piece-meal fashion drastically reduces the useful life of the new street surface and has the potential to be much more costly to individual property owners. There are 22 property owners within the LID. Brian said tax lot 17-06-36-41-1100 has been removed because they currently are connected to an 8" stub line from Territorial Road.

Financing Options

Brian said there are several options for property owners being assessed through an LID. He said VMC 3.10 gives the Council significant discretion regarding the terms and limits of options for payment. Brian said loans could be made pursuant to ORS 223.210. Property owners could apply for installment payments of assessed amount, over a 10 to 30 year period. The City would secure Bancroft bonds to pay for the improvement construction costs and then the property owners would make payments to the City to service that debt. He said the City may charge a reasonable interest rate on loans with the intention of capturing both the principal and interest payments on the loan, as well as associated costs with securing and administering the bond. There would be no pre-payment penalty to the property owners and the City may allow an initial interest free period. Brian gave an example of how the City has used similar interest free periods for installment payments on sewer connections: For the first \$5,000 borrowed, the interest free period would be the first year, \$5,000 to \$10,000 the interest free period would be the first two years and over \$10,000 the interest free period would be the first three years.

City Deferral Program

Based on public input and Council direction, VMC 3.10 was recently amended to allow qualifying property owners to defer assessment payments until the property is sold or developed. The full terms of deferrals including eligibility requirements and actions that trigger termination are defined in VMC 3.10.120 to 3.10180. Brian said the City currently has a total of \$423,637 in combined interest on all SDC funds. He said staff recommended that only the interest from the sewer fund be used to finance deferral for this LID project. He felt it wasn't appropriate to use interest earned on SDC's for parks, water or transportation to finance a sewer project. Brian said the interest on the sewer SDC fund total \$271,573. He said the City can allocate up to 40% of this fund (\$108,614) to finance deferrals. Brian said 15 properties may qualify for deferrals totaling \$243,600. He said if eligible property owners apply for more deferral funds than the City can make available, then funds would be allocated on a pro-rata basis to each property owner. He said the City will need to determine the amount of funds to make available and how to allocate those funds to

eligible property owners. He said we need to make sure funds are equally shared between the East Bolton Road and Bolton Hill Road LID property owners. Brian said a State deferral program through the Oregon Department of Revenue is also available to senior citizens 62 years and older. Brian provided information on this program in the Councilors' packets.

Staff recommended the Council make a motion for the improvements to be carried out in accordance with Resolution 963.

d. Public Testimony

Rick Hunter, 24797 Bolton Hill Road, Veneta, OR

Mr. Hunter had no comments at this time.

David Lorenz, State Forestry Department, 87950 Territorial Road, Veneta, OR

Mr. Lorenz is new to the area. He said it was his understanding that the Forestry Department paid assessments to the City when their property was connected to a new sewer line on Territorial Road. He asked if the property at 25053 Bolton Hill Road is exempt, wouldn't the Forestry Department also be exempt?

Ric said staff would look into the matter and get back to him.

William Wright, 25130 E. Broadway, Veneta, OR

Mr. Wright said a homeowner next to a developer is forced to pay for the developers option to development. He said if a homeowner cannot pay for the assessment, they may be forced into selling their property. He said a developer with deep pockets can purchase land at low prices and those values will eventually increase when the economy picks up. He felt the expert advice the City is getting is one sided. He said the only fair way to apply assessments on deferred lots would be to charge it when development occurs.

Cathy Coulson-Keegan, 24130 E. Broadway, Veneta, OR

Ms. Coulson-Keegan said everyone wants fairness. She said a home is the biggest investment people make. She said when the City passed an emergency ordinance that changed the way LIDs are set using the new methodology based on the number of buildable lots on a homeowners' property and then uses that number for the homeowner's fair share, the City created a theoretical development on every property that's larger than one minimum lot. She said if every homeowner wanted to development, this would be fair. She said charging property owners for potential buildable lots isn't fair if they have no intentions of developing. She said this could bankrupt some property owners. She said the property should be charged the assessments when the property is developed.

Ella Petty, 25043 Bolton Hill Road, Veneta, OR

Ms. Petty said she cannot afford the \$5,000 assessment on her retirement

income. She said she doesn't want to connect to City services because it will cost her more. She said the assessments should be on a volunteer basis.

Miles Hart, 25035 Bolton Hill Road, Veneta, OR

In response to Mr. Hart's questions, Ric said if Mr. Hart entered into an installment payment plan with the City his total assessments would be about \$11,000. Ric speculated the City would probably charge about 4 to 4.5% interest on the funds the City would borrow to pay for the LID construction costs. Ric said when a property owner decided to sell, the assessment owed to the City would be treated like any other lien or encumbrance on a property and would be taken out of the final sale price. Ric said the City is currently projected to meet its water needs. He said this LID will not affect the City's water supply.

In response to a question from Mr. Hart, Jerry Elliott said the City will install the sewer line to the homeowners' property line but will not hook up homes to the City's line. It will be the responsibility of the homeowners to pay a contractor to connect the homes to the City's line. He suggested neighboring property owners hire one contractor in order to keep the cost down.

In response to a question from Mr. Hart, Ric said all property owners will have one year to hook up to the City's line. Ric said the State of Oregon has been encouraging the City to provide City services to its residents. He said the main concern is contamination to the City's aquifer from septic tanks. He said older systems are usually the culprit.

Mr. Hart asked if the City would provide information on interest rates, a ballpark figure of the assessments per property owner and contamination issues.

Lee Kelley, 24987 Bolton Hill Road, Veneta, OR

Mr. Kelly said he's not in favor of the project. He likes the way it is now and hasn't had any problems with his septic system. He asked why he was assessed for two homes. He said his property would not accommodate a driveway along side his existing house to access the rear portion of his property.

In response, Brian said some lots were looked at as vacant land. If the existing structures weren't there, two homes could be built on the property. He said possibly the rear portion of Mr. Kelley's property could be accessed from Meadowdale Street.

In response to a question from Mr. Kelley, Jerry Elliott said cutting and patching the road at a later date would not only lessen the life of the street but would be an added cost to the property owner as well as to the City.

In response to a question from Mr. Kelley, Brian said if the City abandoned the LID indefinitely, the hook ups would eventually be required if a property

owner wanted to develop their property. Mr. Kelley said he does not want to abandon his septic system and connect to City services.

Joachim Schoening, 24869 Bolton Hill Road, Veneta, OR

Mr. Schoening agreed with everything the other property owners have expressed. He said he has been assessed for possibly five lots at \$8,000 each. He asked why his assessment was so much more than the average assessment of \$5,000 per lot for many of the other residents.

In response, Jerry Elliott said the LID was sectioned into three pieces. He said the first section is the Territorial end, then the middle (Schoening property) and the third section at the west end. He said even though the LID is presented as one project, it was costed out into the three separate sections of the sewer lines in order to make the infrastructure costs as fair and equitable for each lot served. Jerry said without going through private property, the closest connection for the rear portion of the Schoening property would be at 7th Street and that is why his costs are so high. Mr. Schoening said he has no intention of developing his property. He said everybody is against it because they don't want to develop their property.

Diane Sconce, 25013 Bolton Hill Road, Veneta, OR

Ms. Sconce represents her family who owns the property at 25013 Bolton Hill Road. She said her family's house was one of the first homes built on Bolton Hill Road. She said the property has been assessed for two hook ups (one for the existing home and one for the rear portion of the property). She said the rear portion of the property can only be accessed by an extension of Meadowdale Lane. She said there is not enough room on either side of the existing house to accommodate a driveway to the back of the lot. She said when Meadowdale Lane is developed, she can see doing the connection at that time, but not until then.

Carol Wickham, 25363 East Bolton Road, Veneta, OR

Ms. Wickham said it was unfair to ask homeowners to pay for sewer and water hook ups for non-existent home sites that may never be developed. She said if and when the lots are developed, the developer should pass the costs on to the future buyers. She said if this were happening to her, she would probably move and she could see a developer coming in and buy the property at a cheaper price.

Jerry Elliott said the issue of fairness was a problem for staff also. He gave an example: If the cost of an LID project was \$100,000 and there were 10 property owners, each with one hook up - each would pay \$10,000. However, some lots are larger than others and have the potential to carry another home; or the cost to install the sewer line is cheaper for some residents than others. He said if they charge every property owner the same, some get a greater benefit than others. Jerry said this is what staff has been dealing with in order to create "fairness" for all property owners. He said this is the most fair and equitable scenario staff could come up with for presentation to the Council. He said staff presented what they felt was the most fair way to assess the

properties by having every potential lot paying an equal burden.

In response to a question about why the city can't pay for the extra potential connections, Jerry Elliott said the City would not be able to get a bond without having a way to repay it. If the properties remain undeveloped the city would not have the money for the repayment.

Mayor Brooker said the LID project will only increase property values. He said doing the project in conjunction with Lane County will keep the cost down for all involved plus lengthen the life of the street. He said staff's proposal provided the most equitable division of the costs.

Tammy Schoening, 24869 Bolton Hill Road, Veneta, OR

Ms. Schoening felt because the economy is so bad now, residents cannot take on another payment. She asked if the City will move forward with the project even if residents don't want it. She asked if their voices counted.

Cathy Coulson-Keegan, 24130 E. Broadway, Veneta, OR

Ms. Coulson-Keegan said East Broadway got sewers and sidewalks many years ago. She said she doesn't remember a problem with tearing up the street when the apartment complex was constructed on the south side of Broadway. In response, Jerry Elliott said the street was cut for the sewer line. The water line was already on the south side of the street. He said the developer paid for all the infrastructure from the main line in the street to the apartment complex.

In response to a question from Ms. Coulson-Keegan, Mayor Brooker said the Bolton Hill Road LID infrastructure will be installed for existing and future development.

Ric said when Veneta became incorporated it was required to comply with State land use laws. He said two requirements were to reduce the use of septic systems and increase urbanization. He said the County is going to upgrade Bolton Hill Road to urban standards (sidewalks, stormwater drains, etc.). He said residents as well as the City will save a lot of money by piggybacking our LID project with the County's.

In response to a question from William Wright, Ric clarified the City's Bolton Hill Road LID project will not provide service for the Bolton Hill Ranch subdivision at the top of Bolton Hill Road.

Loretta Fletcher, 24792 Bolton Hill Road, Veneta, OR

Ms. Fletcher said her home was built 18 years ago and there have been no problems with her septic system. She felt it was unfair to be forced to hook up to sewer when she has a perfectly good septic system. She has a third acre and has City water. She said her home sits downhill from the road. The waste will need to be pumped uphill. She could understand not allowing septic systems for new development but asked why existing homes are required to hook up to City sewer.

Miles Hart, 25035 Bolton Hill Road, Veneta, OR

In response to a question from Mr. Hart, Jerry Elliott said currently there is not a sewer line on Bolton Hill Road. Mr. Hart said one out of every 10 vehicles on Bolton Hill Road is a heavy truck. He said the City keeps saying they don't want the road to get torn up but the heavy truck traffic will take its toll on the roadway. He said once the County donates the road to the City, the City will be responsible for the maintenance.

In response to a question from Mr. Hart, Mayor Brooker said the abandonment of septic tanks is a County requirement.

Diane Sconce, 25013 Bolton Hill Road, Veneta, OR

In response to a question from Ms. Sconce, Jerry Elliott said private contractor costs to connect would be site specific. He estimated the cost to connect her house to the City's line at the street right-of-way would be \$24 to \$30 per foot. In addition, the City SDC and sewer connect fees are approximately \$3,580.

Vernon Eugene Kellogg, 24756 Bolton Hill Road, Veneta, OR

In response to a question from Mr. Kellogg, Ric said the County is about 90% finished with the engineering portion of their project. He said Lane County would like to put the projects (together) out for bid in March, 2008. He said at that point, the County's LID will go before the Lane County Board of Commissioners for approval.

Vernon Eugene Kellogg, 24756 Bolton Hill Road, Veneta, OR

Mr. Kellogg said if Lane County is going to improve the road it would make sense to do the sewer line at that time. He said he has no problem paying his share but he would only like to pay for one assessment on his property.

e. Questions from the Veneta City Council

In response to a question from Darrell Carman, Sheryl said the State Forestry Department can only be exempt for the first 100 ft. of street frontage. She said they were only charged for one assessment because the property is zoned as public and cannot be subdivided. The SDC fees may be higher depending on future use.

Link Smith, State Forestry Department, 87950 Territorial Road, Veneta, OR

Mr. Smith said the Dept. of Forestry had futuristic plans for a storage facility and dormitory. He said realistically, that will never happen. He said the system they have is adequate for the staff they have.

Darrell Carman said funding for the LID needs to be available now and not when a property owner decides to develop their property. He said the cost wouldn't go down if the number of assessments decreased. He said at some point we want our City to operate like a City. He said we cannot continue to develop smaller lots with septic systems. He said the state mandates how a City can operate.

Sharon Hobart-Hardin said it's understandable why the Bolton Hill Road residents feel the way they do. She said the biggest issue is that the City is surrounded by unincorporated rural areas. There are certain rules mandated by the state and our own code. She said it's the objective of a municipality to ensure the health and safety of its citizens.

Ella Petty, 25043 Bolton Hill Road, Veneta, OR

In response to Sheryl that Ms. Petty would possibly qualify for the state senior deferral program, Ms. Petty said she wouldn't be able to afford any kind of payment. She said she is on a fixed income of \$1500 per month and she has a monthly mortgage payment to make.

Mayor Brooker said the Council and staff appreciate all the input received. He said everyone on sewer has paid their fair share to be on City services. He said the city should continue to move forward with this project. He said postponing the project will only make it more costly.

Thomas Cotter agreed with Mayor Brooker. He said he was a member of the LID sub-committee with Darrell Carman and several staff members. He said the community voted the Councilors into their current positions and they are carrying out their jobs to the best of their ability. He said it has been a difficult decision to make but felt they reviewed all possibilities and created as much fairness as possible for residents.

Ella Petty, 25043 Bolton Hill Road, Veneta, OR

In response to a question from Ms. Petty, Thomas Cotter said the only urgency with starting the project soon is to coordinate it with the County's.

Joachim Schoening, 24869 Bolton Hill Road, Veneta, OR

In response to a question from Mr. Schoening, Ric said the Bolton Hill Road project has been on Lane County's Capital Improvement Projects (CIP) list for several years. He said that project worked it's way up the funding list and that's why the County is moving forward with their project.

Darrell Carman said the LID Ordinance passed last fall allows the Council to assess property owners in any way they deem fair and equitable. He said this is what they came up with. He said the total cost of the project won't decrease if each property owner is only assessed for one hook up. He said charging properties with development potential for only one connection would increase the cost for properties that cannot be further developed.

Joachim Schoening, 24869 Bolton Hill Road, Veneta, OR

Mr. Schoening, Jerry Elliott, Councilors and staff discussed Mr. Schoening's situation. Jerry Elliott gave his business card to Mrs. Schoening and asked her to telephone him to discuss further connection possibilities for the Schoenings. It was discussed that the Schoenings could possibly connect via one or two other property owners.

Ric said the City would always like to maintain control of utility easements

and City right-of-ways. He said when something breaks, we can maintain it. It's difficult for public works crews to enter private property to maintain and repair sewer lines.

In response to a question from Vern Kellogg about the forestry and city properties not being charged for additional lots, Brian said those properties are zoned public and cannot be developed into smaller lots. He said the grant agreement for the Territorial Sports Park (TSP) property requires the zoning not to be change.

In response to a question from Miles Hart, Ric said the Veneta Municipal Code requires property owners to connect their homes to the sewer line within one year. Extensions may be granted by the City Council.

Sheryl Hackett said 11 residents voted against the LID by way of signature. She said in order to remonstrant the LID 15 (2/3 of the total number of residents) signatures are required. She said residents had only tonight to vote. There are 22 property owners affected.

- f. Mayor Brooker closed the public testimony at 8:40 p.m.

In response to a question from Thomas Cotter, Jerry Elliott said if a property is currently assessed for two hook ups and it is later determined that the second hook up is inappropriate, that property owner's assessment would change to one assessment. However, this scenario needs to be addressed by staff and the Council.

In response to a question from Sharon Hobart-Hardin, Ric said the Schoening's property is a different situation. Ric said in order for the Schoenings to hook up to Seventh Street, they would need a private right-of-way easement from one or more adjacent property owners.

In response to a question from Mayor Brooker, Jerry Elliott said because the LID is being looked at as three separate sections; money saved in section 1, would only benefit residents in section 1. He said the individual cost per unit would not be divided out among the residents in all three sections.

Ric said the City's LID and the County's LID will be constructed by one company. He said obviously this will save funds. He said a six month delay would require a new bid.

Sheryl said even if the Council motioned to proceed, later in the process, before construction, they can make a motion to abandon the project. order the improvements be carried out in accordance with Resolution 963. She said the coordinating of this project with the County road improvements means that delaying the project six months is not an option if the City wants the project to be installed as part of the County road upgrade.

Darrell Carman said most of the public testimony was for the fairness of future

development. He said the project needs to be built with future development in mind. He said the main line needs to be large enough to accommodate potential development.

In response to a question from Thomas Cotter, Jerry Elliott said if the cost of the LID was figured on one assessment per lot, the assessments for many properties would be approximately double what was proposed tonight.

After several discussions on the fairness of the LID ordinance, all Councilors agreed it would be impossible to please everyone. They all agreed the sub-committee provided the Council with the most fair and equitable solution as possible.

MOTION: Thomas Cotter made a motion to proceed with the LID in accordance with Resolution 963. Sharon Hobart-Hardin seconded the motion

Sharon Hobart-Hardin suggested the motion be amended to clarify the uniqueness of Tax Lot 200 and to ensure potential changes on Tax Lot 200 would be covered.

MOTION: Thomas Cotter made a motion approve staff's recommendation to be carried out in accordance with Resolution 963. Sharon Hobart-Hardin seconded the motion

Darrell Carman said a lot of people are content with their septic systems. He suggested the matter be looked at a second time to see if there's another alternative.

VOTE: 3 to 1, Darrell Carman voting no.

4. DEPARTMENT REPORTS

a. FROM MAYOR/COUNCILORS

(1) Law Enforcement Activities Report, Sgt. Harrold, LCSO (A)

Sgt. Harrold reviewed the activities report. He said residential burglaries within City limits are down by 50% from this time last year and there have been fewer thefts. He said most other categories stayed consistent with 2006/2007, and the 2006/2007 figures were down from 2005/2006. He felt going from three officers to four made a huge difference.

He provided an update on a felon from San Bernardino, California who was spotted in the Veneta area at Christmas time. At the time of his arrest in California, he told the arresting marshal "the heat was too hot in Veneta and I needed to get out of town". Sgt. Harrold said deputies were putting up posters of this person and going door to door asking if anyone had seen him. He said he left town shortly thereafter.

Sgt. Harrold said Deputy Randy Eschelman, retired. His last shift was Friday, January 25, 2008. Deputy Denim has filled the day shift position. Sgt. Harrold will update the Council on who will fill the night shift position. Sgt. Harrold said

having Christina Doolittle (parole and probation officer) in Veneta has been providing deputies with a lot of information.

In response to a question from Darrell Carman, Sgt. Harrold said Deputy Eschelman was visiting Veneta Elementary and reading to the kids. He said Deputy Denim has shown an interest in continuing this program with Veneta Elementary.

Ric said having Christina Doolittle here has definitely been an advantage for the deputies. However, no one realized how much traffic Christina would generate at City Hall. He said every Tuesday Christina meets with an average of 25 people.

In response to a question from Thomas Cotter, Sgt. Harrold said the sheriff's office purchased the speed limit indicator trailer through a grant.

Ric said the City budgeted to purchase a smaller speed limit indicator trailer and two hand held radar units. Sgt. Harrold said the radar units are a significant improvement from the old ones.

In response to a question from Thomas Cotter, Sgt. Harrold said he would like to make a shift adjustment so that a deputy would be on patrol during the commuting hours, specifically Huston Road.

(2) State of the City Address - Accomplishments

Mayor Brooker read his State of the City address. A copy of which is attached and incorporated into the minutes.

b. COUNCIL/COMMITTEE LIAISONS

Sharon Hobart-Hardin said the "Community Conversation" meeting was held January 24, 2008. She said 15 non-profit groups participated in the event. She said they had three minutes to explain what their organization was about as well as what they will be working on next year. She said the weather kept some people home but the feed-back indicated people were excited about the event.

Darrell Carman went to the LCOG appreciation dinner on January 24, 2008. He said Terry McDonald of St. Vincent DePaul was awarded the Outstanding Citizen Award and United Front was presented the Outstanding Intergovernmental Team Award. He said the next LCOG meeting will be February 8, 2008. If anyone has concerns, please let him know and he will take them to the next meeting.

Thomas Cotter went to the pool committee meeting on January 25, 2008. He said the next meeting will be January 31, 2008. He would like to incorporate the library in the future Parks and Recreation District. He felt this would assist in getting a bond measure on the November, 2008 ballot. He said discussions at the meeting went several directions. He isn't sure whether or not to combine the pool with the Parks and Recreation District because if the District fails, the pool fails.

Ric said the swimming pool committee agreed on option 2, which is a six lane pool and an insulated bathhouse to be covered at a later date. He said the costs

could be covered in thirds; the City (with insurance payments) pay 1/3, a bond measure could be for 1/3 and donations of 1/3. Ric said a citizens committee could pass a bond measure and still work on a Parks and Recreation District in 2009-2010. The cost of option 2 is approximately 3.2 million dollars.

There was skepticism on whether the Library would agree to be included in a Parks and Recreation District.

5. STAFF REPORTS

a. COMMUNITY SERVICES DIRECTOR BRIAN ISSA

- (1) **Ordinance No. 479** - AN ORDINANCE AMENDING THE VENETA ZONING MAP AS ADOPTED BY THE VENETA LAND DEVELOPMENT ORDINANCE 417, ARTICLE 3, SECTION 3.03 AND DECLARING AN EMERGENCY. First reading by title only. Second reading by title only and for final enactment.

Brian said Carrie Connelly made a few minor changes to Ordinance 479. He said Bill Kloos, the applicant's land use attorney, also reviewed the ordinance and made no changes. Staff recommended the Council pass Ordinance 479 by emergency.

In response to a question from Darrell Carman, Brian recommended the ordinance be passed by emergency because he didn't want to get too close to the 120 day time line expiration.

MOTION: Sharon Hobart-Hardin made a motion to approve Ordinance 479 for the first reading by title only. Thomas Cotter seconded the motion which passed with a vote of 4-0.

MOTION: Thomas Cotter made a motion to approve Ordinance 479 and declaring an emergency, for the second reading by title only and for final enactment. Sharon Hobart-Hardin seconded the motion which passed with a vote of 4-0.

- (2) Request for Extension of Time for property to connect to Hunter Road sewer
Brian said Charles Brown contacted Kyle Schauer on January 22, 2008. He indicated he had difficulty securing a bid for the project and that costs for the project were higher in winter. Therefore Mr. Brown requested an extension of time to connect to City sewer services.

MOTION: Sharon Hobart-Hardin made a motion to approve the Extension of Time for property owner Brown to be consistent with the Extension of Time approved for Funari and Veneta Alliance Church. Thomas Cotter seconded the motion which passed with a vote of 4-0.

b. CITY ADMINISTRATOR RIC INGHAM

- (1) **Resolution No. 964** - A RESOLUTION ACCEPTING RESOURCE AND APPROPRIATING EXPENDITURE OF A 2007 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Ric said the Mayor Brooker signed the contract with the State of Oregon

Economic & Community Development Department (OECD) in June, 2007 to receive the grant funds from the Community Development Block Grant (CDBG). He said in order to distribute the grant funds a resolution is required to budget these funds into the normal process. Staff requested Mayor Brooker sign Resolution 964 in order to distribute the CDBG funds.

MOTION: Sharon Hobart-Hardin made a motion to approve Mayor Brooker to sign Resolution 964. Darrell Carman seconded the motion which passed with a vote of 4-0.

(2) Comspan Lease Agreement

Ric said Comspan and the Christ Lutheran Church were negotiating a property purchase/sale of a parcel on Luther Lane. Ric said Comspan is a fiber optics company that will be deploying fiber services in our area. He said the Church decided against the sale which put Comspan several months behind schedule. Ric said Comspan approached the City about available properties in the area. Ric said Comspan is now requesting the City lease them a small parcel adjacent to the cell tower at the East Broadway public works yard. Ric said Comspan needs an area of approximately 25 ft. by 25 ft. for a small "switching hut" that will contain the necessary equipment for lighting the fiber line in Veneta. Ric provided the terms of the lease in his memo to the Council. He said Comspan will be required to complete a site plan and the normal building permit process. He said the site has been reviewed by Kyle Schauer and he agreed that co-locating these similar facilities in one place is preferred rather than being at separate locations within the City. (The Verizon/AT&T tower is currently located at the East Broadway public works yard). Ric requested the Council direct staff to enter into a lease agreement based on the terms set forth in Ric's memo.

In response to a question from Thomas Cotter, Ric said legal counsel will review the terms prior to final negotiations with Comspan.

Ric confirmed the lease terms of one 10 year term with two five year options.

MOTION: Darrell Carman made a motion to direct staff to enter into a lease agreement with Comspan based on the terms provided. Sharon Hobart-Hardin seconded the motion which passed with a vote of 4-0.

(3) Community Facilities Plan (A)

Ric introduced Stephania Fregosi to the Council. Stephania said currently staff is working on preparing a Community Facilities Assessment (CFA) for Veneta and the surrounding areas. The CFA will be used in planning for future community facilities, i.e., a boys and girls club, public day care center, or a community garden. The CFA will also determine issues and concerns of Fern Ridge residents in order to provide data for planning future facilities. She said once the community feedback is gathered and the process is endorsed by the Council, a Community Facilities Assessment Steering Committee will be formed.

Stephania continued to review her memo with the Council. She said once the entire Plan is completed, she will compile the information and leave it with the

City for future use. Along with her memo to the Council, Stephania provided examples of a flyer she would distribute in the area asking for volunteers for the steering committee. She also provided an example letter she would send to key stakeholders asking for their participation. Stephania also suggested she meet with existing smaller groups to get feedback from them.

Mayor Brooker suggested applying the CFA to the Downtown Master Plan. He said the community would need to be involved and finding volunteers is always more challenging.

Sharon Hobart-Hardin referred to the facility built in Winston Oregon which was a community effort.

Darrell Carman said he would serve on the Steering Committee. Thomas Cotter indicated he would also assist if needed.

All Councilors endorsed the overall concept and agreed the entire program would be beneficial for future planning of our community.

7. OTHER

In response to a question from Thomas Cotter suggesting the Veterans' Administration work out of the Tony Garcia Senior Center, Ric said the Veterans' Administration is on a County level.

In response to a previous direction from the Council, Brian said zone changes would be incorporated into the next batch of code change revisions he and Zac will be working on.

Brian asked the Councilors to approve Mayor Brooker sign the Acceptance of the Deed of Perkins Road for the northern corner of the SWAP. Brian said Hayden Homes is paying for all the costs associated with the Deed.

In response to a question from Darrell Carman, Brian said the property being deeded is within the Urban Growth Boundary.

All Councilors agreed they would like to look the deed over prior to Mayor Brooker signing it. The deed will be presented for signature at the next Council meeting of February 11, 2008.

Sharon Hobart-Hardin suggested when a City Council Work Session and a regular City Council meeting are planned, to have them on separate nights.

8. ADJOURN

Mayor Brooker adjourned the City Council at 10:00 a.m.



Mayor T. J. Brooker



Darci Henneman, Assistant City Recorder

State of the City of Veneta
January 28, 2008

The City of Veneta has gone through many challenges and changes this past year. We have had some personnel changes; continued rapid growth; changes in the economic atmosphere; and shifts in the political landscape, all of which had varying degrees of impact on our fair city. We have persevered in this climate of change. Our on going projects and priorities have progressed, although slowly, in some cases.

Some the goals that were set for 2007 by the city counsel and staff have been completed or have seen substantial progress, while others have been delayed due to shifts in priority, or subsequent changes in the nature of the project.

The cities top priorities for 2007 were:

- ✓ The Urban Renewal Plan update.
- ✓ Veneta Business Park (NE Employment Center) closeout.
- ✓ The addition of new water resources and treatment facility, including the addition of Wells Nos.10 and 11.
- ✓ Development of a Farmers Market.
- ✓ An increase in our law enforcement coverage.
- ✓ A major revision of our Tree Felling Ordinance as well as our local Improvement District (LID) Ordinances.
- ✓ The development of a summer recreation program.

Each of these items has been successfully accomplished.

Some of our on-going projects and priorities continue to move forward and it is these same items in which I desire to see significant progress in 2008.

They are as follows:

- Business recruitment as part of the city's economic development plan.
- Continued progress of downtown development planning.
- A year-round water resource conservation plan.
- Continued work toward water rights strategy, water rate and SDC analysis, with the development of a water reclamation strategy and plan.
- Continuation of the planning for city hall expansion, swimming pool funding plan and construction.
- More traction around code enforcement/nuisance abatement.
- Wastewater plant improvements.
- TSP Fields acquisition.
- Design standards for commercial and residential development.

All the items listed above have had seen some progress, but must be moved to the forefront and we must see significantly greater progress toward completion.

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State of the City of Veneta
January 26, 2008

As staff time becomes available, there are always a number of projects and issues waiting in the wings to be started or to work on and move forward.

Long overdue is a major upgrade to our utility billing systems and accounting processes. We need to give our citizens more options to pay bills for city services and to interact with the city in general. We certainly need to continue to upgrade the city's computer hardware and software in order to stay current. We also need to improve the city's website. This website must become not only user friendly, but to be interactive and to help keep the community informed. It must also give the public and governmental agencies an additional avenue with which to communicate and interact with the city. It is time for the city to explore new ways to use technology to increase work efficiencies and to cut costs, thereby holding down any unnecessary rate increases to the community.

The city continues to find major challenges in obtaining sufficient funding for our road projects; additional funding for a replacement swimming pool and a summer recreation and arts programs, and any other items that fall outside the city's normal funding sources such as; property taxes, gas taxes, fees and/or rates in our enterprise funds. These challenges will continue to become of greater issue as the economic climate continues to change. In addition, as we enter into a presidential election year, a year that looks to me like a time for monumental change in this country, even our small cities are feeling the effects of global market shift and political turmoil around the world.

These changes will require that our community be willing to pull together as one entity to enable us to continue our progress toward the success we have made to date and to hold back the kinds of pressures and negative thinking that may create apathy and discouragement, and not allow this progress to backslide. I do believe in this community and want to see it succeed and prosper.

As some of you may not be aware, our Community Services Director, Margret Boutell, left our city staff for other opportunities. As we wished Margret well and success, her departure had left the city with a very large gap to fill in our management team. After a lengthy advertising period and receiving little in the way of qualified responses, we deliberated as how to best to fill this gap. I am very proud to say, that two of our current employees stepped up to help resolve this issue. Current city employees, Brian Issa and Sheryl Hackett were selected to fill a portion of Margaret's roll, as well as to continue to fulfill their own current responsibilities. In addition, we have hired Zach Moody as an associate planner to assist Brian in the roll of city planning, while Brian is coming up to speed as Community Services Director. The rest of the staff has also seen some changes as responsibilities needed to shift to accommodate these staffing changes.

As a whole, the staff has met and in some cases, exceeded my expectations in the past year. I am always proud and honored to say that I have the hardest working and innovative staff in the county

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State of the City of Veneta

January 26, 2008

As we move into 2008, the City Council and staff will discuss and refine our goals for this year, but as I pointed out above in our on-going projects and priorities, I would like see the council and staff redouble our efforts for significant progress towards the completion of these items. I believe the ground work has been completed and the tools are available to reach these goals. Though there was a lot of progress in a number of areas this past year, it was behind the scenes. This year, because of this progress, the city should now begin to see actual changes on the ground, especially in our downtown and economic development areas.

I thank you all for listening tonight and please volunteer your time when you can and try to always assist those in need of a helping hand.

We are all part of a world-wide community. Let's treat each other with respect and kindness.

T.J. Brooker
Mayor of Veneta