

**Minutes**  
**Veneta City Council**  
**June 23, 2008**

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

Others: Ric Ingham, City Administrator; Jerri Moore, Finance Director; Brian Issa, Community Services Director; Darci Henneman, Assistant City Recorder; Tami Sakany, Fern Ridge Chamber of Commerce; Milo Meecham, LCOG; Olivia Meyers, Fern Ridge School District No. 28J; and Robert Lafferty, West Lane News

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Mayor Brooker called the Veneta City Council to order at 7:01 p.m.

**1. PUBLIC COMMENT**  
None

**2. PUBLIC HEARING ON THE CLOSING OF THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**

a. Public Hearing in regard to the Micro-Enterprise/Oregon Economic and Community Block Development Grant Department

- (1) Mayor Brooker opened the Public Hearing at 7:02 p.m.
- (2) Declaration of potential conflict of interest or ex-parte contacts: None
- (3) Staff Report

Ric said a public hearing is the final step for closing the CDBG funds the City received last summer. He said Shawn Winkler-Rios from Lane Micro-Enterprises is here to talk about closing the CDBG project.

Mr. Winkler-Rios thanked City staff for their cooperation and for accommodating their needs.

Marion Esty and Darrell Carman arrived at 7:04 p.m. and indicated they had no ex-parte conflicts regarding the Public Hearing on the CDBG project closing.

Mr. Winkler-Rios said the CDBG was a six county project with Veneta in Lane County as the lead. He said Yamhill, Wallowa, Baker Union, and Harney Counties all participated. He said a national associated project in trying to recreate Micro-Enterprise Services out of Harney, Baker and Union Counties in eastern Oregon. He said they served 146 people in that six county area. He provided the statistics for how many new and established businesses they assisted. He said in almost every category they served twice the minimum number forecasted.

He said a quarter of the people served in the Fern Ridge area are Veneta residents with the majority of the assistance going toward new businesses. He said creating awareness and getting the word out about the project was vital to the success of the program. He said they received funding to start a program in Junction City, which will also assist people in Veneta.

- (4) Proponents

None

- (5) Opponents  
None

- (6) Questions from the Council

Marion Esty said there are many organizations in the City that could also be helpful. She suggested Mr. Winkler-Rios outreaching to the library and attend a Community Action Network (CAN) meeting to get the word out for the Lane Micro-Enterprise program.

Sharon Hobart-Hardin spoke to a local business person who was not aware the LCC Business Center or the Lane Micro-Enterprise program existed. She said the word of these programs needs to get out in the community other than by advertising in the newspaper. She said there are local people who could assist in marketing these programs.

In response to a question from Mayor Brooker, Mr. Winkler-Rios said IDA stands for "Individual Development Account" which is an interest free loan that doesn't require repayment.

Ric said it's a very slow process trying to get new businesses off the ground. He said the commitment the City makes will be important to keep many of those activities ongoing. He said the Chamber and other local groups also need to be involved. He was hopeful the Urban Renewal Program Specialist can be of assistance in this area.

- (7) Mayor Brooker closed the public hearing at 7:16 p.m.

### 3. CONSENT AGENDA

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

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

The consent agenda as approved included minutes for June 9, 2008, Bills Payable for May/June 2008 and the Civic Calendar for July, 2008.

### 4. DEPARTMENT REPORTS

a. FROM MAYOR/COUNCILORS

- (1) Law Enforcement Activities Report, Sgt. Harrold, LCSO  
Sgt. Harrold could not attend tonight's meeting. The Council had no questions regarding his report.
- (2) Approval of 2008-2009 Public Safety Contract with Lane County  
Ric said the Public Safety Contract was presented to the Council at the June 9<sup>th</sup> City Council meeting. However, it has been brought to staff's attention that the county's new budget may create a reduction in Section 1.d of the contract. Ric asked the Council if they would like to hold the contract over until the amount in Section 1.d is confirmed or to direct Mayor Brooker to sign the contract contingent on any required changes and if so, authorize Mayor Brooker to endorse the new language.

Because the existing Public Safety contract expires June 30, 2008, Ric suggested the Council approve the contract tonight in order to be effective July 1, 2008.

**MOTION:**                    **Thomas Cotter made a motion to approve the Public Safety Contract with Lane County as presented and that Ric Ingham will sign the contract on behalf of the City. Sharon Hobart-Hardin seconded the motion which passed with a vote of 5-0.**

- (3) Request from Fern Ridge Chamber for annual funding from Rural Tourism Marketing Program

Mayor Brooker said at the June 9, 2008 Council meeting the Fern Ridge Chamber of Commerce requested funding for staff assistance, web development and a big screen TV. He and Sharon Hobart-Hardin met as the Economic Subcommittee. The Subcommittee recommended awarding \$500 to the Fern Ridge Chamber of Commerce. He said future funding to the Chamber should be an ongoing discussion, however, the 2008-2009 Budget has already been approved and a large allocation could not be included in the 2008-09 budget at this late date.

**MOTION:**                    **Thomas Cotter made a motion to approve \$500 to the Fern Ridge Chamber of Commerce for the purchase of a large screen TV monitor. Marion Esty seconded the motion which passed with a vote of 5-0.**

b.        **COUNCIL/COMMITTEE LIAISON**

Sharon Hobart-Hardin said the Progress Board report is very impressive. She said they have accomplished several things in the last year. She said although they have limited resources they are still able to reach their goals.

Darrell Carman said he will not be attending the LCOG meeting in Florence on June 26<sup>th</sup>. He said LCOG is providing transportation to and from if anyone is interested in attending.

Thomas Cotter reminded everyone of the poker tournament being held at the Eugene Elks Lodge on Saturday, June 28<sup>th</sup>. This is a fundraising event for the construction of the new swimming pool.

Mayor Brooker said Saturday, June 21<sup>st</sup> was the kickoff for the library fund-raising. He said participation was low but "Friends of the Library" were there. He said they had raised almost \$95,000 in donations. He said many of their donors have yet to be contacted. He said they are very confident they will reach their goal of \$300,000. Mayor Brooker said a city the size of Veneta is very fortunate to have a public library.

Marion Esty said the Fern Ridge Chamber of Commerce may be interested in attending the library tour and participating in the business category of the "Memorial Shelf".

5. **STAFF REPORTS**

- a. FINANCE DIRECTOR ..... JERRI MOORE  
(1) **Resolution 975 - A RESOLUTION ESTABLISHING WATER FEES AND RATES FOR USERS OF THE VENETA MUNICIPAL WATER SYSTEM, AND REPEALING RESOLUTION 946**

Jerri said Resolution 975 establishes the water rate and will repeal Resolution 946. She said this Resolution was presented at the last meeting and was held over to allow for public comment.

- (a) Public Comments: Staff indicated no written public comments were received and there were no public comments made tonight.
- (b) Decision by Council  
In response to a question from Sharon Hobart-Hardin, Ric said there is a process in place that Kyle Schauer follows for selling bulk water.

In response to Sharon Hobart-Hardin, Brian said bulk water is sold at the same rate regardless of its use inside or outside Veneta City limits.

**MOTION: Thomas Cotter made a motion to approve Resolution 975. Sharon Hobart-Hardin seconded the motion which passed with a vote of 5-0.**

- (2) **Resolution 979 - A RESOLUTION TRANSFERRING APPROPRIATIONS FOR THE 2007-2008 FISCAL YEAR**

Jerri said the following resolutions deal with the current fiscal year. Resolution 979 transfers appropriations for the 2007-2008 year. Jerri said staff recommends these typical year end adjustments.

**MOTION: Thomas Cotter made a motion to approve Resolution 979. Sharon Hobart-Hardin seconded the motion.**

In response to a question from Darrell Carman, Jerri said these adjustments move appropriations from one budget classification to another within a single fund. We're simply moving funds from Contingency to where they are needed.

**MOTION: Vote, 5-0.**

- (3) **Resolution 980 - A RESOLUTION AUTHORIZING AN INTER-FUND LOAN FROM THE GENERAL FUND TO THE 2007 INVERSE CONDEMNATION FUND FOR THE FISCAL YEAR ENDING JUNE 30, 2008 AND CREATING AN APPROPRIATION**

Jerri said this resolution authorizes a loan to cover costs for the Larson lawsuit settlement. She said a review was conducted in April 2008 to see if a Supplemental Budget was needed for the Inverse Condemnation Fund. Jerri said at that time expenditures were approximately \$40,000 and projections indicated the remaining budget would be adequate to

cover the expenditures through June 30, 2008. The Council approved a Supplemental Budget for 2007-2008 at their May 12, 2008 meeting. Jerri said there was a lot of activity in April and May and expenditures exceeded what was anticipated. She said staff is proposing a loan from the General Fund that would be repaid in FY 2008-2009.

**MOTION: Sharon Hobart-Hardin made a motion to approve Resolution 980. Thomas Cotter seconded the motion which passed with a vote of 5-0.**

- (4) Financial Software Replacement Proposal  
Jerri said the City is overdue for an upgrade to the accounting software. She recommended the Council direct staff to begin the process of selecting a vendor to provide the new financial software to include all products, training, conversion of our existing system and ongoing maintenance support.

In response to questions from Thomas Cotter, Jerri said staff has a few vendors in mind. She said the new software will include utility billing, payroll, accounts payable and receivable, general ledger services, budget processing and preferably the capability to extract specific information in just a few key strokes. She said we would also like to find a product that modules can be added to in the future.

In response to a question from Mayor Brooker, Jerri said no Council action is required at this time. She said at this point staff is outreaching for information for an RFP. Mayor Brooker said he would like to be involved in the review process.

In response to a question from Darrell Carman, Ric said we may possibly need hardware replacement but the existing hardware should be sufficient. He said funds are available to proceed with an update.

b. CITY ADMINISTRATOR.....RIC INGHAM

- (1) **Ordinance No. 482 - AN ORDINANCE PROVIDING FOR LICENSING OF TELECOMMUNICATIONS PROVIDERS, IMPOSING A LICENSE FEE AND RELATED CHARGES UPON UTILITIES DOING BUSINESS OR OTHERWISE PROVIDING SERVICES WITHIN THE CITY OF VENETA, AND DECLARING AN EMERGENCY. First Reading by Title Only. Second Reading by Title Only and for Final Enactment.**

Ric said this is a follow up from earlier budget discussions to identify a funding source to pay the \$80,000 increase in the public safety contract. Ric said the Council directed staff to move forward with this at the June 9<sup>th</sup> Council meeting. Ric said staff needs approval to put the telecommunication business license fee ordinance in place and allow the City to initiate collection of the fee. Ric said the business license fee increased from \$50 to \$100. Ric said LCOG is the Tax Administrator of the license fee for Oakridge and Creswell. He suggested the City enter into an IGA with LCOG to act as the Tax Administrator of the license fee for Veneta as well. Ric said as Tax Administrator, LCOG would identify the businesses to be registered and implement the registration fee. Ric said staff is asking the Council to adopt Ordinance No. 482 by an

emergency so it can be included in the 2008-2009 Budget. He said the ordinance commits the City to use the funds for the public safety contract shortfall.

Milo Meecham of LCOG provided a brief overview of how the telecommunication business license fee would work. He said the ordinance will cover all telecommunications providers (any business that provides an electronic signal and is doing business in the City of Veneta, cable TV, traditional phone service, wire line service and cell phone companies) will be required to register for the business license. He said the City is providing City services, (fire, police protection and infrastructures to do business in a community). All businesses meeting specific criteria would be required to pay the \$100 registration fee and 5% of their gross revenues. This would create approximately \$40,000 to apply toward the \$80,000 public safety contract shortfall. He said this new fee would not replace a franchise fee but if businesses in Veneta are providing services not covered by the franchise fee, they would be required to register. He said franchise fees are decreasing because more services are provided through air waves, not actual lines. He said the fee is shifting to keep up with technology. He asked the Council if they had any questions.

In response to a question from Darrell Carman, Ric said clarified a typical cell phone bill within the City limits would see a monthly increase of about \$1.50 not 20 cents.

In response to a question from Thomas Cotter, Milo said Verizon would be subject to the telecommunication fee because they're using the cell tower within the City limits. He said all telecommunication companies pass this fee/charge on to the consumer.

Mayor Brooker said people living outside the City limits will not see an increase in their service because the City is collecting the fee in order to pay for the public safety contract within the City limits. He said franchise fees are shrinking because technology is changing.

Sharon Hobart-Hardin said the ordinance is very clear. She said as Councilors they need to find additional funding to cover the public safety shortfall. She said raising taxes would really create problems.

**MOTION:**                    **Thomas Cotter made a motion to approve the first reading of Ordinance 482 by title only. Sharon Hobart-Hardin seconded the motion which passed with a vote of 5-0.**

Ordinance 482 was read into the record by title only.

**MOTION:**                    **Thomas Cotter made a motion to approve the second reading of Ordinance 482 by title only and final enactment. Sharon Hobart-Hardin seconded the motion which passed with a vote of 5-0.**

Ordinance 482 was read into the record by title only.

- (2) Intergovernmental Agreement (IGA) with LCOG for Administration of Telecommunication Business License Fee

**MOTION: Thomas Cotter made a motion to adopt the Intergovernmental Agreement with LCOG. Sharon Hobart-Hardin seconded the motion which passed with a vote of 5-0.**

- (3) Construction Excise Tax Intergovernmental Agreement (IGA) with Fern Ridge School District 28J

Ric said that staff is recommending the City enter into an IGA with the school district for implementation of a Construction Excise Tax as directed by recent legislation. Ric said the language within the agreement is a combination of the school district's IGA, the County's and the City's. He said contractors will now write two checks; one to the City for the cost of the building permit and one to the School District for the excise tax. He said legal counsel reviewed and approved the IGA.

In response to a question from Sharon Hobart-Hardin, Jerri said City staff would not be negotiating the tax payments made to the School District. She said City staff would send the checks to the School district on a weekly basis.

In response to a question from Thomas Cotter, Olivia Meyers clarified only new construction within the Veneta City limits would be taxed at a rate of \$1.00 per 1000 sq. ft. for residential and \$.50 cents per 1,000 sq. ft. for commercial construction. She said remodeling and additions would be exempt.

**MOTION: Sharon Hobart-Hardin made a motion to approve the Intergovernmental Agreement between the Fern Ridge School District No. 28J and the City of Veneta. Thomas Cotter seconded the motion which passed with a vote of 5-0.**

**6. OTHER**

Brian said the pool bond measure requires Council action and a second issue needs to be addressed before the July 14<sup>th</sup> meeting. He said the Council gave staff verbal approval to move forward in pursuing the pool replacement. The Council tentatively agreed to finance the 3.1 million dollar project with 1/3 of the cost coming from grants and contributions, the City financing 1/3, and 1/3 generated from general obligation bonds. He said this is a two part process. Brian said the bond underwriter (Pacific Northwest Securities) would negotiate the financial aspect of issuing the bond. The bond counsel (K & L Gates) would draft the ballot title and accompanying information, coordinate with local elections officials and the Secretary of State to place the measure on the ballot.

Brian said bond counsel quotes ranged from \$9,500 to \$17,000; with the lowest quote not including incidentals. He said K & L Gates worked for the City on the last bond issued in 1998. He said in order to proceed with the bond measure and meet the election deadline, the City needs to contract with the bond counsel and underwriter as soon as possible. He said staff hopes to have the ballot measure resolution ready for the July 28<sup>th</sup> City Council meeting.

Brian said the second issue is to determine the amount and term of the bond. Brian explained the different scenarios he provided and asked the Council to approve a bond scenario that best achieves the Council's goal of constructing a new pool.

Brian requested the Council direct staff to engage K & L Gates as the City's Bond Counsel and Pacific Northwest Securities as the City's underwriter. He also requested the Council direct staff to move forward with placing a 1.1 million dollar bond on the November 2008 ballot. Because of the time constraints, Brian suggested the Council not wait until the July 14 meeting to decide on these two matters.

The Council briefly discussed the information provided by staff.

**MOTION:** Sharon Hobart-Hardin made a motion to direct staff to hire K & L Gates as the City's Bond Counsel and Pacific Northwest Securities as the City's underwriter to create the pool construction bond. Thomas Cotter seconded the motion which passed with a vote of 5-0.

Mayor Brooker said for the City to have a successful bond measure, the numbers should be kept low. He would prefer to see a single figure for a 20 year bond.

Thomas Cotter said everyone would like to retire the debt early but that is feasible. He said the scenarios were discussed at the last pool committee meeting and they agreed scenario 4 was the best option. He said it kept it affordable to the citizens of Veneta and doesn't create a hardship. He said it would also allow the pool construction to be feasible.

**MOTION:** Thomas Cotter made a motion to approve scenario 4 (level levy 20 year term) as presented to the Council and directed staff to move forward with activities to place a 1.1 million dollar bond (including fees) on the November 2008 ballot. Sharon Hobart-Hardin seconded the motion.

In response to a question from Mayor Brooker, Thomas Cotter said scenario 4 includes issuing the bond at 1.1 million dollars, so that the fees are included.

Ric told the Council this will not be the last time the Council will discuss the swimming pool bond.

Sharon Hobart-Hardin said a huge marketing effort will be needed to get the community to pass a bond measure for a pool.

Mayor Brooker said this is an effort put forth by the City and hopefully the citizens of Veneta will see the City is doing what it can to provide a swimming pool to the community.

**VOTE:** 5 to 0.

Ric said the Veneta Transit Center and LTD were granted Connect Oregon funds. He said the project ranked 14th in the state's prioritization. He said the City initiated discussions with LTD about six months ago. He said the City is confident the site will meet current and future needs for our community.

Ric said Sweet Cheeks Winery requested a temporary liquor license midday today, June 23, for a wine tasting event at Studio 126 on June 25. Ric asked the Council for conditional approval of the license prior to approval from Sgt. Harrold.

**MOTION:**                    **Thomas Cotter made a motion to conditionally approve the Special Event Winery liquor application contingent on Sgt. Harrold's approval of the application. Sharon Hobart-Hardin seconded the motion which passed with a vote of 5-0.**

Brian Issa said several hazardous trees and the structure adjacent to Fern Park were removed. He said the area has greatly improved.

Ric said several construction projects have begun around town. He said the Bolton Hill Road project should be done in August or September. He said Well 11 is up and operating this week. He also invited the Council to attend the Farmers' Market on Fridays.

In response to a question from Mayor Brooker, Ric said the Farmers' Market will be open on Friday July 4<sup>th</sup> and July 11<sup>th</sup> of the Oregon Country Fair. He said bus service from Veneta Elementary to the Country Fair will be provided on Friday and Saturday, July 11<sup>th</sup> and 12<sup>th</sup>.

**7.        ADJOURN**

Mayor Brooker adjourned the City Council at 9:10 p.m.

  
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T. J. Brooker, Mayor

ATTEST:

  
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Darci Henneman, Assistant City Recorder  
(Minutes prepared by DHenneman)