

Minutes of the Veneta City Council

November 23, 2009

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

Others: Ric Ingham, City Administrator; Brian Issa, Community Services Director; Zac Moody, Assistant Planner; Jerri Moore, Finance Director; Sheryl Hackett, City Recorder; Darci Henneman, Assistant City Recorder; Sgt. Clifford Harrold, LCSO, Patti Chappel, Dale Deitzel, Ben Carlson, Joan Mariner, Jason Shannon, Dorothy Rosedahl, Jim Evans, Irene Jasper, Laura Matteson, Kristi Till, Lyndonna Sites, Scott Bennett, Lori Bradford, Randy Miles, Doug Moore, Robert Stubbs, and Ephraim Payne, West Lane News

1. PUBLIC COMMENT

Patti Chappel P.O. Box 1120, Veneta, OR

On behalf of the light parade chair, Ms. Chappel requested a donation to purchase new banners to attach on the light posts advertising the light parade. They need approximately \$400 to \$500 to cover the cost to replace all the banners.

Mayor Hobart-Hardin suggested Ms. Chappel submit a written donation request, which Ms. Chappel said she would do.

Dale Deitzel, P.O. Box 234, Gates, OR

Mr. Deitzel requested a two year extension on his approved subdivision. At this time he has received two one-year extensions. The second extension expired October 1, 2009. He is concerned if he doesn't get the extension he will forfeit the engineering costs he's already paid.

In response to a question from Mayor Hobart-Hardin, Brian said the Council could request staff to look at the approval time line in the code and compile a list of subdivisions that have expired in the last six months. He said unfortunately many developers are in the same situation as Mr. Deitzel. Staff will provide the Council with options for these developers.

2. CONSENT AGENDA

MOTION: Darrell Carman made a motion to approve the consent agenda as presented. Marion Esty seconded the motion.

Vote: Darrell Carman, aye; Marion Esty, aye; Mayor Hobart-Hardin, aye; Sandra Larson, aye; and T. J. Brooker, aye.

The consent agenda as approved included Minutes for November 9, 2009, Bills paid and payable for November, 2009 and the Civic Calendar for December, 2009.

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

- a. Mayor Hobart-Hardin opened the public hearing at 7:15 p.m.
- b. Declaration of Potential Conflicts of Interest and Ex-parte contacts:

Mayor Hobart, Sandra Larson, and Marion Esty all declared having had ex-parte contracts. T. J. Brooker wrote an article for the West Lane News on the E. Bolton LID but had no contact with anyone.

- c. **Staff Report**
Brian briefly reviewed how the remonstrance process worked. He asked the Council if they had any questions. He said the Council can choose to abandon the project or approve the process by directing the City Engineer to draft the engineering contract and construction documents and release the project for bidding.
- d. **Public Testimony**

Ben Carlson, 25138 E. Bolton Rd., Veneta, OR
Opponent

Mr. Carlson thanked the City for the opportunity to speak and for all the information the City has provided the E. Bolton residents. He is very concerned about the cost involved with the LID including hook up fees and monthly sewer and water bills. Residents elect government officers hoping they represent community interests. He doesn't feel water quality is an issue and that the LID does not have to be done right now. He suggested postponing the project until the economy improves and property values increase giving residents the time to recoup equity in their homes.

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

Ms. Mariner supports the LID. She said many of the residents opposing the LID should have been attending the meetings for several years. Neighbors 4 Responsible Growth (N4RG) was pushing for the developer of Trinity Terrace to be required to pay for the line when that subdivision went in but they didn't have many people on their side. E. Bolton residents should have done something then and not waited until now. It is impossible to remove contaminated water from the aquifer once it's there. Multiple septic systems in a limited area put everyone at risk.

Jason Shannon, 25183 E. Bolton Rd., Veneta, OR
Opponent

Mr. Shannon is a new resident to E. Bolton. He hasn't been coming to meetings or staying informed on the LID because he thought it would never come to fruition. Now he wishes he was more involved and had attended the meetings from the beginning. He strongly opposes the LID.

Dorothy Rosedahl, 25185 E. Bolton Rd., Veneta, OR
Opponent

Mrs. Rosedahl has lived on E. Bolton for 40 years. The City has denied everything she has asked for. In years past she wanted to divide her property and put in a street. The City denied her request saying a new street would interfere with a natural drainage ditch on the property. Later, at a different location, the City built a street across the same ditch and installed water/sewer lines. The City asked her to pay for the line but would not allow her to hook up to it. She has been paying a sewer fee for 40 years. She cannot afford an \$11,000 assessment and will be forced out of her home if the LID goes through. The residents behind her throw their grass clippings in the ditch which clogs it up.

Jim Evans, 25160 E. Bolton Rd., Veneta, OR
Opponent

Mr. Evans recently purchased his home and was aware of the potential LID. He will have a \$6,900 assessment and would need to borrow the money making his total assessment roughly \$11,000. This will not benefit his family. It costs him \$400 a year to empty his septic tank. City sewer will cost him \$500 a year. He needs to replace seven windows in his home and lay down insulation under his floors to save on heating and cooling costs. Those things will benefit his family not the LID.

Irene Jasper, 25131 E. Bolton Rd., Veneta, OR

Opponent

Ms. Jasper conducted an independent survey of Bolton Hill residents and was stunned by how angry many of them were over the LID. She is unsure if she will be able to stay in her home if the LID goes through. She is not opposed to having everyone on City services but questions how the project would be paid for. If the City doesn't have the funds to build sewer lines why are residents required to pay for it? The System Development Charges (SDCs) are unclear and she doesn't understand why they are required. She doesn't understand why the City would be allowed to spend money they don't have. She appreciates everything the City has done to inform the residents. She asked if staff could shop for the best interest rates and possibly waive the SDCs.

Mark and Lauri Matteson, 25188 E. Bolton, Veneta, OR

Opponents

Mrs. Matteson thanked the City for the service it provides to our community and for the past efforts made to make the LID as equitable as possible. Things are very hard for her family. Her four year old daughter has brain cancer and began treatment in March 2009. She is stable but the trauma and uncertainty that such a diagnosis brings is very difficult for her family. She just returned two weeks ago from Boston, Massachusetts and will be returning in four months. The highly specialized pediatric care is expensive and not available in Oregon. She quit her job as a nurse to take care of her daughter and to travel for her treatment. Her family is in a "no spending" mode with 500,000 miles between their two cars. As elected officials she asked the Council to please investigate all the possibilities for stimulus or grant funds; to postpone the LID for two to three years and offer the deferment program at no interest to residents.

Kristi Till, 25177 E. Bolton Rd., Veneta, OR

Neutral

Ms. Till is neutral at this point but felt the LID should be delayed. She thanked Mayor Hobart-Hardin and Ric for their cooperation and forthrightness with East Bolton residents. The question and answer sheet that was mailed to all residents was very informative along with the two open houses the City held. Many residents knew the LID project was coming but no one knew what the economy was going to do. Residents should be able to decide what to do with their property and she asked why the LID project is being done before the sidewalks go in. Many of her neighbors will not develop and chose to keep their property the way it is but they will still pay for the LID. She asked the Council to consider giving residents three years at no interest to pay for their assessments and to give residents 10 years to hook up. She asked the Council to put themselves in her position.

Lyndonna Sites, 25107 E. Bolton Rd., Veneta, OR

Opponent

Ms. Sites said this is a very bad time for the LID. Many of her neighbors are unemployed. She purchased her home two years ago and the seller did not disclose the possibility of the LID project. She has little equity in her home and they cannot get a loan. They have replaced their roof and windows in their home. She would like to have 10 years to hook up to City services and asked if there were any options available for those who are hooked up to the old City line. She said it's not fair she should have pay for the new line when the Applegate line runs past her house.

Scott Bennett, 25224 E. Bolton Rd., Veneta, OR

Mr. Bennett purchased a home in Earnest Acres three year ago and he has been paying for City services since that time. This project should be postponed to give residents an opportunity to save and prepare for the project. He realizes the LID needs to be done, but questioned if it needs to be done now?

Lori Bradford, 25161 E. Bolton Rd., Veneta, OR

Opponent

Ms. Bradford felt the project should be postponed for at least one year because this is a hard for many of her neighbors. The deferment period and length of time for hooking up to the line should be the same as what was offered to the Bolton Hill Road residents but extend the free interest for two to three years and allow residents to stay on their current septic systems for up to 10 years.

Randy Miles, 25191 E. Bolton Rd., Veneta, OR

Mr. Miles purchased his property in prime time and built a home three and a half years ago and paid top dollar. Now he's upside down on his home which has been assessed for \$100,000 less than he paid. There was an existing home on the property with a septic system. The property is dividable but now that he lives there he likes the space and does not want to divide the property. If the LID goes through he will lose his home. This is a hardship for all of his neighbors. Banks are not loaning money especially to people who have had their hours cut or are unemployed. He talked to Kyle when he purchased his property and was aware of the LID but thought it would go in when the road was widened and improved. He now feels he was not told the whole truth.

Doug Moore, 25177 E. Bolton Rd., Veneta, OR

Mr. Moore thanked the Council and City staff for listening to and working with residents on the LID. If they truly are labeled "benefited property owners", how are they benefited if they can't borrow money to improve their homes? The City's water supply is a concern and asked if the LID is a responsible action to take now. Veneta borrows police from Lane County, are we ready for the growth the City is proposing? He does not oppose the LID but is not in favor of it either. This is a difficult economic time and he is not certain that East Bolton residents will really benefit from the LID. The project should be delayed or additional time given to pay the assessments at a low or zero interest rate. East Bolton Road residents should get the same payment opportunities as the Bolton Hill Road residents.

Robert Stubbs, 25106 E. Bolton Rd., Veneta, OR

Mr. Stubbs purchased his home last year. He is in the construction business and he realizes there are many big projects going on within the City. He would like to be a part of that but the way the economy is going, he may not be in the construction business much longer. When he purchased his home the lender said the property is not dividable but the City has assessed his property for two hook ups. He couldn't develop his property even if he wanted to. His monthly earnings have dropped 60%. The building boom is busted and someone needs to realize it's going to take some time for things to get better. He is not against or for the LID.

Jim Evans, 25160 E. Bolton Rd., Veneta, OR

Mr. Evans will not put his family in a situation if he feels he's being set up to fail. He cannot justify the LID project at this time. He understands the improvements are needed but not now. He cannot afford it and is struggling just to pay his bills.

e. Questions from the Veneta City Council

Marion Esty was very sympathetic to what residents are going through. She said moving forward with the East Bolton LID would impose a hardship on many residents. Extending the financing in some way may make it less difficult for people. She is in favor of postponing the project and looking into different LID financing.

Darrell Carman agreed. Last year his design business lost about 50% of what it was the previous year and this year he's down 50% of that. There is a general feeling being seen tonight that the project should be postponed for a period of time and he sees no downside to that.

Mayor Hobart-Hardin sympathized with all of the East Bolton residents. The LID process is complex, difficult to follow, and is not always clear to the Council. The Council is listening to the East Bolton residents and she concurred, based on their comments tonight, that the project should be postponed for at least a year. She wanted to make it perfectly clear that a year from now the LID project costs will more than likely be higher. She asked that everyone keep that in mind.

Sandra Larson thanked the East Bolton residents for their rational and logical suggestions and indicated she would not be opposed to a one year extension. The Council should consider some of the suggestions about interest rates and deferment periods. She is concerned that many residents may be confused about the entire LID project including SDC and hook up charges. It was her impression that many residents may think they're going to pay more than what they really are. She asked staff to research the possibility of government grants or stimulus funds.

T. J. Brooker listened to all the comments made tonight. He understands the burden the LID will create for the East Bolton residents. However, he is concerned that delaying the LID project will only increase the cost in the future. It's not his decision to make, it's up to the entire Council. He would not stand in the way of a postponement but felt many questions still need to be answered in order for residents to understand that the future LID costs may be significantly higher than the costs currently proposed. He understood that City staff has previously spent time researching possible government grants or stimulus funds. This is a difficult time for everyone and it is part of the Council's job to try to move the City forward and he questioned whether or not postponing the LID project will actually benefit residents as well as the City. Providing a three year interest free period on deferments would be a major burden to the City which we cannot afford.

In response to questions from Kristi Till, Ric said government is getting smaller and government grants and stimulus funds are a rare opportunity. The City could go to a bond bank and borrow the money in the form of a bond. Ric said if the Council decides to review Wastewater SDCs and adopt a Capital Improvement Program, SDCs may increase. The project can also move forward as planned with the City providing a one year interest free deferment period. The finance/deferment options have not been decided on. The City may decide to offer the East Bolton residents the same financing options as offered to the Bolton Hill Road residents.

Darrell Carman explained that the City will pay for the entire project and at completion will then bill residents for their assessments which at that time residents will have up to one year to pay their assessments interest free.

In response to a question from James Norwood, Mayor Hobart-Hardin said if the project were to move forward now, it would start in late spring of 2010 and be completed in the fall of 2010.

- f. Mayor Hobart-Hardin closed the public hearing at 8:25 p.m.

g. Decision by the Council

Darrell Carman suggested rather than specifying a postponement date, the Council should postpone the East Bolton LID project until there is a measurable improvement in the economy.

MOTION: Darrell Carman made a motion to postpone the East Bolton Road LID for one year or until housing starts in Veneta equal that of 2007; whichever comes first. Sandra Larson seconded the motion but requested clarification.

MOTION: Darrell Carman withdrew his motion. Sandra Larson withdrew her second.

MOTION: Darrell Carman made a motion to postpone the East Bolton Road LID for at least one year. Sandra Larson seconded the motion which passed with a vote of 5-0.

4. DEPARTMENT REPORTS

a. FROM MAYOR/COUNCILORS

(1) Law Enforcement Activities Report

Sgt. Harrold asked the Council if they had any questions on the activity report he provided. There were no questions from the Council.

(2) Introduction of new Sergeant

Sgt. Harrold spoke to the Council and indicated he will be leaving the City of Veneta on January 2, 2010. His replacement is Sgt. Doug Osborne. Sgt. Harrold has enjoyed working in Veneta for the past four years. He thanked the Council for the many volunteer hours they spend at the City.

Mayor Hobart-Hardin said Sgt. Harrold will be greatly missed and his efforts with the City and for the City are much appreciated. Sgt. Harrold received the Oregon Marine Board program management of the year award.

b. COUNCIL/COMMITTEE LIAISONS

Marion Esty said the Fern Ridge Library Foundation continues to work on fundraising issues.

Mayor Hobart-Hardin attended the November 12th Oregon Department of Transportation (ODOT) open house at Veneta Elementary. The students were enthusiastic about donating the bird houses they made to ODOT and to the City. She also attended a meeting organized by Ric to discuss Highway 126. Attending the meeting was Floyd Prozanski, Paul Holvey, representatives from ODOT, Senator Wyden, and Congressman Defazio's offices. It was a great meeting and a lot of information was shared. The Mayor's meeting was held November 18th with 10 to 12 mayors attending from throughout Lane County. A Lane County Commission on Transportation will be formed soon. It is her goal to keep the Highway 126 project on everyone's radar screen.

Sandra Larson said the Pool Committee continues to raise funds. The Committee along with the Veneta Park Board sold Bricks and Fern Ridgeopoly games at the Holiday Bazaar on November 20th and 21st at Veneta Elementary and Our Daily Bread. Sales were slow but

many questions were answered and they got a lot of positive responses from both locations.

T. J. Brooker said he's excited to hear a Lane County Transportation Commission will be formed rather than having the Lane County Commissioners acting as our transportation advisors. He said the next meeting of the Fern Ridge Library Foundation has been moved to January, 2010.

Darrell Carman reminded everyone that the LCOG awards banquet is coming up.

Ric said he placed the registration and nomination forms in the Councils' mailboxes.

5. STAFF REPORTS

a. COMMUNITY SERVICES DIRECTOR.....BRIAN ISSA

- (1) **Ordinance 491** - AN ORDINANCE AMENDING VENETA COMPREHENSIVE PLAN ORDINANCE 416 AND COMPREHENSIVE PLAN MAP. For Second Reading by Title Only and Final Enactment.

Brian said Ordinance 491 is before the Council for second reading and final enactment. Ordinance 491 is required in order to implement the code changes identifying West Broadway as Veneta's downtown.

MOTION: T. J. Brooker made a motion to approve Ordinance 491 for seconding reading by title only and final enactment. Darrell Carman seconded the motion which passed with a vote of 5-0.

Ordinance 491 was read into the record for seconding reading by title only and final enactment.

b. CITY ADMINISTRATOR.....RIC INGHAM

- (1) Authorization for Pool Bond Request for Proposal (RFP)

Ric provided the Council with a draft Request for Proposal (RFP) for financing the new swimming pool. Staff has worked on reducing the administration costs associated with a public bonding company by 40% to 60%. Private bond issuers can be used to package the bond and cut the bond underwriters out of the process. The Council will make final decision on who we issue that final purchase to and to start the final financial packet.

In response to a question from T.J. Brooker, Ric said there's really no down side to using a private verses public bonding process. It's a very clean process and the only real difference is the cost. Private bonding issuers usually will not purchase a bond under one million dollars. At this point everyone feels comfortable and we're in good shape. The banks don't have any exposure and the voters already passed the bond measure. Dedicated property taxes would retire the debt.

Staff is requesting the Council direct staff to release an RFP for the purpose of purchasing of the City's \$1.1 million general obligation bond.

MOTION: T. J. Brooker made a motion direct staff to release a Request for Proposal for the purpose of purchasing the City's 1.1 million dollar general bond obligation. Sandra Larson seconded the motion which passed with a vote of 5-0.

6. **OTHER**

The annual Light Parade will be Wednesday, December 2, 2009 at 7:00 p.m. City staff plays a big role in organizing the parade and we are soliciting folks to assist with traffic controls. If anyone would like to volunteer their time it would be appreciated.

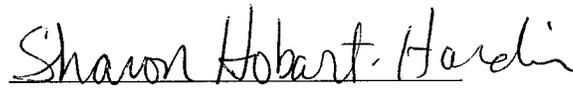
T. J. Brooker would like to have more discussion on how the City and Council will determine the length of time for which to delay the East Bolton Road LID project. He would also like to involve residents in a portion of the discussions. Ric said we could bring this back at the first meeting in December and if we need to discuss it in January we certainly could.

Mayor Hobart-Hardin felt staff did an outstanding job with establishing the dialogue and holding the two open houses.

Brian said if anyone is interested in following the pool construction, the City has a blog to view pictures and also has a link to the pool fundraising information. The Fern Ridge Service (Senior) Center will be discussed at the next Urban Renewal Agency meeting.

7. **ADJOURN**

Mayor Hobart-Hardin adjourned the City Council at 8:49 p.m.


Sharon Hobart-Hardin, Mayor

ATTEST:



Darci Henneman, Assistant City Recorder
(minutes prepared by Dhenneman)