

# Minutes of the Veneta City Council

## January 25, 2010

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

Others: Ric Ingham, City Administrator; Jerri Moore, Finance Director; Brian Issa, Community Services Director; Sheryl Hackett, City Recorder; Kyle Schauer, Public Works Superintendent; Darci Henneman, Assistant City Recorder; Herb Vloedman, Linda Boothe and Joan Mariner

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Mayor Hobart-Hardin called the Veneta City Council to order at 7:00 p.m.

### 1. PUBLIC COMMENT

None

### 2. CONSENT AGENDA

**MOTION: T. J. Brooker made a motion to approve the consent agenda as presented. Marion Esty seconded the motion.**

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

The consent agenda as approved included Bills Paid/Payable for December, 2009 and January, 2010, the Public Works Activity Report for December, 2009 and the Civic Calendar for February, 2010.

### 3. DEPARTMENT REPORTS

#### a. FROM MAYOR/COUNCILORS

#### (1) Law Enforcement Activities Report, Sgt. Osborne, LCSO

Sgt. Osborne introduced himself and thanked the City Council for partnering with the Lane County Sheriff's Office (LCSO). He has been with LCSO for 12 years. He wanted the Council to know that he volunteered for the Veneta assignment and that he is a resident of the community. LCSO recently received federal grant funds to procure equipment considered to be "less than legal force options" (tasers instead of fire arms). Currently Veneta patrols do not have permanently assigned tasers. Providing a "less than legal force option" is now required. He also reserved the speed trailer for use at the Veneta Elementary school zone on Territorial Rd.

Sgt. Osborne introduced Deputy Brian Smith who has over six years with the LCSO and is replacing Scott Denham. Lt. Randy Smith has been transferred and his replacement is Dennis Ewing, who had a scheduling conflict tonight but will be at a future meeting.

In response to a question from Mayor Hobart-Hardin, Sgt. Osborne said thefts rose in 2009 compared to 2008 but many thefts aren't reported so that may make this years' number see higher than last year. We don't know if this is the case but it may have something to do with it. He said there was a rash of holiday extension cords stolen but active patrolling curtailed that.

In response to a question from Marion Esty, Sgt. Osborne said there hasn't been an increase in break-ins due to the large number of vacant homes.

#### (2) State of the City Address, Mayor Sharon Hobart-Hardin

Mayor Hobart-Hardin in writing her address, wanted to emphasize the positive things that happened in 2009. The State of the City Address is attached as part of the record.

(3) Appointment of Planning Commissioners

Mayor Hobart-Hardin said Ric and Brian interviewed a new Planning Commission applicant, Kevin Conlin. Mayor Hobart-Hardin reappointed James Eagle Eye to a four year term and appointed Kevin Conlin to replace Jim Bruvold for a four year term.

(4) Appointment of Park Board Members

Mayor Hobart-Hardin said the Parks Board was very fortunate to have two applicants apply for the Parks Board vacancies. Mayor Hobart-Hardin appointed Marie Pickett to fill a vacancy which will expire March 31, 2011 (position 5) and Daphne Sampson to fill a position expiring March 31, 2012 (position 7).

(5) Veneta Parks Board Presentation of 2008/2009 Accomplished Goals and 2009/2010 Goals & Workplan

Gail Wilkie, Parks Board Chair provided an overview of the 2008/09 Parks Board accomplishments and their 2009/2010 Goals and Workplan. The Parks Board also revised and adopted their bylaws on January 6, 2010. Appointment dates and term lengths are more clearly defined now. The Parks Board initiated a partnership with the Kiwanis Club with the hope the partnership will grow to increase community involvement.

The Parks Board is committed to see the pool open this summer and continue to work on establishing a year-round volunteer program. On behalf of the Parks Board, Ms. Wilkie gave a special thanks to Brian, Kyle, and Ric.

(6) **Resolution 1018 – A RESOLUTION APPROVING REVISED PARKS BOARD BYLAWS**

The Parks Board has been working on revising their Bylaws. A section was added to explain the purpose of the Board as well as clarification on member terms, lengths, removal language and Non Performance of Duty. The number of members making a quorum was changed from three to four of which three shall constitute a majority vote.

**MOTION: T. J. Brooker made a motion to approve Resolution 1018. Marion Esty seconded the motion which passed with a vote of 5-0.**

(7) Appointment of Committee Liaisons

Mayor Hobart-Hardin spoke with all Council members individually about their existing appointments. She made the following Council appointments: Sandra Larson will continue as the Pool Committee liaison, Darrell Carman will continue as the West Lane Cities Alliance and LCOG liaison. Mayor Hobart-Hardin will continue as the Administrative liaison, the West Lane Cities Alliance liaison and will become the Park Board liaison. Marion Esty will be the Fern Ridge School District 28J liaison. Mayor Hobart-Hardin felt creating a School Board liaison position is very important especially since the Fern Ridge School District 28J Board changed their meeting dates so they would not conflict with City Council meetings allowing citizens to attend more meetings. Marion Esty resigned as City Council president.

**MOTION: Sandra Larson made a motion to nominate T. J. Brooker as Council President. Darrell Carman seconded the motion which passed with a vote of 5-0.**

**4. STAFF REPORTS**

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

- (1) **Ordinance 493** - AN ORDINANCE ADOPTING THE VENETA LAND DEVELOPMENT ORDINANCE AND ZONING MAP, AND REPEALING ORDINANCES 461, 463, 466, 471, 472, 473, 479, 484, AND 487. Second Reading by Title Only and for Final Enactment.

The Council did not request additional information, therefore, staff requested they approve Ordinance 493 for second reading by title only and for final enactment.

**MOTION:** T. J. Brooker made a motion to approve Ordinance 493 for Second Reading by Title Only and for Final Enactment which was seconded by Marion Esty and passed with a vote of 4-1. Darrell Carman voted no.

Ordinance 494 was read into the record for second reading by title only and for final enactment.

- (2) **Ordinance 494** - AN ORDINANCE ADOPTING THE VENETA LAND DIVISION ORDINANCE AND REPEALING ORDINANCES 462 AND 472. Second Reading by Title Only and for Final Enactment.

The Council did not request additional information, therefore, staff requested they approve Ordinance 493 for second reading by title only and for final enactment.

**MOTION:** T. J. Brooker made a motion to approve Ordinance 494 for Second Reading by Title Only and for Final Enactment which was seconded by Sandra Larson and passed with a vote of 4-0. Darrell Carman voted no.

Ordinance 494 was read into the record for second reading by title only and for final enactment.

- (3) Pool Financing Update

- (a) **Resolution 1019** – A RESOLUTION OF CITY COUNCIL OF CITY OF VENETA, LANE COUNTY, OREGON AUTHORIZING SALE OF THE CITY’S GENERAL OBLIGATION BOND.

The pool bonding Request for Proposal (RFP) closed December 31, 2009. U.S. Bank provided the best proposal. Staff met with Mayor Hobart-Hardin and Councilor Brooker to review the pros and cons of using private bank placement for issuance of the bond. Staff provided an update and a breakdown with how U.S. Bank’s RFP stands. At this time staff is requesting the Council to pass a resolution to adopt the terms for the bond.

Brian provided a cost update which included construction costs and a 5% contingency. With the 1.1 million dollar bond plus the 1.4 million dollars the City contributed (including the \$125,000 inter-fund City loan), we’re still \$100,000 shy of reaching our 2.6 million dollar goal which doesn’t include the kiddy pool or spa. To date \$25,000 has been raised with brick sales. It is staff’s goal to also fundraise the \$125,000 inter-fund loan the City made.

Ric asked the Council if they had questions on the project summary. There is still a significant deficit but we’re 40% to 50% through the construction phase.

In response to a question from T. J. Brooker, Brian said the cost of a general obligation bond would be roughly \$55,000 or \$14,000 for private bond funding.

Resolution 1019 is required in order to pursue the RFP from U.S. Bank. Staff worked with the LOCAP Program to provide an alternate proposal. Brian got updated numbers from a bond underwriter. Staff was pleased with what came from U. S. Bank and Siuslaw Bank. The City asked for a 20 year term. Many banks declined because they did not want to carry a 20 year loan. U.S. bank offered a 19 year loan at 4.45% interest. Siuslaw Bank offered 5.5% interest. U.S. Bank had the lowest interest paid at \$574,465. A general obligation bond would have a higher interest rate as well as higher interest to be paid.

Ric said originally residents were told the bond would be .28 cents per thousand on Median Household Value (MHV) or approximately \$34 per household per year. Now it will be more like \$43 per household per year for the first two years and reduced to the original \$34 per year sometime thereafter. This will allow more capital up-front to complete the pool and will save residents considerable funds over the term of the bond. Staff is asking the Council to approve Resolution 1019.

In response to a question from Darrell Carman, Ric said the adjusted taxable value in the City continues to go up. The assessed tax rate can actually go down when assessment valuation increases in the entire community. They are adjusted from 2011 through the end of the maturity of the bond including a 4% appreciation of the average tax rate. He said it's referred to as a blended rate. Next year the annual payment will be \$74,000. In order to retire this year's bond payment, Jerri will complete form LP50 indicating we need to receive \$74,000 in property tax resources. Lane County Assessors office actually calculates the tax rate to be levied in the City for that yearly payment. They will recalculate that figure annually based on information submitted on form LP50. They are structured in a way that the assessed valuation goes up but you'll see the tax rate go down. U.S. Bank arranged the schedule so a larger principal and interest was shifted to later in the payment plan. The first numbers we saw in 2008 from the Bond Council was an annual payment of \$105,000 to \$107,000 which nearly doubled the tax rate.

In response to a question from Sandra Larson, Mayor Hobart-Hardin said after the subcommittee and staff reviewed the bond options it was clear there are ways to reduce bonding costs and those funds saved could apply to construction costs.

T. J. Brooker said reducing the bond costs made sense and it doesn't negatively affect the citizens. The first year is high but after that it drops annually and saves money over a longer period of time.

In response to a question from Sandra Larson, Ric said the City will communicate to residents that the household increase would be approximately \$1.00 per month per household. The \$34 per household figure was based on a \$122,000 home at 2007 or 2008 assessed value.

**MOTION: T. J. Brooker made a motion to approve Resolution 1019. Sandra Larson seconded the motion which passed with a vote of 5-0.**

(4) Website Update

Brian has been working with LCOG over the last year to revamp the City's website. He provided a copy of what the main website page will look like. The intent of the new look was to make the main page more natural and convey the idea of tourism, birding and the

reservoir. The website contains a lot of useful information but it needs to be organized and quickly retrieved. Eventually on-line bill paying will be available.

In response to a question from Brian if the Council had any objections to the course staff is taking with the City's website, Mayor Hobart-Hardin said it looks great and is in favor of the update and how things are inter linked.

T. J. Brooker was very pleased to hear the City's website is getting an update.

- b. CITY RECORDER.....SHERYL HACKETT
- (1) Building Code Appeal Fee

**Resolution 1017 - A RESOLUTION SETTING A FEE FOR AN APPEAL OF A CIVIL ADMINISTRATIVE PENALTY**

On December 14, 2009 the City Council adopted Ordinance 492 which amended the Veneta Building Code to comply with Senate Bill 915, which requires cities to provide an administrative process for building code enforcement. The amendment includes an appeal process for anyone aggrieved by a notice of civil penalty and allows cities to establish a non-refundable appeal fee.

Staff members required for processing an appeal included the Building Clerk, Code Enforcement Specialist, City Administrator and Building Inspector. Based upon an estimate of time involved for each of these staff positions to process the average appeal, it is recommended that the appeal fee be set at \$500. This amount is in keeping with the fee established by at least one other jurisdiction.

Staff is requesting the Council to make a motion to adopt Resolution 1017, which sets a fee for an appeal of a civil administrative penalty.

Darrell Carman felt the process really isn't fair for the appellant. If someone is assessed a fine of \$1,000 it will cost them \$500 to appeal it and even if a person wins their appeal, they're still out \$500. He isn't concerned about the amount of the fine but that it's not refundable or a portion isn't refundable.

In response to a question from Mayor Hobart-Hardin, Sheryl said the building inspector does not anticipate any appeals. The building inspector and the applicant usually resolve the issue before a fine is ever levied. A person will only be fined if they refuse to resolve an issue with the building inspector.

T. J. Brooker said if a violation is severe enough that the applicant and the building inspector cannot resolve it, then the inspector would levy a fine and then the applicant, being in violation, could take it upon himself to appeal the fine.

- (a) Public Comment

**Linda Boothe, 25127 Hunter Rd., Veneta, OR**

Ms. Boothe said the appeal fee needs to be substantial to avoid frivolous appeals. It's not just the City verses an owner it's how the code was written and how it should be met. Everyone has to follow it. She said often the building inspector will assist the homeowner to get the homeowner where he needs to be.

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

Ms. Mariner said if a person refuses to comply with the state of Oregon building requirements and then refuses to pay the fine, he has demonstrated he can't

resolve his issue and is being difficult. Therefore if he does appeal, the fee should not be refundable.

**Herb Vloedman, 25115 Luther Lane, Veneta, OR**

Mr. Vloedman said from a developers point, the building department is considered to be an extension of the City and will interpret the best they can and there may be flaws. It seems like there should be a prevailing party fee. It shouldn't always been the contractor or developer to be responsible for covering all the costs. If there is a discrepancy both parties should be on equal ground.

After a lengthy discussion from the Council and confirmation from Sheryl that Ordinance 492 allows for the appeal fee or a portion thereof to be refundable if the appelland prevails, it was the consensus of the Council to approve Resolution 1017.

**MOTION: T. J. Brooker made a motion to approve Resolution 1017. Marion Esty seconded the motion which passed with a vote of 5-0.**

- c. CITY ADMINISTRATOR.....RIC INGHAM
- (1) Council Goals and Work Plan Update

Ric provided and reviewed an updated 2009/2010 Workplan with the Council. Staff is working on providing updates to the Council more regularly. A few things were added under public safety. Staff is looking into possibly implementing a community service program for residents who cannot pay their fines, however, many issues still need to be discussed, i.e., risk factors, liability, and safety issues.

Staff continues to reevaluate various City contracts. Currently staff is reviewing the municipal judge's contract.

Well 12 successfully came on line and staff is currently working on obtaining water rights. Both filtration plants and the backwash process are currently going into the sewer plant with no adverse impacts of having the backwash water going into the sewer plant.

In response to questions from Darrell, Ric said the only concern with running the backwash water back into the plant would be the impact the high concentration of iron may have on the plant. The next round of testing on the sludge may produce a higher level of iron but at this point the regulatory agencies do not monitor iron levels which are not considered a contaminant. The plant is designed to deal with peak flow in winter, putting it onto the system when we're at the lowest flow during summer months makes sense.

Ric said three water projects were added which address the Environmental Report and the EWEB Pipeline project. Staff is working on the Preliminary Engineering Report (PER) and a cost of service analysis with EWEB to see what the water bill may look like. Well 4 had a fairly significant overhaul. Kyle got monitoring equipment into all the wells and into some of the filtration plants. Staff has a good understanding of the water that was being pumped, water being produced and the water that was out flowing from the system. The utility billing software update is fully operational.

The sewer rate analysis is scheduled for the February 8th Council meeting. Jerry Elliott was given the green light to complete the engineering on the E. Bolton LID and hold the

bid documents until the Council can reassess it in January. The poplar plantation needs to be reevaluated because there's no value in the pulp market and it's costly to maintain the poplar stands.

In response to a question from T. J. Brooker, Kyle said the City has about 35 acres of hay at this point. Testing done several years ago on native plantings showed that the native plants did not offer significant uptake of the treated effluent.

In response to questions from Darrell Carman, Kyle said the hay can be fed to livestock. Ric said the Wastewater Master Plan also allows for us to take this to a level 4 to allow for irrigation at other sites.

Ric said the re-authorization for Highway 126 funding continues to be a high priority and was included in the congressman's draft Transportation Reauthorization Bill. At this point we're not sure if it gets passed in 2010 or delayed until 2011. Included in the Reauthorization is the Environmental Analysis and the NEPA Analysis but not the actual construction. With the formation of the Area Commission on Transportation (ACT), Mayor Hobart-Hardin and Ric believe if we can help structure the ACT appropriately and voices from West Lane County can be heard, we can push funding of Highway 126 onto that list.

Stormwater is the one program area that has had the least amount of work done. Staff is hopeful to pick some of these projects up as spring comes along.

All parks issues are on hold until the pool is completed. Kyle has worked on getting a back up generator for City Hall in the next 30 to 45 days.

A transition plan needs to be developed by Sheryl Hackett who is retiring in March, 2011.

Staff put a lot of effort into the tourism basket. Staff submitted an application to get Territorial Highway designated as a state scenic byway and get a special or unique designation as a wine or bike tour route. In the last couple of months we worked on reconvening the Fern Ridge local managers. Ric and the superintendents from Crow/Lorane and Fern Ridge School Districts, along with the Fern Ridge Community Library and Lane County Fire District No. 1 are getting together and talking about common issues.

In response to a question from Sandra Larson, Ric said Colin Rea at the library is trying to develop the Fern Ridge local calendar through a Google site.

T. J. Brooker felt stormwater issues should be addressed before building picks back up again.

Brian said the City paid approximately \$100,000 for delineation of the basin at Cherry and Oak Island Streets. Brian said without doing significant work outside the city limits any work within the City will be no avail. Mr. Coven has been going around and around with DSL for several years. The overflow channel was reopened and staff worked with him to resolve the issue by creating a wetlands area.

(2) Approval of Rural Tourism Marketing Program

Ric provided the 2009/2010 agreement and allocation. The City and the Chamber of Commerce's tourism committee reviewed and approved the allocation as follows: regional advertising - \$1,000; Wings & Wing event sponsorship - \$1,000; contractor cost (Chamber of Commerce) for W & W event registration and information requests - \$2,269.30; and staffing of the visitor center (Chamber of Commerce) - \$2,500. Any formal agreement and specifics for the Chamber to staff a visitor center during the summer of 2010 will come back before the Council for approval. Staff is requesting the Council approve the proposed activities and authorize Mayor Hobart-Hardin to sign the agreement to submit to Lane County.

**MOTION: Darrell Carman made a motion to approve the 2009-2010 Rural Tourism Marketing Program and authorize Mayor Hobart-Hardin to sign the Agreement. Marion Esty seconded the motion which passed with a vote of 5-0.**

In response to a question from T. J. Brooker, Mayor Hobart-Hardin said currently there are 123 members of the Fern Ridge Chamber of Commerce. Participation increased because they did away with their three tier membership costs and decreased the annual dues. The Chamber is to be commended for the positive new direction they've taken.

(3) Request to Waive Fern Ridge Chamber of Commerce Utility Bill

The Fern Ridge Chamber of Commerce no longer has the budget to staff their office full time. The Chamber is currently operated by volunteers on a part-time basis and is operating with very limited funds. Currently their monthly utility bill consumes 1/30<sup>th</sup> of their annual budget. The City utility records show very little water usage for their office in the West Lane Center. Since November 2007 the average annual usage is 4,000 gallons per year compared to the average annual usage of 109,704 gallons for a single family resident.

Veneta Municipal Code Chapter 13.05.050(3) allows the Council to enter into special agreements for water usage and offer special rates to water users within the City. Because the Chamber is a non-profit group staff is recommending the Council exercise their authority under VMC 13.05.050(3) and enter into an agreement with the Fern Ridge Chamber of Commerce to waive their monthly utility charges. Staff suggested revisiting the waiver annually or if and when the Chamber is in a financial position to hire staff to keep the office open full time, whichever comes first.

**MOTION: T. J. Brooker made a motion to waive the monthly utility charges for the Fern Ridge Chamber of Commerce effective February 1, 2010 and to revisit the issue annually. Darrell Carman seconded the motion which passed with a vote of 5-0.**

(4) Oregon Department of Transportation (ODOT) 2010 Special City Allotment Agreement

The City Council approved staff to submit an application for the 2010 Special City Allotment Grant. Staff was recently notified that the City was awarded the \$25,000 for the West Broadway Redevelopment project. Staff is requesting the Council make a motion to authorize Mayor Hobart-Hardin and Ric Ingham to complete the agreement in order to accept the grant funds.

**MOTION:** T. J. Brooker made a motion to approve Mayor Hobart-Hardin sign the Oregon Department of Transportation (ODOT) 2010 Special City Allotment Agreement. Darrell Carman seconded the motion which passed with a vote of 5-0.

**5. OTHER**

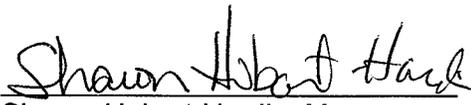
Mayor Hobart-Hardin said at the February 8th meeting, the Council will receive the annual evaluation form for the City Administrator's performance.

Ric said the clean up and removal costs of the underground tanks discovered in Fourth Street will come out of the West Broadway Redevelopment fund. The minimum cost for cleaning up limited contamination is roughly \$13,000. Staff is asking the Council to direct staff to move forward with the agreement and authorize the clean up costs be allocated out of the West Broadway Redevelopment fund. An updated report will go to the Urban Renewal Agency at the February 8<sup>th</sup> meeting.

**MOTION:** Darrell Carman made a motion to approve the City enter into a Contract with Bergeson-Boese to remove and the underground storage tank near 4<sup>th</sup> and West Broadway. Marion Esty seconded the motion which passed with a vote of 5-0.

**6. ADJOURN**

Mayor Hobart-Hardin adjourned the City Council at 8:48 p.m.

  
Sharon Hobart-Hardin, Mayor

ATTEST:

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