

City of Creswell
Council Minutes
April 9, 2007

The regularly scheduled Council Meeting was called to order by Mayor Ron Petitti and the pledge of allegiance given.

Council Present:

Nathan Marple
David Case
Alan Brown
Bob Millam

Bill McCoy
Ron Petitti
Tim Demanett

Staff Present:

Mark Shrives
Shelley Humble
Layli Nichols

City Administrator
Airport Manager
City Recorder

Council Absent: None

Press: 1

Audience: 14

1. Public Hearing - Ordinance No. 444 – An Ordinance Imposing a Business License Tax on Motor Vehicle Fuel Dealers, Providing for Administration, Enforcement and Collection of the Tax

Mayor Petitti opened the public hearing on Ordinance No. 444.

Bill Spencer of 32718 DeBerry Road and owner of the Creswell 76 gas station addressed the Council in opposition of the proposed Gas Tax. He gave a power point presentation outlining the reasons he is opposed to the tax. He noted that the competition outside of city limits would not have a tax. The second reason he feels the tax is unfair is due to his card lock which sells commercial diesel fuel to people outside the Creswell area. He said these commercial accounts would probably find fuel elsewhere because they by and large do not use the City streets. In the City's own economic and development plan adopted in 2004, page 33 noted that an asset to Creswell is cheaper gas. He feels that it would be difficult to maintain that portion of the economic development plan, should the City pass the ordinance. He does not believe that it is the City's job to make sure a business is successful, but he does believe that the City should not make the business handicapped.

Mr. Spencer outlined all of the local bonds and taxes business owners already have to pay. He explained his company's education savings plan, which provides young employees the opportunity to save for college, as well as other ways his business has supported the community.

Mr. Spencer said Council is coming to the point of making a decision. He feels the Council has followed so far, an easy path, and not the challenge of seeking the best solution. He said he feels there are other options, such as a County Wide tax, in lieu of a city tax. He feels that there are probably other solutions rather than just a fuel tax. When you seek to find the best answer, it may take time, and he wonders how much money there is in the operating fund to maintain business until another solution is found. He wondered if any council has sought to increase timber production within the County. That is not a popular idea, but it would be a challenging path.

Mr. Spencer said he feels that the City is asking for a tax amount based on a very broad idea of what the tax revenue would yield. He would like to see the tax be based on a dollar amount in lieu of a number of cents in tax. He would like to see the Council research this a little more, before passing the ordinance.

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John Wilson, owner of the Creswell AM/PM, of 1707 Victorian Way, Eugene Oregon, addressed the Council. He explained his goal is to keep gas prices low. If a large tax is put on him, there is a possibility he would not be able to operate the business the way he does now. Right now, he pumps about 300,000 gallons of fuel per month. He would like Council to look very closely at the decision made.

Ross McCillum of 82990 Bear Creek Road addressed the Council in opposition of the gas tax.

Ron Bowers of PO Box 519, Creswell addressed the Council in opposition of the gas tax. He owns a small trucking business in town, in the past 12 months he has paid approximately \$151,000 to the State of Oregon for the privilege of operating his trucks on the road. He feels like he has been paying a considerable amount of taxes already. He is not objecting to helping the community, he buys local as long as it is competitive. The tax proposed would cost him about \$18,500 per year, and said he would no longer consume gas here in Creswell.

Brian Spencer of 38 Nth Second Street addressed the Council in opposition of the gas tax. He said he thinks about what it would do to his dad's business, and feels that he might have to shut down, or sell his business. He feels that his dad is a great leader for the kids in Creswell.

Don Hansen of 82735 Sears Road addressed the Council in opposition of the gas tax. He said has been farming in Creswell for over 35 years. He uses mainly off road diesel. He tries to buy local as often as possible. He feels the tax should exclude the businesses which use the card lock system. These are the people who do not use the streets in Creswell, but do business here.

John Tenney of 776 Blue Jay Loop addressed the Council in opposition of the gas tax. He said he has learned to live within his budget and would like to see the government live within their budget.

Carol Anne Sudderth of 465 South 7th Street addressed the Council in opposition of the gas tax. She urged the Council to hold off on the adoption of a gas tax until there is more consideration regarding the tax.

There being no further public testimony received, Ron Petitti closed the public hearing.

Ron Petitti said Creswell has not increased taxes in many years. Any increase in taxes within the community is a result of other taxing districts. He feels that any impact on fuel prices would be more greatly felt by the rising cost of crude oil, rather than the proposed gas tax. He feels there are far more roads in the City that need maintenance and repair than there are funds to repair them with.

A discussion ensued regarding the reporting requirements for business owners, what Street Fund monies can be used for, and the possibility of holding additional public hearings on the issue before passing an ordinance. Further discussion ensued and Councilors were in consensus to table the item pending further review and research for alternative options to a gas tax. Tim Demanett said that Council is trying to look for a way to repair roads before the streets are so bad that the repair costs are exorbitant, and the community wants to know why the roads weren't repaired five or six years ago.

David Case moved Tim Demanett seconded to table discussion on the gas tax, Ordinance No. 444, until the April 23, 2007 Council Meeting. Voted on and carried unanimously.

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- A. Adoption of Ordinance No. 444 – An Ordinance Imposing a Business License Tax on Motor Vehicle Fuel Dealers, Providing for Administration, Enforcement, and Collection of the Tax

Ordinance 444 was tabled to the next regularly scheduled meeting by consensus of the Council.

- 2. Comments from Mayor, Councilors, and City Administrator

Tim Demanett would like to thank City Administrator Mark Shrives regarding the I-5 Overpass because he was able to get some of the equipment moved which hindered visibility. Bob Millam asked if construction for the overpass was on time, or if the completion date had been delayed. Mr. Shrives said he thinks that September 2007 is still the target completion date.

Ron Petitti complimented David Case for helping get the School tax levy passed.

- 3. Old Business

- A. Resolution 2007-05, a Resolution Establishing City Council Rules

David Case asked if the Council rules still needed to go through legal review. City Attorney Carrie Connelly said she reviewed the rules and has nothing to note except that she would like to add a bit of detail to clarify a couple of things. A short discussion ensued regarding the addition of comments included in the City of Lebanon's Council Rules. Bob Millam said that he feels the proposed resolution is a good fit for the City of Creswell. He would like to keep it as simple as possible. He only had a question regarding section 3.9 – excused or unexcused. Tim said that on the section 5.6 he liked the verbiage that the council could respond to the public as comment is received.

Bill McCoy suggested striking the first sentence of 10.6 as it is addressed in 10.3. Tim Demanett asked how long the council rules have been in place. Mr. Shrives said that Boardman has had theirs since 2002 or 2003. Ron Petitti said he would like to have legal counsel insert recommendations and give staff time to review it and bring it back to the special council meeting. David case said he would like Mrs. Connelly to take a special look at section 8.2. Mrs. Connelly said she has reviewed this section and finds it to be well written, but would review the rules as a whole and make any necessary recommendations.

Bob Millam moved David Case seconded to table Resolution 2007-05, adoption of Council Rules to April 23, 2007, Special Scheduled Council Meeting. Voted on and carried unanimously.

- 4. Correspondence

- A. Creswell Chamber of Commerce 38th Annual Banquet (April 27, 2007)
- B. ISO Report for City of Creswell
- C. Creswell School District Board Meeting Agenda
- D. Notice of Hearing regarding a Temporary Permit request to conduct skydiving activities on land zoned E25/Exclusive Farm Use, per LC 16.225(2) (a) (iii). Owner: Frank Clack, Applicant: Dave Wright
- E. Notice of City Council Remand Proceedings from the Land Use Board of Appeals of the Fairways Planned Unit Development and Subdivision. Meeting to be held on Monday April 23, 2007
- F. Sheriff Department Contract Reports

Mr. Shrives said the annual Chamber Banquet is to be held on April 27, 2007. The City of Creswell normally pays for Council, Planning Commission and Airport Commission members to attend. Please respond no later than April 19, 2007.

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Mr. Shrives reminded Councilors to return the Government Standards and Practices disclosure forms no later than April 15, 2007.

Tim Demanett said that he wanted to publicly thank the Stewart Foundation for their donation to project playground for \$3,173. Mr. Shrives said that the City could certainly send a thank you to the foundation.

Mark said the other item councilors were handed is a notice of hearing for May 3rd regarding the applications for land use change for the drop zone applications for the skydiving businesses to operate on.

Ron Petitti said the City of Creswell received its ISO report regarding the fire district. The areas of deficiency were training and equipment. There are some improvements the Fire District could make, but overall it looks good. The Fire District Issues Committee met a couple of weeks ago and will be meeting tomorrow night. The first meeting was setting rules, and they should be moving on to addressing problems at the meeting tomorrow night. Bob Millam said the two people who have been added to the committee are himself and Don Furrer. They have been asked to participate by Board Chair Mike Fleck.

5. Public Forum

Carol Anne Sudderth of 465 South 7th Street addressed the Council regarding development on the butte. She inquired as to the planning and zoning ordinances which would govern development in that area. Ron Petitti said there is a new development code which does not allow the type of driveways etc. which are there now. Mr. Shrives noted that when those homes were constructed, stamped engineered plans were required regarding retaining walls, driveways and other items in order to ensure adequate construction practices.

6. Consent Calendar

- A. Minutes from March 12, 2007 City Council Meeting
- B. Minutes from March 19, 2007 City Council Meeting
- C. Approval of Bills

Bob Millam moved Bill McCoy seconded to approve the consent calendar as presented. Voted on and carried unanimously.

7. Airport

- A. Pay Request – David Evans and Associates

City Administrator Mark Shrives said the pay request is regarding ongoing work for the waterline at the Airport. He said this would be the last invoice we receive for a while until the project comes closer to fruition. Bill McCoy moved Bob Millam seconded to approve David Evans & Associates pay request in the amount of \$2,009.09 as presented. Voted on and carried unanimously.

- B. Invoice from Oregon Department of Aviation – Security Fencing at Airport

Bob Millam moved Bill McCoy seconded to approve Oregon Department of Aviation invoice in the amount of \$937.69 for fencing at the Airport as presented. Voted on and carried unanimously.

8. Public Works

- A. Pay Request for CH2MHill for Engineering Services for the Water System Improvement Project

City Administrator Mark Shrives said the invoice is for ongoing work on the Water System Improvement Project. He noted there would be no further invoices until the environmental review is completed by the Department of Environmental Quality, which is called a (FONSI) Findings of No Significant Impact. Tim Demanett moved Bob Millam seconded to approve CH2MHill invoice in the amount of \$1,224.02 as presented. Voted on and carried unanimously.

B. Garden Lake Park Lease

City Administrator Mark Shrives explained that staff needs direction regarding the lease held with the Gates' at Garden Lake Park. He said that the Gates' have been talked to numerous times regarding the contract for services at the park and feels it is time to have Public Works take over the caretaking responsibilities at the park. Mr. Shrives said staff needs direction on how to proceed with the lease, does the long-term plan for the park include this house sitting on the property. Should the City commence the termination of lease, which provides for a 60-day notice to the lessee. Mr. Shrives noted there would be additional work for maintaining the restrooms, and there may be some security issues to address with the Sheriff's Department. A short discussion ensued regarding the terms of the lease, and whether 60 days provided enough notice to the tenants. Bob Millam moved Tim Demanett seconded to terminate the personal services contract with Teresa Gates, including the possibility for a one time extension on the termination date should they be unable to move within the original 60-day period. A short discussion ensued, and Nathan Marple asked if the tenant had received any warning that the lease might be terminated. Mr. Shrives indicated that no official warning has been given, but they have been talked to.

Voted on and carried: Bill McCoy, David Case, Ron Petitti, Alan Brown, Tim Demanett, and Bob Millam voting yes, Nathan Marple voting no.

9. City Administration

A. Resolution No. 2007-04 – A Resolution Appropriating Wal-Mart Grant Funds within the General Fund.

Bill McCoy moved Bob Millam seconded to approve Resolution 2007-04 as presented. Voted on and carried unanimously.

10. Clerk's Report – March 2007 Financial Statement

The Council reviewed the combined financial statement for the period ending March 31, 2007.

11. Executive Session – The meeting will be closed for the City Council to enter into Executive Session under ORS 192.660 (2) (f), to review a nonpublic document regarding correspondence from the City Attorney.

Mayor Petitti called a two-minute recess before entering into executive session.

Mayor Petitti re-opened the regularly scheduled Council Meeting.

Ron Petitti said he would contact Ron Hanson and Jim Johnson tomorrow regarding finding an Interim City Administrator. A short discussion ensued regarding costs and timeline for conducting a search for a new City Administrator. Bob Millam moved Nathan Marple seconded to accept Mark Shrives' letter of resignation, his last day being May 4, 2007, in satisfaction of his contractual obligation. Voted on and carried unanimously.

12. Other Business

A. Upcoming Meetings:

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- a. April 9th @ 6:00 pm; Parks Meeting
- b. April 9th @ 7:00 pm, Regular City Council Meeting
- c. April 19th @ 5:00 pm, Public Meeting No. 1 for Interchange Area Management Plan
- d. April 19th @ 7:30 pm, Planning Commission Meeting
- e. April 23rd @ 6:00 pm, City Council Transportation Committee Meeting; to review TSP Info.
Members of this committee: Nathan, Bob and Bill
- f. April 23rd @ 7:00 pm, Special city Council Meeting to make a decision regarding the
Fairways LUBA remand
- g. April 25th @ 6:00 pm, Community Involvement Committee – This would only be for the
Mayor and Councilors who serve on the Committee

There being no further business to come before the council, Mayor Petitti adjourned the meeting.

Ron Petitti, Mayor

Layli A. Nichols, City Recorder