

Council Present:

Richard Heyman            Gary Mounce  
Dave Stram                 Jane Vincent  
Richard Zettervall

Staff Present:

Michelle Amberg            City Administrator  
Roberta Tharp              City Recorder  
Cliff Bellew                Public Works Director  
Jim Piper                    Finance Director  
Shelley Humble             Airport Manager  
Maddie Phillips             Planner  
Lauren Sommers            City Attorney  
Michael DeHart             Economic Development  
   Coordinator  
Sgt. Billy Halvorson       Lane County Sheriff's  
   Office

Council Absent:            0

Press:                        1 – Scott Olson – The Chronicle

Audience:                 7

The City Council work session was called to order by Mayor Stram at 6:22 pm.

**Mayors Report**

Cancellation of the August 22<sup>nd</sup> Work Session

With the Council's unanimous consensus, Mayor Stram cancelled the August 22<sup>nd</sup> Work Session.

Oregon Mayors Association Update

Mayor Stram gave a brief update on his attendance at the Oregon Mayor's Conference.

**Committee Reports**

Administration Committee – Chair, Council President Vincent

No report was given.

Finance Committee – Chair, Councilor Mounce

No report was given.

Public Safety Committee – Chair, Councilor Zettervall

The committee is reaching the completion of the Draft Code Enforcement Policy and has sent it to Judge Palmer for review and comments.

Transportation and Public Works Committee – Councilor Heyman, Chair

Councilor Heyman noted he will give his report under agenda item 4 A – (Discussion) Airport Waste Water System.

**Presentations**

Federal Water Reallocation Project – Adam Sussman

The Federal Water Reallocation Project presentation was moved on the agenda to follow Councilor Heyman's presentation.

Comprehensive Plan – Maddie Phillips and Michael DeHart

Ms. Phillips provided the Council with a copy of Oregon's Statewide Planning Goals and a copy of Creswell's Comprehensive Land Use Plan.

The Council is at the beginning of an important and interesting process to update the Comprehensive Plan. In the late 1970's, the state implemented a law that says every city shall have a plan that includes goals, objectives, a map and a population estimate for the next twenty years. The intent of the plan was to describe what the community is today and what are the qualities that should be attained as the community grows. Creswell's 1982 Comprehensive Plan outlines a direction for the future of the community and the results of this plan show that today we have achieved a good number of those goals. There are many qualities about Creswell that have not changed during this period although the number of people who reside here has increased significantly. The population of Creswell today is 5,130 and it is estimated that in 2030 it will be upwards of 6,900 and in 2035 it is estimated at 7,400.

Ms. Phillips explained that the Comprehensive Plan can be considered as a roadmap for the community. The document provides a level of stewardship to the way that we deal with items such as transportation, zoning and land use, housing and economic opportunities in dealing with the future population.

Ms. Phillips noted that there are a number of elements in the Comprehensive Plan that will stay the same throughout the update although there are a number of areas that need addressed for the generations to come.

Ms. Phillips continued saying that allowances in the budget have been made for analysis of the Economic Opportunities and Transportation System Plan. Once the city has updated these components, they will need to be co-adopted with the Lane County Board of Commissioners.

She asked the Council to review Section III, Plan Proposals, Programs and Policies (page 62) in the Comprehensive Plan and note what is relevant and what is not as to the direction the city is moving.

### **Discussion Items**

#### **A. Future Agenda Item Request - Airport Waste Water System – Councilor Heyman**

Councilor Heyman passed out information he has collected on an Orenco Sewer System he is proposing the Council consider for installation at Hobby Field Airport.

Councilor Heyman traveled to Sutherlin, Oregon where he visited with a representative of Orenco Corporation and Dennis Boeger of Boeger Engineers. Orenco Corporation builds and sells Septic Systems that are DEQ approved to School Districts, Cities, RV Parks and businesses. Councilor Heyman reported that he feels a realistic cost for a project of this size would cost no more than \$500,000; \$244,560 for the system, \$50,000 for the engineering and the remaining would cover the cost of laying the pipe, prefab buildings for restrooms etc. He continued by saying the cost for a system like the Orenco would be approximately half of what it cost to drill a four inch pipe under the freeway as suggested by Westech Engineering.

Councilor Heyman proposed the Mayor issue a charge to the Transportation and Waste Water Committee in addition to the Airport Commission to work with city staff to further study this proposal and bring to the City Council a recommendation to proceed with this project or not.

Mayor Stram referred to the Strategic Plan; Strategic Goal #2 – Economic Development, Objectives and Actions:

- 5<sup>th</sup> bullet point under Create and Implement an Economic Development Plan reads Explore development and operating options at the Airport.

He noted he attended a State Directors session at the Mayor's Conference this year and asked Mitch Swecker, Director of the Oregon Department of Aviation and Johnny Hammond, Deputy Director of Oregon Department of Environmental Quality what type of funding is available for improvements to the Airport. Their response was that there are grant funds available that would provide up to ninety percent of project costs requiring a ten percent match which amounts to approximately \$150,000 per year that an entity could get. He noted that amount wouldn't be enough to cover the cost of the project but could begin the engineering phase.

Mayor Stram recommended that this agenda item be placed on the September work session to discuss whether or not this is a priority and if so give direction to administration to begin working on it. Ms. Amberg responded that due to the timeline for the grant application process, staff could begin working on the grant application to present to the Council at the September regular meeting for approval or denial. She continued saying this project was not included in the top priorities that were budgeted for this fiscal year. The Council gave no objection to staff beginning looking into a possible grant for a wastewater system at the Airport.

### **Presentation**

#### **Federal Water Allocation Project – Adam Sussman**

Adam Sussman, Water Resources Consultant addressed the Council to provide an update on Willamette Basin Project – Small Scale Reallocation Study.

Mr. Sussman recapped the project noting that he will be talking about the City of Creswell's interest in getting access to stored water in federal projects operated by the Army Corp of Engineers at Cottage Grove and Dorena Reservoirs. In 1930's the Willamette Storage Projects were authorized by congress; in the late 1950's there was additional legislation that allowed the storage to be built. The storage is able to hold 1.6 million acre feet of water to be used for flood control, irrigation, hydropower, and potable water. When the storage space was built it never allocated how much water was stored for irrigation or potable water. The Bureau of Reclamation acquired state water rights for all of the stored water to be used for irrigation.

Mr. Sussman explained that he is presenting tonight on behalf of the Oregon Water Utility's Council. This group of water providers has recognized that getting access to the stored water is important to their future water supply. He outlined what the group needs to do in order to gain the access to the stored water:

- Complete a reallocation process
- Complete an analysis as to how much water is needed for fish, recreation and cities

The Oregon Water Utility's Council would like to do a small scale reallocation as a test before tackling a large project that would include thirteen different water sources. They have chosen the City of Creswell to be the benefactor of the small scale reallocation based on the fact that the reservoir is just upstream, possession of at least one water right, and no federally listed fish species on the Coast Fork.

On December 13, 2010 he proposed this small scale reallocation to the Council who at that time was willing to participate. Mr. Sussman noted that this decision has never obligated the City to engage in any activity or cost. He continued saying that about three quarters of the way through the simple reallocation the Army Corp of Engineers decided that a simple reallocation was not the way to proceed; and went forward with a report that identifies specifically that there is surplus water in Dorena Reservoir for the City of Creswell. The result of the report shows there is a certain amount of water that Creswell has demonstrated a need for that is stored in Dorena Reservoir and has offered the City a contract for that stored water.

The result of the small scale study shows that there are 437 acre feet of storage available in Dorena Reservoir for the City of Creswell. The contract to receive this water spans a five year period at a cost of approximately \$55,000 annually; the contract can also be amended to extend it an additional five years. The contract between the City and the Army Corp of Engineers would reserve storage space in the reservoir. Mr. Sussman also explained that if for some reason, Creswell's challenged water right (by priority date) was not available to the City, the stored water would be.

Mr. Sussman outlined the milestones of this project:

- Doing the small scale study
- Getting a draft contract
- Changing the water right for Dorena Reservoir so that the 437 acre feet of water is available

Next steps – Once it goes through the Assistant Secretary of the Army for review and is signed, it would take about six months. At that point the Council would need to determine whether or not they want to participate in this process; and obtain a water right to store and use the water.

A discussion ensued on the language of the contract and Mr. Sussman contributed that the contract contains all sorts of legal language and you would want your legal counsel to weigh in on it.

Public Works Director Cliff Bellew explained to the Council how the City's water rights work and with the stored water we would have enough water should our junior water right be suspended for a long period time.

Mayor Stram asked what the long term benefit to the City would be and what would the impact would be on other cities. Mr. Sussman explained to the Council that they need to be thinking of it as a utility for future water supply. The organization he works with is hoping the City will participate; Creswell needs the water. If the Council chooses not to move forward with this opportunity, the next chance to jump on board would be between five to nine years down the road after the Corps of Army Engineers finish their report and Congress approves it.

Ms. Amberg noted that we could look at this as an insurance policy for the future.

Mayor Stram directed staff to place this on the September work session agenda for a Council discussion and to hear from staff as to how this would impact our budget.

At 8:00 pm Mayor Stram called for a brief recess and reconvened the meeting at 8:11 pm.

**B. 3% Marijuana Tax Consideration of Ballot Measure**

The Oregon Legislature has adopted ORS 475B.345 for Cannabis Regulations allowing a local governing body to place a referral to electors for approval of imposing a three percent tax on recreational marijuana sales on the November 2016 ballot.

Ms. Amberg presented a copy of a Resolution drafted by the City Attorney that if adopted would place a three percent tax question before the voters on November 8, 2016. Included as an exhibit to the Resolution is the proposed Ordinance that would be placed on the ballot allowing voters to determine whether or not to impose a

three percent tax on recreational marijuana. Attorney Lauren Sommers from the Local Government Law Group was present to review and answer any questions the Council may have. Ms. Sommers noted the Council has a lot of leeway to amend the draft resolution/ordinance but some of the language is required by law. The proposed ordinance would tax the final sales of recreational marijuana retailers only and in an amount not to exceed three percent. Ms. Sommers noted that it is unclear at this time who will be responsible for collecting the tax. At the last Legislation session, the legislature clarified that the Oregon Department of Revenue (DOR) has the authority to collect local marijuana taxes on behalf of cities if requested to do so. The DOR will also be collecting the state tax on marijuana and has the infrastructure already developed; and there may be a fee associated with the collection. The League of Oregon Cities (LOC) has been working with the DOR to put together an Intergovernmental Agreement for all cities wanting to contract with them for collection of the tax. Ms. Sommers noted the City does not have to use the DOR for marijuana tax collection should the measure pass voters' approval, it can collect the tax on its own or use a separate entity for collection purposes. The proposed ordinance provides the framework for the tax collection. The rate of tax would be set by the Council per resolution.

A discussion ensued regarding what the tax money would be used for. The revenue received from the state tax are dedicated for law enforcement, the local tax revenue are not dedicated funds and can be either placed in the general fund or earmarked to a specific cause. Ms. Amberg cautioned the Council on dedicating the revenue to a critical service because at this point no one is sure what amount of revenue will be received. Ms. Amberg said we could identify what the tax dollars would be spent towards during the budget process.

Ms. Sommers reminded the Council they will have two marijuana measures on the November ballot. If the ban measure passes, the tax revenue measure will be null and void.

A discussion ensued regarding Section 6, Appeal Process. Ms. Sommers noted the appeal process as outlined is a very standard process.

Four of the five councilors present agreed not to specify in the ballot title where the funds would be placed within the budget.

The Mayor directed Ms. Amberg to place the Resolution on the August Council agenda for action in placing the marijuana tax ordinance on the November ballot.

**C. Public Safety Levy Resolution and Ballot Language**

Ms. Amberg explained this is a resolution calling for an election to place a measure on the November ballot that would place a \$1.85 per \$1,000 assessed value tax for public safety. These funds would be dedicated solely to public safety; it does not cover the full cost of public safety but offsets the fee currently on the utility bill. If the levy passes, the public safety fee will be removed from the utility bill.

Ms. Sommers explained that this resolution is the same as the marijuana tax resolution we just discussed.

A discussion ensued that the public safety officer's rate of pay will increase each year and this was factored into the equation.

Mayor Stram addressed the summary; the language that states how much money the tax will raise is quite significant and in seeing this, what will convince voters to vote in favor of the tax. His thoughts were that the summary should just state that it would increase coverage and be much more specific. Ms. Sommers stated that the summary needs to be fairly neutral, clear, factual, and state what the goal is. She continued by saying you can change the summary but reminded the Council that they are allowed to campaign for the ballot measure but staff has restrictions. Mayor Stram suggested moving the last sentence, "If adopted, the City Council would remove the public safety fee from the City utility bills" forward to become the second sentence of the summary and include "by adding additional police coverage and adding a full time chief contracted through Lane County Sheriff." Sgt. Halvorson cautioned the Council to be clear, concise and careful about guarantees.

Further discussion ensued regarding the timeline of receiving taxes and approximate dates to begin the process of implementing the additional staff. Ms. Sommers reminded the Council of election timelines; action must be taken to adopt the resolution on or before August 19<sup>th</sup>. She has heard a lot of suggested changes and if she implements those changes and brings it back to the Council for adoption at the August 8<sup>th</sup> meeting, they would be reviewing the changes for the first time and are asked to adopt it at that time.

Mayor Stram directed staff to move the last sentence "If adopted, the City Council would remove the public safety fee from City utility bills" making it the second sentence of the summary and placing it on the August meeting agenda for action.

**D. Old Public Works Shop - Surplus**

Ms. Amberg reported she has been contacted by three interested parties in purchasing the old public works facility. She asked the Council to discuss and direct her as to what they would like to do with the property.

Public Works Director, Cliff Bellew noted that the building is used for storage and is beginning to deteriorate without regular maintenance and usage. Public Works currently uses the yard of the facility where a bulk water fill station is located.

Discussion ensued regarding the placement of the buildings within the three lots and the need for a zone change should the Council decide to sell the property. Ms. Amberg noted the interested parties include a plumbing business, a manufacturing business and an adjoining resident. Councilor Zettervall suggested checking with the School District to see if they are interested in the property and if not to declare it as surplus property.

Ms. Amberg outlined a few different options to the Council for the property:

- Declare it surplus and take sealed bids
- Hire a realtor and get appraisals

After discussion the consensus/direction of the Council was to declare the property as surplus and sell it.

**E. Draft Special Event Permit Policy**

Ms. Amberg presented a draft copy of a Special Event Policy to the Council. Currently the City has a policy that is a one size fits all and not all events fit within its perimeters. She noted the draft document has been reviewed by staff, Sgt. Halvorson, Chamber of Commerce and a few community members; and feels it is ready for Council consideration.

Discussions ensued on:

- Road closures and who should be notified prior to the event
- Certificate of Insurance and Hold Harmless Agreements and who needs to provide them and who doesn't
- Race Start Times – editing the policy to read races must start and clear the Downtown Commercial area no later than 10:00 am
- Application Fees and Deadline – Must have application submitted no later than forty five days in advance of the event accompanied by a \$75 permit fee. Applicants who cannot meet the 45 day requirement will be charged a Rush Fee of \$275 in addition to the base fee of \$75

Ms. Amberg reiterated that the \$75 fee covers administrative costs required to process the permit and additional costs may be incurred depending on the requirements of the event (ex. City staff overtime)

The Council gave consensus to place the Special Event Policy on the August meeting agenda for consideration.

**F. Annexation of 83251 North Harvey Road**

Maddie Phillips explained the city has received an application for annexation of property located at 83251 North Harvey Road (approximately 1.35 acres) from Nathan Marple. Mr. Marple intends to develop the property as a residential subdivision and is required to extend the sewer line. Ms. Phillips explained the definition of Low Density Residential Zoning as properties being developed from one to sixteen dwelling units per acre. Councilor Heyman declared a potential conflict of interest as his son owned the property prior to selling it to Mr. Marple and still has a financial interest in that property. Councilor Heyman recused himself from the discussion. This annexation will be noticed for a Public Hearing to be held during the September 12<sup>th</sup> City Council meeting.

**G. Annexation of 33482 and 33492 Nieblock Lane – Maddie Phillips**

Maddie Phillips explained the city received an application for annexation of the properties located at 33482 and 33492 Nieblock Lane owned by the Beswick family. These properties lie north of the recently annexed property located at 83320 North Harvey Road which is under development. It is the Beswick's desire to connect to the waste water line that is being installed. Ms. Phillips explained the conditions of the annexation are the same as the other property as they are not currently served by wastewater but are connected to city water. A discussion has been held as to whether or not there would be any commitment to participate in an LID (Land Improvement District) or any other requirement that makes up city standards; it was determined that because Nieblock Lane is not part of the City but a County road and that it is outside of the UGB and there is no intent for Nieblock Lane to become a city street or transfer jurisdictions; the annexation would be allowed. Whether or not they sign a non-remonstrance agreement for a local improvement district meaning they could not object to the improvement is something that can be looked at down the road. If the City does happen to take jurisdiction of Nieblock Lane it

would be addressed at that time. This annexation will be noticed for a Public Hearing to be held during the September 12<sup>th</sup> City Council meeting.

**H.** Draft Job Description – Airport Maintenance and Operations Technician

Airport Manager Shelley Humble presented a draft job description for the new position of Airport Maintenance and Operations Technician. She noted that she will be bringing this forward for Council action and will include a salary range.

Michelle Amberg handed out a copy of the 1983 signed agreement between Emerald Valley and the City of Creswell regarding wastewater. There wasn't any discussion, it is information only.

**Adjournment**

There being no further discussion, Mayor Stram adjourned the work session at 10:00 pm.

Signature on File

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Dave Stram, Mayor

Signature on File

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Roberta J Tharp, City Recorder