

**STAYTON CITY COUNCIL
MEETING MINUTES
July 6, 2009**

6:30 – 7:00 pm WORK SESSION: Jeff Bickford with Marion County Solid Waste presented a Solid Waste Management Plan Update 2009 to the Council. The county is making presentations to various jurisdictions in order to gain input of the plan. Marion County has led the state in recycling but due to the amount of waste being generated, a complete review of the current system needs to be conducted in order to maintain cost effective programs, while providing a comprehensive recycling program.

REGULAR MEETING CALLED TO ORDER at 7:00 pm by Mayor Gerry Aboud.

FLAG SALUTE

ROLL CALL

Mayor Gerry Aboud	Councilor Loftus
Councilor Frank	Councilor Vigil
Councilor Hemshorn	Council Walters

STAFF:

Don Eubank, City Administrator
Rich Sebens, Acting Chief of Police
Dave Kinney, Public Works Director
Dan Fleishman, City Planner
Louise Meyers, Library Director
Christine Shaffer, Excused
David A. Rhoten, City Attorney
Rachel Halligan for Beki Petersen

PRESENTATIONS/COMMENTS FROM THE PUBLIC –

- a. Acting Chief Sebens presented employees' 10 Year Service Awards:** Acting Chief Sebens presented Don Eubank, Danielle Wetzel and Rachel Halligan a certificate for their 10 years of consecutive service with the city of Stayton.

Larry Emery commented on how nice the swimming pool looks since it has been painted and also the new windows in the library.

Larry stated that recently he applied for a permit to extend the size of his shop that is on his property. He was told that he can not build because his land is fifty feet from the Salem Ditch, which is called a Natural Resource Overlay and may not be developed. Mr. Fleishman will conduct research on this issue and prepare a report for the Council.

Nancy Hanna, owner of Stayton Arco and Dairy Queen voiced her opinion on the pending local gas tax that is being proposed at tonight's city council meeting. She advised in today's economy this is the wrong thing to do to our citizens as Oregon has

the second highest unemployment rate. Nancy feels that if the local gas tax is passed, the citizens of Stayton will be going to another city to get fuel.

ANNOUNCEMENTS

a. Additions to the Agenda: None.

CONSENT AGENDA

- a. Council Meeting Minutes of June 15, 2009
- b. Heritage Foundation Community Grant Application
- c. Stayton Moose Lodge Rental Agreement
- d. Water Rate Increase deferred until September 01, 2009
- e. Dairy Queen/Arco Settlement re: Street Issues

Councilor Frank pulled items c. and e. of the consent agenda.

MOTION: From Councilor Loftus, seconded by Councilor Walters, to approve item a, b, and d of the Consent Agenda. Motion passed 5:0.

Referring to item c. of the Consent Agenda, Stayton Moose Lodge Agreement, Councilor Frank stated he is not comfortable to go along with this agreement. Steve would like more information on this. Personally he would like to get more money than \$600. It does not make sense to him to pay \$1200 a month for rent to house our Public Works and Planning Departments, and then renting out a building we own for only half that amount.

Mayor Aboud asked Don Eubank if the current contract was expired. Don advised the contract expires in October 2009. The moose is currently paying \$400, and was to increase to \$500, and all agreed that \$600 is more of a fair market value price.

Councilor Hemshorn asked who paid the utilities. Don Eubank advised the Moose Lodge pays all utilities. Councilor Hemshorn does not think \$600 is an adequate amount.

Councilor Loftus asked that in the future when someone brings an amendment to a lease agreement, he would like to see the original lease agreement. In addition, he feels the city should be trying to consolidate the existing city offices into that building. He feels the city could save a huge amount of money.

Mayor Aboud and Don Eubank will meet and discuss this issue.

Councilor Frank would like to put off the Dairy Queen settlement until the next meeting. Don Eubank advised nothing is going to change, so he's not sure why Mr. Frank wants to put off discussing the issue at this time.

Mayor Aboud advised the previous council had authorized Don to negotiate a settlement and that is what has been done.

Councilor Frank would like information on how the settlement got to this point and would like to see all the information and paperwork.

Councilor Vigil wanted to see the original documents and also how is this going to affect the 2009-2010 budget.

Don Eubank advised this will not affect the budget at all. This is incoming monies, unanticipated revenues.

Don Eubank will pick a date for an executive session to discuss this settlement.

UNFINISHED BUSINESS:

Request to Extend Record on Application of Santiam Memorial Hospital for Comprehensive Plan and Zoning Map Amendment at 1401 N. 10th Avenue, Remanded by Land Use Board of Appeals

Mr. Fleishman presented a request to re-open the record for the Comprehensive Plan and Zoning Map.

Councilor Loftus asked how this will affect the hospitals site plan review. Mr. Fleishman advised this has nothing to do with the site plan review, they are only asking to re-open the record to change the zoning.

MOTION: From Councilor Loftus, seconded by Councilor Frank, to move to grant the applicant's request to reopen the record on the application of Santiam Memorial Hospital's application for a Comprehensive Plan Map and Zoning Map amendments to written testimony until August 21, 2009. Motion Passed 5:0

Local Option Gas Tax

Mr. Kinney stated that the issue before the council is whether or not to consider adoption of an Ordinance authorizing a Local Option Gas Tax. If the council votes for a Local Option Gas Tax it has to be done before September 25, 2009. The reason for the Local Option Gas Tax is to finance the maintenance and repairs of the streets in the city of Stayton.

The council has three options:

1. Move to hold a public hearing to consider a Local Gas Tax Ordinance with a voter referral at a special Council meeting.
2. Move to hold a public hearing at the Council's first regularly scheduled meeting in August to consider a Local Option Gas Tax Ordinance
3. Motion to drop further consideration of a Local Option Gas Tax

Mayor Aboud advised if no action is taken, the city will have to figure a way to maintain the streets or the public will be putting up with the streets the way they are today.

Councilor Frank asked how much the city would be receiving from the legislature passing the gas tax. Dave Kinney advised it will be around \$25,000 to \$40,000 a year, depending on gas sales.

Councilor Hemshorn asked if the council adopted the ordinance, would they have the option of only 2 cents instead of 3 cents. Dave Kinney advised they could opt for it to be 1, 2 or 3 cents.

Mayor Aboud advised if a Local Option Gas Tax is adopted, the people that are using the streets and don't live here are paying also, whereas if we are asking for a utility tax, it is only people who live in the town that are paying.

Councilor Walters feels that the gas tax is a great idea, but just does not think it will pass in this economy. He feels that the council should just let this die.

MOTION: From Councilor Loftus, seconded by Councilor Frank, to drop further consideration of a Local Option Gas Tax. Motion Passed: 4:1 (Hemshorn)

Draft Charter from Thomas Sponsler, Special Counsel

Mr. Eubank stated that the Draft Stayton Charter has been revised by Thomas Sponsler, Special Council for Beery, Elsner and Hammond LLP. It is the recommendation of staff that a work session be held to discuss the changes made by Mr. Sponsler.

Don Eubank advised a draft charter was sent out to all to be reviewed. The charter has been changed quite a bit. It needs to be looked at to see what the committee did, what the council did and now what has been presented. There are quite a few changes and should not be rushed through. Don feels a work session should be set up to review this document.

Councilor Frank would like to get it on the November ballot and would like to know what needs to be done to get it on the ballot.

Don Eubank says the Deputy City Recorder will need it by July 25, 2009 and feels that there have been too many changes made to make that happen. A work session needs to be held, to review it and make sure everyone is comfortable with it as it will be used for many, many years to come.

Councilor Frank advised personally he is very comfortable with what has been done, likes the work that has been done. He does not agree with everything, but understands that experts have reviewed it and he is ready to go with it.

Councilor Loftus advised this is an agreement to the citizens on how the council will govern them. He feels it makes more sense to put it on the May ballot so the council is not rushed. He has not been able to do side by side comparisons, but has read the attorneys report. He feels

there are some issues that he would like to address, and thought there was going to be another work session.

Councilor Hemshorn feels that the issues have been beaten to death. She would like to hold a work session prior to July 24th so it can be on the November ballot.

Mayor Aboud is not comfortable with section four which refers to annexations. He feels there has to be some type of threshold regarding this. There are other areas that he feels need to be discussed.

Mayor Aboud would like everyone to submit any and all concerns to the City Administrator so he can put them together before the work session, so the meeting does not last five years.

Councilor Vigil advised he likes the charter the way it is except section four.

A Work Session is scheduled for Tuesday, July 21st at 6:30.

NEW BUSINESS

Bond Ordinance for Sewer Interim Financing

Mr. Kinney stated that a bond ordinance needs to be in place before any money is loaned. The proposed changes to Stayton Municipal Code Title 3, "Revenue and Finance" Authorizing the issuance of Revenue Bonds to finance improvements to the Wastewater Treatment Plant were discussed.

Councilor Loftus asked what the financial impact would be to tax payers. Mr. Kinney stated that the monies are paid back by rates, not taxes. With the rate projections for sewer projects, Dave is anticipating the sewer rates will raise to \$44 to \$48 a month within the next four years.

Don Eubank wanted to let the council know that every issue comes back to the council before it is approved. This ordinance just gives Dave Kinney and Christine Shaffer to start the process.

MOTION: From Councilor Hemshorn, seconded by Councilor Walters, to move to direct that Ordinance (unnumbered), Authorizing the issuance of Revenue Bonds to finance improvements to the City's Wastewater System be read for the first time by title only. Motion Passed: 5:0

The recording secretary read the proposed ordinance for the first time by title only.

MOTION: From Councilor Hemshorn, seconded by Councilor Walters, to move to approve the first reading of Ordinance (unnumbered), Authorizing the issuance of Revenue Bonds to finance improvements to the City's Wastewater System be read for the second time by title only. Motion passed: 5:0.

The Ordinance was assigned number 000.

Motion: From Councilor Hemshorn, seconded by Councilor Walters, to move to direct that Ordinance No.000, Authorizing the issuance of Revenue Bonds to finance improvements to the City's Wastewater System be read for the second time by title only. Motion passed: 5:0.

Ms. Halligan read Ordinance No. 000 for the second time by title only.

Motion: From Councilor Hemshorn, seconded by Councilor Walters, to move to approve the second reading of Ordinance No. 000 and direct the Mayor to execute the Ordinance as enacted. Motion passed 5:0.

Resolution No. 843 Fees and Charges for Various City Services

Item pulled from the agenda as both the Finance Director and Pool Manager were not present and questions need to be addressed to them. Councilor Frank advised he has many questions but they all refer to the pool and he would like Rebecca Meeks present.

Mayor Aboud made a suggestion to forward any questions in advance. If the questions are asked in advance, the person answering the questions can do any and all research that is needed before bringing it to the council.

Economic Stimulus Project – 2009 Fund Exchange Agreement

Dave Kinney stated that Oregon Department of Transportation (ODOT) is part of the federal stimulus package. One of the options is to exchange the federal dollars for state dollars. ODOT will provide \$94 to every \$100. Dave said the city will get more “bang for our buck” if we take the state dollars.

One of the provisions is that the money needs to be used on a street overlay project. Stayton has three such streets, and Locust St is the top priority.

Councilor Loftus wanted to know if the contract was being administered by Department of Administrative Services (DAS) or by ODOT and if so is ODOT under DAS's authority for the administration of this contract.

Dave Kinney stated that ODOT has requirements and will make sure the city is in compliance.

Councilor Loftus stated the reason he asked is that DAS has hijacked the federal Jenkin Wagners Act and are in the process of putting for profit businesses out of business, and hiring not for profit agencies in which they get a 4% kickback.

Dave Kinney advised that is not an issue as the city will put out a bid package, and will not be using a non profit agency.

Councilor Loftus was ready to make a motion as long as he could put a limitation on the motion. He would like to make sure that we are not going to have DAS administer this contract and have any funds routed through a non profit organization, as he feels DAS is targeting for profit

businesses and putting them out of business.

Dave Kinney advised he could put a limitation on the motion, but it is not necessary as the city is putting out the bid and will be choosing the best represented company.

MOTION: From Councilor Loftus, seconded by Councilor Hemshorn, to move to authorize the City Administrator to enter into a Fund Exchange Agreement with ODOT for the use of funds from American Recovery and Reinvestment Act of 2009 for the overlay of Locust Street. Motion Passed 5:0

Participation in Resource Assistant for Rural Environments (RARE) program

The issue before the Council is authorization to staff to proceed with the process for accepting an intern from the University of Oregon's Resource Assistance for Rural Environments (RARE) program.

Mayor Aboud asked if this position was currently budgeted for and Mr. Fleishmann answered in the affirmative.

Councilor Loftus asked if there are any hidden costs, such as purchasing new equipment or housing costs.

Mr. Fleishmann stated the persons housing, stipend and benefits will be paid by University of Oregon. Obviously the person will be using office supplies such as pens, pencils and paper, but the city will not be paying anything but the \$19,000 matching fee.

Councilor Hemshorn asked if Dan had any idea how many applicants have applied for this position.

Dan explained it is a mutual selection process with the City of Stayton and the University of Oregon and there are specific requirements to meet.

MOTION: From Councilor Hemshorn, seconded by Councilor Walters to approve the City of Stayton's Participation in the Resource Assistance for Rural Environments Program for 2009-2010. Motion Passed 3:2. (Loftus & Vigil)

DISCUSSION: Councilor Loftus stated he would like to see this money go towards rehabilitation of some roads in the city.

Non-Enforcement of Off-Premise Sign Regulations During Highway 22 Interchange Reconstruction

The issue before the City Council is whether to continue to keep Resolution 832 in effect regarding non-enforcement of the prohibition of off-premise advertising for businesses on Cascade Highway that are being adversely affected by the reconstruction of the Highway 22 interchange.

MOTION: From Councilor Loftus, seconded by Councilor Vigil, find that adverse effects of the reconstruction continue and to extend the suspension until the project is completed.
Motion Passed 5:0

PRESENTATIONS/COMMENTS FROM THE PUBLIC – None

BUSINESS FROM THE CITY ADMINISTRATOR

Don Eubank introduced Mike Clark, the cities maintenance man. Don spoke of the I-Serve projects that were completed the previous week, one being the painting of the swimming pool. The mayor and Don will be meeting to decide on how to show our appreciation. Don stated the fourth of July show was spectacular, one of the best to date. Don reminded everyone that on July 23rd, from 6:30 to 8:30 the Mayor Council forum will be held at Santiam Memorial Hospital. Some advertising is being done, on the website, on Staytonevents.com and Denise Ruttan will be putting it in the newspaper.

BUSINESS FROM THE MAYOR

BUSINESS FROM THE COUNCIL

Councilor Loftus asked that a time limit be set on the Council Meetings. He would like to say that if the meeting can't be held in two hours, it needs to be set for the next meeting. Mayor Aboud said some of Councilor Loftus' points were well taken, but there are some issues that just have to be taken care of even if the meeting has to go until 10:00 pm. The Mayor advised the councilors to read the packets and address any questions they have for the staff before the council meeting. This gives the staff time to do any research if needed, and does not put anyone on the spot and have to refer the council member to the next meeting. The staff needs to have advanced warning on questions in able for them to be answered correctly. Councilor Loftus advised he has asked questions and been lobbied against him to not answer the question. Mayor Aboud advised it is not council versus staff, it is a team and we all need to work together.

Councilor Hemshorn recommended that if there is a meeting that is going late, maybe set another council meeting for the next Monday.

Councilor Frank recommended that if the council meeting is going late, at 9:00, review the agenda and deal with the issues necessary.

Councilor Walters advised using e-mail for questions and comments.

Councilor Vigil advised he received his council packet after closing hours on Thursday, city hall was closed on Friday, and on Monday he was playing catch up and did not have time to confront questions or issues. He wanted to know if portions of the council packets could be e-mailed earlier so the council members can read portions at a time, instead of spending a whole Saturday reading the entire packet. Councilor Vigil also advised he is not getting e-mails from the City Administrator.

ADJOURN

There being no further business, the meeting was adjourned at 8:45

