

COTTAGE GROVE CITY COUNCIL
REGULAR MEETING MINUTES
April 25, 2016

CALL TO ORDER

Mayor Thomas Munroe called the meeting to order at 7:00 pm in the Council Chambers at City Hall.

ROLL CALL

City Recorder Trudy Borrevik called the roll. The following were

PRESENT: Mayor Thomas Munroe, City Councilors Kenneth Michael Roberts, Jake Boone, Jeff Gowing, Garland Burback, Amy Slay and Mike Fleck

YOUTH REPRESENTATIVE: MJ Raade

STAFF PRESENT: City Manager Richard Meyers, Finance Director Bert Olsen, Public Works Director Jan Wellman, Community Development Director Howard Schesser, Community Services Director Pete Barrell, and Interim Police Chief Scott Shepherd

CITY ATTORNEY: Carrie Connelly

OTHERS PRESENT: Cameron Reiten, KNND Radio, Jon Stinnett, The Sentinel

ITEMS TO BE ADDED TO THE AGENDA

None

PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

None

PUBLIC HEARINGS

None

CONSENT AGENDA

- (a) Approval of April 11, 2016 Regular Council Meeting Minutes

IT WAS MOVED BY COUNCILOR FLECK AND SECONDED BY COUNCILOR BOONE TO APPROVE THE CONSENT AGENDA.

The vote on the motion was as follows:

VOTE	Councilor Roberts	Councilor Boone	Councilor Gowing	Councilor Burback	Councilor Slay	Councilor Fleck	Mayor Munroe
AYES	X	X	X	X	X	X	X
NAYS							
ABSTAIN							

RESOLUTIONS AND ORDINANCES

- (a) Second Vote on Ordinance No. 3061 Amending Cottage Grove Citywide “Zoning Map” in Title 14 of the Cottage Grove Municipal Code for Two Properties Located on the West Side of North Lane Street (MC-1-16). Waterbury, Scully & Taylor

Community Development Director, Howard Schesser, said Council held the public hearing and first vote at the last Council meeting. He said it was appropriate for Council to hold the second vote to adopt the Ordinance.

Mayor Munroe said since the Council held the public hearing at the last meeting, there would be no public comments.

Councilor Boone asked the City Attorney about ex-parte.

City Attorney, Carrie Connelly, said the public hearing was closed and the record was before Council and no one disclosed an ex-parte contact. She said if there were ex-parte contact that the Council would want to consider re-opening the hearing for the ex-parte contact to come in and have the applicant rebut it.

Councilor Boone said he had been contacted by someone associated with the applicant asking questions about the process, what did it mean, what happened next, etc. He asked if he needed to declare an ex-parte contact.

Carrie said it was the applicant and procedural. She said if Council was in the hearing and announcing ex-parte contacts, she would say better safe than sorry to announce ex-parte contact. However, since Council had already had the first vote on the ordinance, it was better not to muddy the record. She asked if he could make his decision based on the record, it was sufficient for where the Council was in the process.

Councilor Boone said he could make his decision based on the record.

Mayor Munroe said he too had ex-parte contact with someone asking about the procedure.

Carrie advised Council in these types of situations, they should refer the contacts to staff and not get involved. She said they should try and preserve the due process. She said for future reference Council should try to not muddy the waters when the record as been closed. She said if there was any confusion and staff communicated to Council, it wasn't an ex-parte contact. She said if anything needed to involve the Council as the decision maker or procedural problems, it could come to Council through staff. She said for now unless someone felt strongly that they couldn't make a decision on the record before them and needed to announce an ex-parte contact, the applicant needed to be able to respond.

IT WAS MOVED BY COUNCILOR BOONE AND SECONDED BY COUNCILOR GOWING THAT ORDINANCE NO. 3061 BE ADOPTED.

The vote on the motion was as follows:

VOTE	Councilor Roberts	Councilor Boone	Councilor Gowing	Councilor Burback	Councilor Slay	Councilor Fleck	Mayor Munroe
AYES	X	X	X		X	X	X
NAYS				X			
ABSTAIN							

(b) Resolution Transferring Appropriations Within the General Fund

Finance Director, Bert Olsen, said the Resolution transferred appropriations within the General Fund Non-Department Contingency to the Broadband Fund for costs associated with expanding the broadband system in the amount of \$72,000. She said \$21,000 would go into the contractual service line and \$501,000 to the capital outlay for the construction.

IT WAS MOVED BY COUNCILOR GOWING AND SECONDED BY COUNCILOR FLECK THAT RESOLUTION NO. 1902 BE ADOPTED.

The vote on the motion was as follows:

VOTE	Councilor Roberts	Councilor Boone	Councilor Gowing	Councilor Burback	Councilor Slay	Councilor Fleck	Mayor Munroe
AYES	X	X	X	X	X	X	X
NAYS							
ABSTAIN							

BUSINESS FROM THE CITY COUNCIL

(a) Lane County Economic Development - Rural Economic Prosperity Initiative

City Manager, Richard Meyers, said staff from Lane County were present to give a presentation on the Rural Economic Prosperity Initiative. He introduced Steve Mokrohisky, County Administrator who introduced Sarah Means, Economic Development Manager, Greg Rikhoff, Operations Director and Aniko Drlik-Muehleck and Stephen Dobrinich, Hatfield Fellows. He said Lane County had spent the last several months reaching out and recognizing work that needed to be done in continuing to partner with the rural communities. He said the focus was on partnership, support and advocacy. He said they would be recruiting for a new dedicated position that would be a liaison to rural communities throughout Lane County.

Aniko and Stephen went over a PowerPoint presentation which is attached hereto and marked Exhibit "A". Also attached is a draft of the Lane County Rural Prosperity Initiative which was also discussed in the presentation, which is attached hereto and marked Exhibit "B".

Aniko shared the issues that arose from their research: communication and coordination; capacity and expertise; infrastructure; quality of life factors; visions and perception of invisibility. She said with the issues in mind, they came up with suggestions.

Stephen went over the four core service areas that they identified: collaboration and connectivity; technical assistance; promotion and funding.

Aniko said the next steps in the process were staff support, building partnerships, collaborative opportunities and evaluate and change so needs continue to be served.

Mayor Munroe asked about funding and where it would come from.

Sarah Means said the funding of the position and the program itself came from video lottery funds. She said the funds were specifically slated for economic development purposes.

Councilor Burback said the biggest problem he had with Lane County was they were an arm of Eugene and Springfield and historically whatever they wanted was what Lane County did.

Councilor Fleck said he was skeptical at first, however after the presentation, he was cautiously optimistic. He said he looked at the collaborative effort and everyone working in the same direction. He said if everyone worked in unison all the communities could be enhanced.

Aniko said the piece they were pushing for the rural liaison was the idea of real advocacy. She didn't think it was something that had come out in Lane County in the past.

Mayor Munroe asked if money would be spread between all the small cities in Lane County.

Sarah said they were building the program as they went and asked Council to be patient while they defined that particular aspect. She said they were in Veneta several weeks ago and Veneta

provided them with a list of their priorities. She said that was what they were looking for from each of the communities in Lane County.

Councilor Fleck said it was important to do economic development in Eugene and Springfield. He said approximately fifty to sixty percent of the Cottage Grove work force travel to the Eugene/Springfield area for jobs. He said it would be nice to have more of the work force stay in the community. He said it was in Cottage Grove's best interest to do it with a collaborative effort with both the big cities and the rural.

Sarah said she appreciated that perspective. She said they were interested in helping citizens stay in the community.

Councilor Boone said he was in favor of going forward with the program.

Steve Mokrohisky said the position Sarah was previously in was now vacant. He said the position had historically been focused on the metro area, Eugene/Springfield economic development efforts however the process was to relook at that. He said they were proposing in the budget to dedicate the position almost exclusively to partnering with rural communities and supporting the work already being done. He hoped over time that Council would see a tangible difference in terms of the ongoing engagement and partnership. He said they needed to identify the needs of Cottage Grove and deliver results along with the City.

Mayor Munroe thanked them for the work they were doing and applauded them on a great venture.

Richard said it was a good sign that the City had the County's support, when a contingency of county officials attended a Council meeting, which hadn't happened for over ten years.

(b) Budget Committee Appointments

Finance Director, Bert Olsen, said there were three openings on the Budget Committee and five applications had been received. She said the Council sub-committee interviewed all the applicants and were recommending that Gary Williams and Mike Grover be appointed to three year terms expiring December 31, 2018 and Gary Manly be appointed to complete the remainder of Kenneth Michael Robert's term, expiring December 31, 2016.

IT WAS MOVED BY COUNCILOR BOONE AND SECONDED BY COUNCILOR BURBACK THAT COUNCIL APPOINT TO THE BUDGET COMMITTEE, GARY WILLIAMS AND MIKE GROVER FOR THREE YEAR TERMS EXPIRING DECEMBER 31, 2018 AND GARY MANLY TO COMPLETE THE TERM OF KENNETH MICHAEL ROBERTS TO EXPIRE DECEMBER 31, 2016.

The vote on the motion was as follows:

VOTE	Councilor Roberts	Councilor Boone	Councilor Gowing	Councilor Burback	Councilor Slay	Councilor Fleck	Mayor Munroe
AYES	X	X	X	X	X	X	X
NAYS							
ABSTAIN							

Bert advised the Council that the first budget meeting would be May 10, 2016.

Councilor Boone thanked everyone who applied and said it was rare when there were more applicants than positions to fill.

(c) Revision of Public Contracting Rules

City Manager, Richard Meyers, said the current contracting rules were adopted in 2005 and there had been a number of changes in the legislative sessions over the years and most recently the Attorney General’s office came out with new rules. He said Council had been provided with a sample that had been put together by the City Attorney, Carrie Connelly. He said there would be a public hearing at a future meeting, as well as adoption of the rules. He said the proposal was to adopt an ordinance, but the rules would be adopted by resolution. He said that way as the rules were changed by the legislature and the Attorney General’s model changed, the City could make quicker changes to the rules.

Carrie said Richard covered the high points. She said the primary motivation was that the City’s rules were adopted in 2005 and every year or every other year since that time, the legislature had changed the rules. She said cities were obligated every time the legislature touched the public contracting code to look at and update their rules. She said the City was behind in terms of legally required changes, but not only legally required changes were included in the packet, but also the goal was to take the AG’s rules and pulling out the pieces that didn’t apply to smaller municipalities. She said she had removed everything that applied to the State. She said there was flexibility where the public contracting, the State law would allow it, however the AG’s rules didn’t include it so the gaps were filled in to try and give the City the maximum flexibility, address the legal requirements that must keep the City updated and tailor them for the community. She said once the rules were in place, they could be updated on a regular basis as needed.

Mayor Munroe said most of the rules dealt with staff. He said in order for him to feel obligated to go any further, he would need to know which sections the Council was obligated to perform under.

Carrie said the Council would have almost no action in the future. She said there were several things that would go to Council: adopting any kind of exemption to the rules and any types of purchases or contracts that were over a spending threshold which would be set separately. She said staff would follow the procedures which were set out in the rules. Currently staff was defined as the contracting authority. She said staff would have the authority to sign contracts that were under a certain amount, such as \$100,000 and anything above that would have to be approved by

Council.

Richard said the current threshold was \$50,000 and anything above that went to the City Council. He said staff would recommend at least \$100,000 or \$150,000 as the threshold.

Carrie said they would provide a “cheat sheet” to outline the procedures.

(d) Marijuana Tax Referral

City Manager, Richard Meyers, said several Councilors had asked to discuss the issue of a 3% recreational marijuana tax. He said if the Council was interested, under HB 3400, it had to go to the vote of the people in the November 8th General Election. He said several Lane County cities were looking at putting it on the November ballot. He said if Council wished to put it on the ballot, they would need to instruct staff to put together the material to get it placed on the November ballot.

Mayor Munroe said cities and counties who didn't allow the sale of recreational marijuana should be exempt from the process.

City Attorney, Carrie Connelly, explained that they notified the State that they didn't want to have it sold in their cities or counties; however they still had to refer to the voters in November. She said if the voters disagreed, the city or country wanted them to consider the tax.

Councilor Boone said he didn't think the City needed to impose the tax at this time. He talked about the tax the State was currently accessing on recreational marijuana and said 10% of that would be distributed between the cities. He thought the City should wait to see what that distribution was. He said several years ago there was talk about a restaurant tax and his issue at that time was no one could show him a nexus as to why the restaurant industry was being targeted. He said to him, an industry targeted tax, should be used to somehow offset issues that came from that industry. He said there needed to be a reason to put an additional tax on somebody and he didn't think having “free money” was a good reason to do it. He said once the temporary period was over, there would be a nineteen percent sales tax and he didn't see any reason the City needed to add to it. He said he assumed the City could put something before the voters later if it was determined that the current tax being charged wasn't as much as expected.

Richard said it would have to be on a General Election ballot.

Councilor Gowing said he was against pretty much all tax, but he was in favor of people's rights to decide, so he would be in support of letting it go the voters to decide.

Councilor Burback said he would be in favor of putting it on the ballot in November so the public could vote on it. He said if it did pass, he thought the money received from the tax should go towards policing issues and addiction treatment assistance.

Councilor Fleck said he was not in favor of taxes. He said if Eugene wasn't going to add an additional tax, the businesses in Cottage Grove would be at an unfair advantage. He said when the City adopted the gas tax the only reason he was in favor at that time was because Eugene and

Springfield were charging a gas tax as well. He said if revenue were generated from the tax, he would be in favor of using it to alleviate the burden on the taxpayers in the area of water bills and street and road repairs. He was on the fence on the issue and hoped to get some citizen input.

Mayor Munroe said he was in favor of putting on the November ballot to let the public decide.

Jimmy Schapper, 31984 Nichols Lane, Cottage Grove, said he was in favor of putting it on the ballot. He said it gave the people in the community the opportunity to weigh in on their opinions.

Ken Clifton, 2487 S. 8th Street, Cottage Grove, said he was in favor of putting the matter on the November ballot and said he had the same ideals as Councilor Fleck. He said he was concerned about the condition of the streets and was in favor of an additional avenue to create revenue to help with that.

Bob Reetz, 1408 Cottonwood, Cottage Grove, said he wasn't sure how he felt on the 3% tax but was in favor of having the public vote to make that decision.

Cameron Reiten, 926 S. R Street, Cottage Grove, talked about the information from the State regarding the tax money that had been collected on recreational marijuana from January through March. He said the numbers were in excess of the predictions. He said if the City was going to impose a tax on the citizens for anything, it needed to be done by a vote of the people, not by a decision of an elected body. He said whether someone liked or disliked the idea of recreational marijuana, was beside the point because it was here and had to be dealt with, good, bad or indifferent. He said there would be a number of challenges that communities would have to face as a result of having the substance available. He thought the community needed to come together and have a discussion about how the challenges would be met and dealt with. He said for that reason he would be in support of seeing it go before the voters in the November election.

Mayor Munroe said there would soon be an influx of edible marijuana products available and who knew what the ramifications would be.

Councilor Fleck said along the line of dedicating the funds, he would like to talk with staff. He said if the Council wanted to go down that road, what would be a mechanism for the City to assure the voters that those funds would be going towards the dedicated purpose, if in fact, the Council wanted to do that.

Mayor Munroe said he thought it should go into the General Fund and be distributed as needed.

Richard said just like other taxes in the General Fund, it would be accounted for separately. He said there was no way to estimate how much the City would receive from the State on the current tax on recreational marijuana.

Councilor Gowing thought putting it in the General Fund was a good idea and not earmark it for a specific purpose so it could be used wherever it was needed.

Councilor Fleck said if all the cities around Cottage Grove were doing the tax he would support it, but he couldn't support anything that was going to place the businesses in Cottage Grove at a

higher burden than those in Eugene. He said if the tax went towards debt service on the water/wastewater/storm system or towards potholes he could support it.

Councilor Burback said the Council wasn't really voting on anything, they were just asking staff to prepare the ballot measure documents to put the matter on the November ballot and let the voters decide.

Mayor Munroe asked Councilor Fleck what businesses the tax would affect.

Councilor Fleck said the four marijuana dispensaries in Cottage Grove would be paying an additional three percent tax then those dispensaries in Eugene or other Lane County cities that didn't approve the tax.

Councilor Boone provided his thoughts and reasons why the Council shouldn't vote to put the tax on the November ballot. He said it was not a good thing.

Mayor Munroe said he didn't agree with Councilor Boone. He said all the Council was doing was recommending that the referendum be put on the ballot and let the citizens decide.

Richard said it was a three percent retail sales tax and the person who would be paying the tax was the consumer, not the retail establishment.

Councilor Roberts said he felt that by the end of the year there would be so much marijuana in the State that it would infuse the black market.

Councilor Boone said even though the payment was levied against the user, it would still affect the individual businesses.

Mayor Munroe said practically everything citizens dealt with from telephones to gasoline, there was a tax included. He felt it should be left up to the public if they want the tax.

Richard said the majority of the Council wanted to put the matter on the ballot. He said the remaining question would then be whether the funds should be dedicated, if so they would have to be included in the ballot measure language. He asked the Council if they wanted to dedicate the funds or leave in the General Fund and it appeared a majority responded to leave it in the General Fund.

(e) Concerns from Council

Councilor Gowing said Council heard a lot of negativity but there were good things that happened in town. He said the Art Walk started on Friday and concerts in the park would be starting in June. He said his wife had been making him attend the Cottage Theater for the last ten years and they recently saw Annie Get Your Gun, which was the best performance he had ever seen at the theater.

Councilor Roberts thanked everyone who helped with the downtown clean-up. He said it was good to see families with their kids helping. He asked Amy when the next I.M.P.A.C.T. meeting was scheduled for.

Councilor Slay said she would be talking with Interim Chief Scott Shepherd in determining a date. She thanked everyone for attending the meeting and said it was nice to have involvement from the community.

Councilor Burback said he talked with Amanda and Howard about the OLCC marijuana grow problems. He said the OLCC did go through the applicants that were allowed to grow and process marijuana. He said it was important that the City follow up on it and make sure that OLCC checked on the history of the applicants.

Mayor Munroe said this year the City of Cottage Grove received a 2015 Year Growth Award from Tree City USA and presented the plaque to the Council.

Richard said the award was for 2015 and it was the City's 22nd year as a Tree City. The Growth Award recognized a significant improvement over what the minimum was to be a tree city.

Mayor Munroe said there was a meeting at the Library recently with some African-America people attending. He said a lady gave a lecture which went well until after the meeting when people were leaving. He said one lady was accosted by a gentleman because she said she had gone to the meeting and he stated he would follow her home and kill her. He said four young people in a pick-up screamed obscenities at people leaving the Community Center. He said as citizens we shouldn't tolerate it anymore, that it had gone on too long and he didn't want to see Cottage Grove turn into a 1940's town again. He said everyone should be able to get along regardless of the color of their skin. He said it wasn't only happening with African-Americans but also the Mexican population and we needed to put a stop to it. He said if anyone saw anything like this going on, that they should not wait but report it to the Police.

BUSINESS FROM CITY MANAGER

(a) Report from City Manager

City Manager, Richard Meyers, said on May 6, 2016 the Lane Workforce Partnership was having an open house and if any of the Council was interested in attending they needed to let him know tonight.

Richard said on May 13th the League of Oregon Cities was having one of their regional meetings in Eugene. He said the League President would be present and they would be talking about some of the new court cases and how they impacted communities regarding public meetings and recreational immunity. He said if any of the Council was interested in attending to let either himself or the City Recorder know.

Richard added to what the Mayor said about the problem at the Library. He said he had received a number of emails from citizens regarding an accident that occurred on Main Street where the suspect in the accident was Hispanic and didn't speak English very well. He said people emailed him were saying because the person didn't speak English very well, he was illegal and needed to be deported. He said the City had no indication or information that he was illegal and it wasn't the City's role or function. He said it was inappropriate and offensive and a stop was put to it as

quickly as possible.

Richard said tomorrow, April 26th, the City's email system would be shut off as we switched to Google. He said the City's new website was also going live tomorrow and he showed Council what it would look like and some of the features. He also said the City had installed a flat screen monitor in the front foyer that showed meeting dates, events, vides, etc.

BUSINESS FROM CITY ATTORNEY

(a) Report from the City Attorney

City Attorney, Carrie Connelly, said based on a recent Council meeting, their office was asked to prepare a news media policy that helped set guidelines on who was news media and what it meant in terms of allowance for executive sessions, etc. She said it had been prepared and on April 18th, the Attorney General issued a very lengthy, twenty-one page opinion that changed everything with regard to media policies. She said they would make the necessary revisions and it would come back to Council in compliance with the most recent word.

ADJOURNMENT

There being no further business, Mayor Munroe adjourned the regular meeting of the City Council at 8:42 p.m.

The next regular City Council Meeting will be held May 9, 2016 at 7:00 p.m. in the Council Chambers at City Hall.

Trudy Borrevik, City Recorder

Thomas C. Munroe, Mayor