

**CITY OF SILVERTON
CITY COUNCIL MINUTES**

Silverton Community Center – Council Chambers – 421 South Water St.

October 1, 2018, 7:00 PM

I. OPENING CEREMONIES – Call to Order, Pledge of Allegiance & Roll Call

Mayor Palmer called the meeting to order at 7:00 p.m.

Present	Absent
<hr/> <input checked="" type="checkbox"/>	_____ Mayor
<hr/> <input checked="" type="checkbox"/>	Kyle Palmer Council President
<hr/> <input checked="" type="checkbox"/>	Jason Freilinger
<hr/> <input checked="" type="checkbox"/>	Jim Sears
<hr/> <input checked="" type="checkbox"/>	Matt Plummer
<hr/> <input checked="" type="checkbox"/>	Dana Smith
<hr/> <input checked="" type="checkbox"/>	Laurie Carter
<hr/> <input checked="" type="checkbox"/>	Rhett Martin

Staff Present:

City Manager, Christy Wurster; Police Chief, Jeff Fossholm; Public Works Director, Petra Schuetz; Community Development Director, Jason Gottgetreu; Assistant to the City Manager/HR Coordinator Elizabeth Gray; Finance Director, Kathleen Zaragoza; and Assistant to the City Manager/City Clerk, Angela Speier

II. APPROVAL OF MINUTES

Councilor Freilinger made a motion to approve the minutes from the Special City Council meeting held on August 20, 2018, the Town Hall held on August 30, 2018, and the regular City Council meeting held on September 10, 2018. Councilor Sears seconded the motion. Councilor Carter asked that the commas be removed from the August 20, 2018 meeting minutes on page 3, Section II beginning on line 35. There was no further discussion and the motion passed unanimously.

III. OATHS OF OFFICE/PUBLIC RECOGNITION – None scheduled.

IV. PUBLIC COMMENTS

Lennie Martin, 218 Sweden Circle. Ms. Martin said that she is in support of banning plastic bags. She explained that the impact plastic bags have on the environment is well documented. She would like to see Silverton join with the other communities in the State and enact a ban. Staff indicated that the ordinance will be before City Council at that November 5, 2018 meeting.

Robin Kuhn, 1386 S Water Street. Ms. Kuhn provided a letter from the Silverton Grange #748 supporting the Ordinance banning plastic bags. She indicated that a number of cities are ahead of Silverton and it is important for the environment to move forward with a ban.

Gene Pfeifer, 1392 S Water Street. Mr. Pfeifer provided comments regarding the Oregon Garden and Marion County forgiving the amount of debt that they are owed. He suggested that the City consider giving the County some money and asking for an assignment of the contract. He said that he looked at 907 Reserve Street residence and feels that it could be easily fixed and put to good use until the City needs the land. He said that the new police station will cost approximately \$15 million based on the 27,000 square foot recommendation in a 2007 report and he doesn't think that the City can afford it and people will not vote for it. The possible location for the new station is in the inundation zone and the same report indicated that a primary facility should not be located in such a zone. Lastly, he said that Silverton Dam is failing and if there is an earthquake the new building would be flooded. Councilor Plummer thanked Mr. Pfeifer for his comments and would appreciate having an informed conversation about options related to Silverton Dam.

Councilor Carter said that there has been a lot of misinformation about the Eugene Field property and that the city has never said that they are going out for a bond issue. City Manager Christy Wurster said that staff will be bringing a finance plan to the City Council for consideration once the public has identified what they would like to see on the site. That will allow Council to look at all the options and determine how they would like to proceed.

V. SCHEDULED PRESENTATION

5.1 Silverton Chamber of Commerce Monthly Update – Stacy Palmer

Stacy Palmer, Executive Director distributed her monthly report and noted that the summer season has slowed down in regards to visitor traffic. She reviewed the monthly visitor statistics from September. She provided an update on the entry sign restoration. She thanked all the volunteers who helped with that project. Judy's Party will be occurring on Saturday, October 13, 2018, it is a great fundraiser and way to give back to the community. The Goblin Walk will occur on Halloween throughout downtown and the Chamber is still looking for volunteers to help watch the cross walks in order to keep people safe and traffic moving. The Chamber is signing people up for the Shop Hop and 11 businesses from Mt. Angel will be participating this year. She reminded everyone about garland orders which need to be in by November 5, 2018. The Chamber will be hosting a Candidate Forum for those running for City Council and three of the candidates have confirmed their participation. Councilor Sears thanked Ms. Palmer for taking the lead on sprucing up the entry ways into Silverton.

5.2 Presentation of National WateReuse Association Community Water Champion Award to the City of Silverton – Steve Starner

Steve Starner, Water Quality Supervisor explained how water reuse helps communities that face water shortages. He described the project the City has developed with the Oregon Garden to cool treated wastewater while irrigating the garden. This venture has put Silverton into the national spotlight. On September 10, 2018 the City was awarded as a water champion at the National WateReuse Conference in Austin, Texas. Mr. Starner showed a video about the project. Council discussed how the Oregon Garden was formed and who worked with the Nurseryman's Association to sell the property.

Barbara Dahlum, 1111 N Water Street. Ms. Dahlum indicated that she was on the City Council at the time and it was the City Manager Mike Scott's idea to sell the property to the Nurseryman's Association.

VI. PUBLIC HEARING

6.1 Ordinance No. 18-24 – Public Hearing to consider an annexation application to annex 440 Eureka

Mayor Palmer provided an overview of the public hearing process and read the notice advising the audience of the steps to establish the right to appeal this matter to the Land Use Board of Appeals. Mayor Palmer opened the public hearing on Ordinance No. 18-24, to consider an annexation application to annex 440 Eureka Avenue at 7:37 p.m. No members of the Council wished to abstain, declare a conflict of interest, or exparte contact. No members of the audience wished to challenge the Council for jurisdiction to hear this matter or challenge any individual councilors.

Community Development Director Jason Gottgetreu explained that the property is approximately 12,000 square feet in area and is zoned single family residential. The property is already connected to city water and needs to be connected to City sewer due to a failing septic system. The property owner is aware that in order to connect to the City sewer the main line will need to be extended to the far end of the property. It will require a Marion County right of way permit which means they may lose one of their driveway access points. Eureka does not have sidewalks, so a waiver of remonstrance will be required. The property is contiguous to the city limits and within the urban growth boundary.

Applicant testimony: Dixon Bledsoe, 1309 Frontier Street, indicated that the property will go into foreclosure if the sale is not completed by November 6, 2018. Mr. Bledsoe is the real estate broker and is representing the seller of the property. The potential buyer is interested in performing improvements and bringing the home back to its original glory. Marion County will not allow the replacement of the septic system. Mr. Bledsoe provided cost estimates for the new sewer line. The buyers are well qualified and going to buy under a conventional rehab loan.

Opposition Testimony – none

Neutral Testimony – none

Rebuttal Testimony – none

Councilor Smith made a motion to close the public hearing. Councilor Sears seconded the motion. There was no discussion and Mayor Palmer closed the public hearing at 7:49 p.m.

Councilor Carter moved to have the first reading of Ordinance No. 18-24, by title only. Councilor Smith seconded the motion and it passed unanimously.

City Manager Wurster read Ordinance No. 18-24, by title only. Councilor Carter moved to pass Ordinance No. 18-24 on its first reading. Councilor Freilinger seconded the motion and it passed unanimously.

Councilor Carter moved to have the second reading of Ordinance No. 18-24, by title only. Councilor Smith seconded the motion and it passed unanimously. City Manager Wurster provided the second reading of Ordinance 18-24 by title only.

Councilor Carter moved to adopt Ordinance No. 18-24 on its second and final reading. Councilor Freilinger seconded the motion and it passed unanimously.

VII. CONSENT AGENDA

There was no public comment related to the Consent Agenda. Councilor Freilinger made a motion to approve the consent agenda, which included agenda items 7.1, 7.2, 7.3, and 7.4. Councilor Sears seconded the motion. There was no discussion and the motion passed unanimously.

- 7.1 Community Center Lease Agreement with Silverton Area Community Aid**
- 7.2 Agreement with Silver Falls School District for video production services**
- 7.3 Resolution No. 18-22 – Approving an addition to the City's Stormwater Capital Improvement Program**
- 7.4 Approval to Rebuild Wastewater Treatment Plant (WWTP) Secondary Clarifier Gear Drive Unit**

Council took a break at 7:52 p.m. and returned to regular session at 7:59 p.m.

VIII. DISCUSSION/ACTION ITEMS

- 8.1 Ordinance No. 18-22 – Development Code Amendment relating to transitional housing accommodations by creating a definition, determining where and how such a use could locate, and drafting regulations and standards for approval**

Mayor Palmer indicated that there have been three public hearings related to Ordinance No. 18-22 and at the last meeting Council made substantial changes to the language. Staff has made the suggested changes for Council review. Councilor Sears said that he feels the new language reflects what was agreed upon by Council at the last meeting and that it is a good way to address both sides of the issue. Councilor Smith inquired about Section T and if "one person" should be changed to "one adult", which is what was reflected in the minutes. Council discussed the discrepancy and decided to keep the language as written as one person.

Councilor Carter moved to have the first reading of Ordinance No. 18-22, by title only. Councilor Sears seconded the motion. There was no discussion and the motion passed unanimously.

City Manager Wurster read Ordinance No. 18-22 by title. Councilor Carter moved to pass Ordinance No. 18-22 on its first reading. Councilor Smith seconded the motion. Mayor Palmer summarized the changes in the ordinance that were discussed at the September City Council meeting. There was no further discussion and the motion passed unanimously.

Councilor Carter moved to have the second reading of Ordinance No. 18-22, by title only. Councilor Smith seconded the motion. There was no discussion and the motion passed unanimously. City Manager Wurster provided the second reading of Ordinance No. 18-22 by title only.

Councilor Freilinger moved to adopt Ordinance No. 18-22, on its second and final reading. Councilor Smith seconded the motion. Mayor Palmer described his experience at the Annual League of Oregon Cities (LOC) Conference in Eugene where homelessness was a topic and he toured transitional housing facilities that the City of Eugene has public private partnerships with. He thanked Council for their work on the issue. There was no further discussion and the motion passed unanimously.

8.2 Resolution No. 18-23 - Amending the Business License Fee Schedule

Community Development Director Gottgetreu reviewed the history of the fee schedule for transient businesses; currently mobile food vendors (MVF) are paying \$800 per year. Council directed staff to draft language that would separate MVFs from the transient business license, due to the fact that some are not temporary in nature. A number of the vendors are located on one site with a one year lease. The proposal before Council tonight would be to allow a Transient Merchant MVF to apply for a permit and prepay for three renewals, provided they submit a minimum one year lease as part of the application. This means that only one staff review would need to occur instead of four under the current fee schedule. The proposed annual fee would be \$200 for the permit plus an annual \$250 Street Maintenance Fee. The total annual fee for a Transient Merchant MVF that locates on a site for at least one year, as evidenced by a lease for a minimum of one year, is proposed at \$450. Resolution No. 18-23 amends the fee schedule without having to amend the ordinance.

Councilor Plummer asked if the vendor could still be mobile and move around locations within the city as long as they are paying the street maintenance fee. Staff said that the intent is for this to be applied for food vendors that are located at one site for a year. It wouldn't matter if they went to a different site outside the city limits and returned. Staff will clarify that the permit is for one site only in the fee schedule.

Gerald Williams, owner of Old Oak Oven on Jersey Street. Mr. Williams stated that he is still concerned about the cost of the fees being higher than a business license. Mayor Palmer explained that the \$250 Street Maintenance Fee is assessed in lieu of the Transportation System Development Charge that would have been paid if a brick and mortar restaurant was built. This ensures that the business is paying into the system for the additional traffic generated. Council discussed how to prorate the fees paid by the MFV for their current license. Finance Director Kathleen Zaragoza explained the business license program and current transient license fee schedule. It was decided to prorate the MFVs that have more than 30 days left on their current transient merchant license.

Stacy Palmer, 426 S Water Street. Ms. Palmer indicated that she is representing the Chamber of Commerce and voiced her concern about the business license fee being different for MFVs. She said that

these MVFs have showed their dedication to the community and should be charged the annual fee that regular businesses pay. She understands the need for the Street Maintenance Fee. Staff indicated that there is additional review (site plan review and background checks) that occur for transient merchants verses a regular business license. Council discussed the idea of charging \$200 for the MVF license the first year and then the regular business license fees thereafter if nothing has changed. The current mobile vendors would be grandfathered in and would pay the regular business license fee moving forward.

Councilor Freilinger made a motion to amend Resolution No. 18-23 to indicate that MVFs would pay an initial fee of \$200 for the first year and then thereafter the amount would be the same as a standard business license fee and the license would apply for one site only. Councilor Smith seconded the motion and it passed unanimously.

Councilor Plummer asked about the \$50 surcharge on the tobacco stores and would like to see the fee applied to all businesses that sell tobacco products and possibly even a higher fee. Staff explained the history of the tobacco tax and indicated that Marion County Board of Commissioners recommended it be implemented statewide instead of at the county level. Staff will follow-up with Marion County Tobacco Prevention to assess the likelihood of action at the state level. If there isn't going to be action anytime soon then Council could conduct a Work Session to decide further local action.

8.3 Authorize the City Manager to enter into a MOU and Transient Tax Grant for continued operation of the Oregon Garden

Finance Director Zaragoza explained that Marion County has proposed to forgive all remaining revenue bond principal and interest. She walked through the MOU and the TOT agreement and indicated that minor modifications may need to be made to the agreement. Marion County's goal is get creditors paid and ensure that the Oregon Garden Foundation is stable. This agreement would also allow the City to be paid back what it is owed at a much sooner rate than the previous payment structure. Councilor Carter pointed out other key pieces in the agreement including freezing the interest rate.

Christine Diacetis, 537 Eureka Ave. Ms. Diacetis is representing Moonstone Management and indicated that they are supportive of the changes to the agreement and see the long term benefit to the City and the Oregon Garden Foundation. She noted that in Section D. 11 Moonstone Management would like to see the lease agreement with the pavilion separate from the Second Restated Management Agreement.

Councilor Freilinger moved to authorize the City Manager to complete both agreements, assuming it is substantively similar given the changes discussed. Councilor Sears seconded the motion. There was no discussion and the motion passed unanimously.

8.4 Change order to contract with NorthStar CG, LP for the Civic Center Property Asbestos Abatement and UST Decommissioning and Removal project

Public Works Director Petra Schuetz announced that the abatement process is approximately 50 percent complete. The City is looking at a substantial amount of additional material that is going to need abated. Ms. Schuetz reviewed the proposed changes outlined in the memo that was distributed to Council prior to the meeting. Staff requested approval for a change order. The budget line item does have a sufficient appropriation amount, but staff needs Council approval to spend that money. Staff is requesting approval of a change order with NorthStar in the amount of \$201,206, as well as \$15,000 to Terracon for additional testing work. City Manager Wurster walked through the dollar amounts of what has been paid to date and the amount that is still needed to complete the entire abatement process.

Ms. Schuetz explained why additional material is being identified as contaminated and said that city staff is monitoring the progress on a daily basis. The change order before Council is the worst case scenario and staff is looking into ways to reduce the costs, such as removing the underground tank separately.

Councilor Sears made a motion to approve additional funding in the amount up to \$15,000 for Terracon. Councilor Plummer seconded the motion. There was no discussion and the motion passed unanimously.

Councilor Sears made a motion to approve additional funding in the amount up to \$201,206 for NorthStar Environmental. Councilor Plummer seconded the motion. There was no discussion and the motion passed unanimously.

IX. APPOINTMENTS TO COMMITTEES AND ADVISORY GROUPS

9.1 Appointments to the Selection Committee for the City Flag Contest

Councilor Smith made a motion to appoint Stacy Palmer, Gus Frederick, Liz McIntire, Councilor Plummer, and Councilor Freilinger to the Selection Committee for the City Flag Contest. Councilor Carter seconded the motion. There was no discussion and the motion passed unanimously.

X. CITY MANAGER UPDATE

City Manager Wurster congratulated the City, the Mid-Willamette Valley Council of Governments, Silverton business partners, and the Public Works Department for submitting a grant to the Federal Economic Development Administration. The Secretary of Commerce announced that the City has been awarded a \$1.15 million grant to build a new intake pump station and pipeline from Silver Creek to the Water Treatment Plant. On October 3, 2018 there will be a nationwide emergency alert test at 11:18 a.m. The City will be participating in the Great American Shakeout on October 18, 2018. Council was given updated water consumption data and it appears that the voluntary water restrictions were successful. Mr. Gottgetreu was notified by DLCD that the City will receive \$36,000 from the Quick Response Grant, with no match required from the City, for the Eugene Field public outreach process. Staff will draft a press release announcing that voluntary restrictions are complete. Council suggested staff set aside money in the FY 2020 budget to fund water conservation products for residents, such water efficient showerheads.

XI. COUNCIL COMMUNICATIONS

Councilor Smith asked about the progress regarding the housing needs analysis. Mr. Gottgetreu responded that he applied for a grant, but it was not funded. He said that he would proceed with preparing a draft statement of work within the next three months. Councilor Smith reported that the EMC is working with Sustainable Silverton to create an Energy Plan. She asked about the TMDL implementation section of the Public Works report and why the City of Aurora is mentioned. Staff indicated that they would follow up with more information.

Councilor Carter congratulated staff for the grants received and thanked them for their hard work on the agreement with the Oregon Garden.

Mayor Palmer invited the public to attend the installation of two adaptive swings at Pioneer Park on Saturday, October 6, 2018 at 10:00 a.m. He reported on the LOC Conference and presented staff with a Silver Safety Award from CIS. He shared that he met with the Silverton High School Principal, the Politics and Government Advisor, the President of the Politics and Government Club, and City staff regarding the Government Club serving as a Youth Council. He spoke at the North Willamette Relators Association and presented data regarding development in the city. He thanked Marion County to have the foresight to waive millions of dollars of debt to make the agreement with Oregon Garden happen.

XII. ADJOURNMENT

Councilor Sears made a motion to adjourn the meeting. Councilor Carter seconded the motion. Mayor Palmer adjourned the meeting at 10:11 p.m.

Respectfully submitted by:

/s/Angela Speier, Assistant to the City Manager/City Clerk