



April 17, 2014
City Council Regular Session
Willamette Activity Center- Room 8
47674 School Street
7:00 p.m.



MINUTES

1.0 CALL MEETING TO ORDER / PLEDGE OF ALLEGIANCE

Council Present: Gerald Shorey, Mayor
Rayetta Clark, Council President (absent)
Glenn Fortune
Jim Coey
Ernest Baszler (absent)
Les Biggerstaff
Christine Slaven

Staff Present: Louis Gomez, City Administrator
Dale Scobert, Chief of Police
Albert Alcalde, Fire Chief
Jackie Taylor, Assistant Planner / Public Works Secretary
Susie LaDuke, Finance Director/City Recorder

Mayor Shorey announced that the meetings have been lasting too long and he is limiting the public comment to three minutes.

2.0 PUBLIC COMMENT

Rustie Ackland 48265 E Commercial, Oakridge – She is here on behalf of the Kiwanis, on Sunday May 4th at 1:00 they are having the dedication of the memorial bench for Don Hampton. This is being done by the Kiwanis Club and what money they didn't raise, they donated personally.

Rustie wanted to thank the police department, someone set their tarp on fire and a very nice officer responded and helped them.

Skip Baker Klohn Road, Oakridge – Constitutional Rights and National Defense Authorization Act.

Vincent Larochelle – He has serious concerns about the process that led to the City Council approving the lease of part of the Industrial Park to the group that wants to have lawn mower races. There was no advance public notification that this was on the agenda. This should have gone to the Planning Commission. How many Councilors knew there would be ten race days? Is the Council aware that LRAPA has an ordinance regarding the dust? One riding lawn mower produces as much pollution as 34

cars. We should have a public hearing on this so the citizens can voice their concerns. He likes the idea of the remote control cars.

Sandra Edds – She wanted to thank the Council for the lease of the OIP area. They will be dumping the dirt this week and the track should be ready by August 2014. They are hoping to be able to start races in the fall.

Sandy Price - The Chamber of Commerce is holding a community meeting open to everyone, this will be an open forum. They want to hear from the community what they would like to see the Chamber do or what they can do better. If you can't make the meeting you can drop concerns or questions off at her office. She hopes this will be a positive exchange.

3.0 MAYOR AND COUNCIL COMMENTS

Councilor Slaven reported that they had the Oakridge/Westfir Tourism Alliance Committee meeting and she would like consensus from the Council that they would like her to be the representative from the City. It was the consensus of the Council that Councilor Slaven represents the City on this Committee.

They are working on their bi laws and they will be a 501C3 under the Upper Willamette Community Development Corporation as soon as they get all of their agreements signed.

Councilor Biggerstaff asked Sandy Edds if she knew about Vincent's concerns.

Sandy said she did, she welcomes his opinions. She did come to the City first and talked with the Mayor and Louis. They went out to the OIP. This is on the asphalt part and the track will be a clay track and that will help keep the dust down.

Councilor Biggerstaff asked about Vincent's concern that this was an inappropriate process.

Louis said it was an addition to the agenda, it was not inappropriate, but it did not get its normal three days sitting on the counter. But, it was not inappropriate.

Councilor Coey asked if there is any issue with decibel levels.

Sandy said no, the concerts in the parks are louder than this.

He realizes there is a train that goes right by there but he is just asking the question.

Councilor Biggerstaff said you don't have to go there; it is your choice if you want to hear and see the race.

The races will be held during the day and they have talked to the people that live by the OIP and they don't have issues with it.

Councilor Fortune said he has been a race enthusiast and he goes to races, you can put baffles on the track to muffle the noise.

Mayor Shorey said one thing that was brought to his attention that could speed up the process for the Council meetings was for the Councilors to write up their committee reports and give to Susie and she will type them up and they will be part of the Council packets.

Councilor Coey said he doesn't think that will get out to the public that way.

Susie said she will make copies and leave them by the door for citizens to read.

4.0 ADDITIONS, CORRECTIONS, OR ADJUSTMENTS TO THE AGENDA

Proclamation – State of Oregon Office of the Governor

Mayor Shorey read the Proclamation

5.0 CONSENT AGENDA

Motion: Councilor Fortune moved to approve the consent agenda with corrections. Councilor Coey seconded the motion.

L. Biggerstaff (Aye), J. Coey (Aye), G. Fortune (Aye), Mayor Shorey (Aye), C. Slaven (Aye). Motion carried 5-0

6.0 ADMINISTRATIVE SERVICES

6.1 City Administrators Report

The Atherton building is now known as Lot 30; Louis had Chuck clean it out and leave anything that has value. He never heard back from Mr. Combis' attorney.

The Highway 58 Refinement Plan, TGM Grant, the City Engineer had a meeting on our behalf with ODOT in regards to the TGM Grant. They discussed that, instead of doing access management, they are refining that grant to do a Transportation System Grant. We can potentially get \$150,000 from ODOT to do that project. At the same time they want us to attach the Highway 58 Refinement Plan. They would like to see a formal resolution from the Council saying that they want to pursue that before they get started.

The crosswalk is on going, they are still working on the plans, we may be lucky enough to have a crosswalk by the end of the year.

ODOT is going to get a hold of one of their consultants that they normally use for the Pedestrian Study. This is to try and fund three more crosswalks along Highway 58.

Well #6; they should be setting the pump by Monday the 21st and should be done by Friday the 25th.

DEQ fish testing, John Milandin and Louis are working on getting some wording for signs and then they will turn them in to the insurance company.

The issue with the empty lot on Highway 58 is it is hard to find commercial property appraisers. He did get one quote and he's waiting on another quote.

Louis is hoping to work on the Strategic Plan for about an hour tonight.

Had a meeting with Amtrak yesterday to draft a response letter to Union Pacific.

We received our check from the Bonding Company so he won't be reporting on this again. This is not extra money; it is just filling a hole.

We are waiting to hear back from IFA on the Million Gallon Tank and Well in regards to the feasibility study and we turned in a letter of interest in regards to see about funding.

The feasibility of the Trail on Commercial Street; Louis spoke with John Norena; he got the boxes out of archives but hasn't gone through them yet.

The Planning Commission is working on Low Impact Development strategies for surface water management, we are almost done with our review and then we will get them together for City Council.

The Teller Road construction project, we are going to do the same as we did with Garden Road, we will go in and do the Water, Sewer and Storm this summer and save our money up and do the street the next summer.

6.2 City Recorder Finance Report

Susan gave the Financial Report to the Council.

Mayor Shorey said the Council is supposed to approve expenditures off of the Council Approval Report but they don't get those.

Susan said they get them at the end of the month, for the previous month, she sends them via email.

Mayor Shorey said he doesn't get them and it's very difficult to sit up here and approve a report unless they have seen the report.

Louis asked the Council if they received their reports.

The Council does receive them via email.

Councilor Slaven said they approved them at the last meeting.

Susie asked the Mayor if he wants her to print paper copies instead of email.

It was the consent of the Council to keep sending them via email. Mayor Shorey said if the Council wants emails then he is ok with that, just make sure he gets one.

Susie said they all go out at the same time so she is not sure why he isn't getting his, it goes to his outlook.

Motion: Councilor Biggerstaff moved to accept the Financial Reports as presented. Councilor Coey seconded the motion.

Mayor Shorey (Aye), C. Slaven (Aye), G. Fortune (Aye), J. Coey (Aye), L. Biggerstaff (Aye). Motion carried 5-0

6.3 Marijuana Dispensary Ordinance

Staff Report – Louis gave the staff report; The Legislature recently passed a law that would allow Cities an opportunity to pass a moratorium for Medical Marijuana Dispensaries. The sense Louis is getting from this Council is that more than anything they need some time to see if there is going to be some zoning issues, look at all the questions, up coming events those kinds of things. If we are able to resolve some of the issues prior to a year nothing says that the Council can't choose to make any motions or decisions prior to the year. Basically there are a lot of things coming up possibility of legalization in November so we want to look at all those things to see how that is going to effect anything that the Council may pass in regards to the Marijuana Dispensaries. Louis hasn't heard anyone from the Council say they are against it. The key here is they'd like to visit the issue and figure out if there is going to be any zoning issues on where we want to put them.

Open Public Hearing - 7:59 P.M.

Statements in Favor of the Council enacting a one year moratorium on Medical Marijuana Dispensaries –

Katie Stubeck Airport Road, Oakridge – We are a very small town with a very big meth problem. She has a grandchild in the schools. We will be adding insult to injury here by putting a Medical Marijuana Dispensary here; we will have problems beyond belief. She is glad they are doing a moratorium. This town needs to focus more on the property crimes and assaults, it all stems from the meth crowd.

Vincent Larochelle, Oakridge – We are mixing apples and oranges here, we aren't selling to the public, only people that have medical pot cards.

Councilor Fortune asked if he was speaking in favor.

Mr. Larochelle in order for us to get our ducks lined up and maybe figure out a way that the City can make some money off of it yes.

Gary Carl, Oakridge – He is in favor of the moratorium.

Rustie Ackland, Oakridge – Speaking from the financial aspect, they cannot be banked at this time. Federal regulations do not allow them to open up a relationship with any of the dispensaries. She would be in favor of the moratorium because this will bring in a lot more cash and everyone knows that they can't be banked and that will lead to other crimes.

Statements in Opposition

None

Statements in General

None

Close Public Hearing at 8:03 P.M.

Councilor Biggerstaff said he agrees with everything that Ms. Stubeck said, he doesn't smoke pot. He has talked to different people about this. Basically there is different marijuana for different ailments.

He is dead set against pot with young people, but what we are doing now is not working. There is no enforcement of it right now. He is not saying we need a marijuana dispensary but if it is going to help us control where the pot is being sold and where it is going then he's for it.

Mayor Shorey said he was at a Mayor's round table last night and this subject came up. Of the six cities 50-75% of them elected not do a moratorium. Cave Junction took a unique stance on this, they didn't put in a moratorium they didn't do anything because they put it in Federal Court, they voted Monday night to seek a Declaratory Judgment in Federal Court, and it is still a Federal violation to sell marijuana.

Mayor Shorey said it would be appropriate for us to put a moratorium on this until we see how this will play out. In addition aren't sure what the Fed's are going to do with theirs. There is likely to be an initiative on the ballot this fall to legalize marijuana in Oregon, if such is the case having a moratorium becomes even more appropriate for us.

Councilor Biggerstaff asked why we need this, why do we need this motion? If we are voting on something that can basically be changed at any time. What are we actually voting on other than saying we'd like a moratorium so we can vote on it later?

Louis said the big one is in November, if it becomes legalized the playing field changes. We will probably have to change direction on what's coming down the pipe. If it legalized this gives us a position to decide which way we need to go. Otherwise, we are going with the rabbits, whatever way that may be. This just gives us some time to see what kind of legal issues are made.

Councilor Coey said it says right here under staff comments that at present there is a prohibition in our business license ordinance that states that if the business doesn't meet Federal laws they can be denied a business license. Why do we need a moratorium if we have this in place? Then we allow this to go to our Planning Commission to be able to determine who comes in here.

Louis said that is the zoning piece he is talking about, yes; he will end up with the Planning Commission. The Attorneys that have looked at this at the League of Oregon Cities and other associations have said that ultimately we could probably hang our hat on the business license; however we also need to be prepared for a lot of litigation.

Councilor Slaven said having the moratorium gives us the opportunity to be proactive and decide on what we want, rather than to be reactive and let someone come in here and open one and then have to deal with it. Having the moratorium we can take the time to make up whatever plan we want and put our decisions in place, then it's a simple yes or no, you fit in with this or you don't.

Mayor Shorey said if we don't have a moratorium, they can come in and request to put in a dispensary and we have not looked at the ramifications on that yet.

Councilor Biggerstaff said and the Planning Commission can say no to that because it's not federally approved.

Councilor Slaven said then they can sue us and we can get tied up in litigation because the State has said it is approved.

Motion: Councilor Slaven moved that we approve Ordinance 905 Medical Marijuana Dispensary Moratorium and declare an emergency.

No second to the motion. Motion dies for lack of second.

7.0 COMMUNITY SERVICES

7.1 GOATS Event Kids Days Park Rental

Motion: Councilor Coey moved to approve the Facilities Permits for the GOATS Kids Mountain Bike Events on 6/8/2014 and 9/14/2014. Councilor Biggerstaff seconded the motion.

C. Slaven (Aye), L. Biggerstaff (Aye), J. Coey (Aye), G. Fortune (Aye), Mayor Shorey (Aye). Motion carried 5-0.

7.2 Corner Bar and Grill Outdoor Alcohol Permit Request

Chief Scobert talked to Vinnie Maxwell, he is not planning on serving alcohol until 11:00 A.M., and the hours on the permit are the hours he will be serving food. They changed that on the license and Vinnie initialed that.

Motion: Councilor Coey moved to approve the Alcohol Permit for the Corner Bar and Grill on the City Right of Way on west side of the Corner Bar and Grill Building with service hours of 8:00 A.M. to 10: P.M. with alcohol beginning at 11:00 A.M. Councilor Fortune seconded the motion.

Mayor Shorey (Aye), J. Coey (Aye), L. Biggerstaff (Aye), G. Fortune (Aye), C. Slaven (Aye). Motion carried 5-0

**** Orchid Health Sub Ordination Agreement**

Susan is going to start on this since she was doing most of the communication on Louis' behalf.

Susan said Louis received a phone call or email from Orchid letting him know that the investor they came and spoke to the City Council about on March 20, 2014 has backed out. The Council voted at that time to let us take a second position. After they came to Oakridge and presented us with a subordination agreement after reading it, it appeared that it didn't follow the Council's understanding, it was very broad in that anybody they chose to take a loan from would put us down. Susan talked to Louis about that, they agreed that the agreement was very broad. They have since found out that the

original investor has backed out. Susan contacted Ross at Louis direction and asked them if it would be appropriate to ask Orchid to return that agreement to us and terminate it because one, it was not what the Council agreed to and two, the investor backed down. Susan received an email from Orion which she read to the Council. (See attached) It stated that they currently have three investors that are interested in signing, including the original investor discussed by City Council. They believe it would be unnecessary work and cost on both ends to terminate and then reinstate such an agreement. He asks that the agreement remain as currently voted on by City Council. Susan responded that the agreement is not as discussed and voted on by our Council. It was not written as approved, it was approved for the one investor that was ready to sign on the line. The whole discussion was on a single investor, investing \$100,000 and all that was required was the city stepping down to second position. The subordination agreement presented to the city does not follow those assertions and since what you stated in open meeting is no longer valid, the document needs to be terminated and returned to the City. She also let them know that when they have investors ready to commit, she's sure the Council will respond to the new request. Susan did not hear back from them after this. Louis did talk to them this afternoon. Our attorney agreed that, what they presented in that agreement does not follow what is in the minutes. This puts us in a position to keep moving further down in position every time they get a new investor. That is a very bad position for the City to be in, it doesn't follow normal accounting procedures and we have to be very careful. She is not sure why they feel that, because they are taking a private investor that is using their own money, that somehow they have more to lose than a city that is taking tax payers money and to continually take a lesser position. As elected officials you entered into public service with various backgrounds and expertise, regardless of how or why you are in office you will eventually be held accountable for the decisions you are making and how you utilize the public resources that we have available. It is highly important that those decisions are based on sound and widely accepted financial accounting practices.

Louis said he spoke with Orion today and he did get where the city is coming from. He said the agreement was broader than what was brought to the City Council, he said the original investor is willing to come back with \$25,000 and they are looking to get three more investors for the \$75,000. Louis said it is up to the council; we can stay with this particular agreement, if you're not ok with it then direct him to do something different.

Councilor Coey said he is not ok with it and he hasn't been ok with it, it is public money. If they want to get an extra \$11,700 and pay us off then fine. The agreement we have with them should be null and void.

Councilor Fortune said he is ok with the vote, but what happened was when the agreement was signed it wasn't read.

Louis said yes, he did miss one piece on the agreement when signed.

Councilor Biggerstaff said he believes the City put forth \$11,000 hoping we were going to get a clinic in to the City of Oakridge. We loaned the money for the certifications so they could get even get investors in the first place. If we lose the \$11,000 because it doesn't go through or if we make them pay the \$11,000 and it doesn't go through, we are screwed. You can whine about \$11,000 all you want and what is legal and not legal or whatever.

Councilor Coey said if this was their ethical intent then he doesn't want them here, period. He wants a clinic here as bad as anyone else does.

Mayor Shorey said what he is hearing from the Council is that this is not what we agreed upon, \$11,000 doesn't seem like a lot but, for Oakridge it is a lot.

Councilor Slaven said part of the problem is we not are discussing the \$11,000 that is already gone. What we are discussing now is our position if they go under, does any of this really matter. If they do go under and they have an investor with any amount, the likely hood of us recouping our cost is very low. We knew this was a risk when we agreed to give them the money and we felt like the benefit to our community was worth that risk. She is not sure that going through this, all the time and money we have spent talking about the agreement is worth it. We should just let it stand.

Councilor Biggerstaff said he doesn't remember directing anybody to go back to Orion and Oliver to brow beat them on this to find out what they were doing. Susan and Louis spent their own time to do this. The Council did not direct them to do this.

Louis said he never said that. He had Susan do this on his behalf. He is coming to the council to see if they want him to drop it or try and do something about it. That is where we are at.

Motion: Councilor Fortune moved that we let the agreement stand as is. Councilor Biggerstaff seconded the motion.

J. Coey (Nay), G. Fortune (Aye), Mayor Shorey (Nay), C. Slaven (Aye), L. Biggerstaff (Aye). Motion failed 3-2

Councilor Biggerstaff said we need to bring this back when we have more councilors.

Mayor Shorey said the way it stands right now is the current agreement stands.

8.0 POLICE SERVICES

Chief Scobert said Troy Allen is at training in Newport for the Oregon Association of Code Enforcement Officers.

9.0 EMERGENCY SERVICES

Chief Alcalde said he is one step closer to brining in the Oregon Fire Truck Conference to Oakridge. This conference will bring in about 75-100 people and it should have all of our rooms booked for three days. He has one more site visit from board members. This will be in April 2016; he is hoping to do it during Tree Planting.


Council went into a Work Session at 8:40 P.M.

ADJOURNMENT: The Council adjourned at 9:18 p.m.

Respectfully submitted before the City Council May 1, 2014

Signed:


Jerry Shorey, Mayor

Signed:  _____
Susan LaDuke, City Recorder