



CITY OF EAGLE POINT

"Gateway to the Lakes"

OREGON

EAGLE POINT CITY COUNCIL
17 BUCHANAN AVE. SOUTH, EAGLE POINT, OREGON

AUGUST 23, 2011

REGULAR MEETING MINUTES

1. CALL TO ORDER – 7:00 P.M.

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

Council members present: Bob Russell, Ruth Jenks, Jonathan Bilden and Bill Fierke.

Council members absent: Alan Curriston and Kathy Sell.

Staff members present: David Hussell, City Administrator; Joe Kellerman, City Attorney; Vern Thompson, Chief of Police; Melissa Owens, Finance Officer; Robert Miller, Public Works Director; and Dena Roberts, City Recorder.

2. FLAG SALUTE AND INVOCATION.

Audience member Jerry Zieman led the flag salute and invocation.

3. AUDIENCE QUESTIONS OR COMMENTS CONCERNING ITEMS NOT ON THE AGENDA.

Audience member John Payne introduced himself noting he had been involved in the sister city program with Showa, Japan since its inception 15-16 years ago. He explained it began with a student exchange program but developed into a sister city relationship. Mr. Payne stated Showa mayors, business and city leaders as well as members of their board of education and students have traveled to Eagle Point many times over the years but no one from Eagle Point has ever visited Showa. He noted the Eagle Point Community Association recently invited a Showa delegation to Eagle Point's 100th anniversary 4th of July festivities to serve as the city's honorary grand marshals; they accepted the invitation and attended. During the visit they made it quite clear they very much want the Eagle Point mayor, councilors, school representatives as well as citizens to visit Showa. They are celebrating their 50th anniversary on October 2. Mr. Payne stated he felt the city needs to become involved and send representatives to Showa. He further stated this would be an excellent opportunity to send Mayor Russell, who was very well liked by the Showa visitors. Mr. Payne asked the council to consider funding Mayor

Russell as well as other city council representatives to travel to Showa. He further advised he is trying to coordinate a delegation of approximately six to ten people for the trip.

Mayor Russell asked if Mr. Payne knew the per person cost to send someone to Japan. Mr. Payne responded the main cost would be airfare, which would be approximately \$1,100 per person, as the mayor of Showa would host Mayor Russell in his home so there would not be any hotel costs. Councilor Jenks asked if Eagle Point has ever sent students to Showa. Mrs. Payne responded Eagle Point students visited once or twice. Councilor Jenks then asked if there were plans for Eagle Point students to travel to Showa. Mr. Payne responded there were not at this time. Councilor Fierke asked if Mr. and Mrs. Payne were planning to go. Mr. Payne stated if Mayor Russell went he and his wife would go.

Mayor Russell stated there was a conflict with the dates for the League of Oregon Cities annual conference. Councilor Fierke stated he didn't feel there was problem and that Eagle Point could cancel Mayor Russell's attendance at the League conference or substitute someone else in his place. John Payne suggested funding travel for two or three people should be put in the city's budget each year. Mayor Russell asked Dave Hussell's thoughts. Mr. Hussell explained Showa's city and school district are funded together and their total budget is over \$100M. Eagle Point's city and school district budget combined are less than one-half of the Showa budget. Showa has the resources to send people to Eagle Point. Mr. Hussell stated funding was not put in the Eagle Point's budget because there were no plans to send anyone to Japan, but if Eagle Point is going to continue the sister city relationship there needs to be interest shown on Eagle Point's part. This would be the appropriate time to show interest given their 50th anniversary celebration and Mayor Russell would be the appropriate person to go. Mr. Hussell noted, given the gifts they bring to Eagle Point, it would be appropriate for Mayor Russell to take gifts to them. He further advised funding would need to be taken out of the city's contingency fund.

Dave Hussell asked if the school board had addressed the invitation to Superintendent Rickert. Mayor Russell stated he had spoken with Ms. Rickert and she stated if council sends representatives she would consider going. Councilor Bilden advised the school board has discussed the invitation and has decided not to send anyone at this time. Councilor Fierke stated there should be two representatives sent. Councilor Jenks asked if there was a \$20,000 balance in the city's contingency fund. Dave Hussell stated there was more than that and general practice is to keep 10% of the general fund budget in contingency. Councilor Jenks stated she would support Mayor Russell going but would like to see discussion about sending students to Showa. John Payne advised the city would need to work with the school about sending students; there would be home-stay but airfare would cost approximately \$1,100 to \$1,200 per person.

Dave Hussell stated council would need to formally approve the Mayor and possibly other council representatives traveling to Showa, but that it needed to be brought to council at their next meeting as a formal action item. Mr. Hussell noted representatives of the community association have also been invited therefore there may be others interested in the trip.

4. PRESENTATIONS.

5. OATH OF OFFICE

5.1 Oath of Office of Wayne Brown.

Mayor Russell administered the Oath of Office to Wayne Brown.

6. PUBLIC HEARINGS.

6.1 **Ordinance 2011-06.** A Public Hearing to receive testimony relating to an Ordinance creating a liquor license fee.

Mayor Russell opened the public hearing and read the public hearing procedures, noting appropriate legislation, rules and regulations governing public hearings. Mayor Russell then disclosed his conflict of interest noting he was personally impacted by the legislation and would receive financial gain if Ordinance 2011-06 was not passed. Attorney Kellerman asked Mayor Russell to designate a councilmember to conduct the meeting while he recused himself. Mayor Russell appointed Councilor Fierke. Councilor Fierke asked for the staff report.

Chief Thompson reported the Oregon Liquor Control Commission (OLCC) requests the City of Eagle Point's recommendation for new, renewed, or changed liquor licenses. Eagle Point does not currently charge for administrative costs associated with its recommendation to OLCC. State statute allows cities to recoup associated costs. Chief Thompson noted, with regard to non-profits, the provider of alcohol needs a liquor license but the sponsor does not. Chief Thompson then explained the administrative process of staff, noting the cost per day to a business owner would be \$0.27/day for a change in ownership, \$0.21/day for a renewal and \$.10/day for a special event. Chief Thompson recommended Eagle Point adopt fees to help defray its costs.

Councilor Jenks asked how many people would be affected, the amount of fees the city would collect and to which fund would those monies would be applied. Melissa Owens responded the monies would go into the general fund. Chief Thompson advised the city would receive approximately \$700 a year and there are 17 establishments serving liquor in Eagle Point, most of which are large corporations such as Wal-Mart, Rays and Arco. Councilor Bilden asked whether OLCC performs a background check on these businesses. Councilor Brown stated they do. Dave Hussell stated OLCC asks the city to make a recommendation and in order to do that staff has to spend time conducting research, which takes them away from other duties. Mr. Hussell further explained the city can either do the work and respond back to OLCC or not respond at all; it is all a matter of whether the city cares enough to check out the individual business.

Councilor Fierke then asked for audience testimony either for or against the legislation. Kim Kim Kinderman of Eagle Point addressed council, stating she is the owner of Agate Ridge Vineyard which is outside the city limits. She stated she already pays a lot in fees to the state and since they do their own investigation she didn't see any reason for the city to do an investigation. She asked how much time it takes for staff to conduct the investigation and, further, why the city was proposing the upper limits in fees. Councilor Brown asked if extra police officers needed to be on duty for special events. Chief Thompson responded depending upon the size of the event it may or may not require security. Ms. Kinderman advised she is

required to carry a \$1M insurance policy. Dave Hussell stated, as part of the administrative process, staff simply verifies that the business has insurance.

Jerry Zieman of Eagle Point addressed council stating the city has a budget and pays salaries and, therefore, the costs associated with processing the liquor license requests should be covered. He further stated OLCC does background checks. Mr. Zieman next noted in 2009-10 Eagle Point received \$98,907.45 in liquor revenue and in 2008-09 \$104,428.29. He stated he did not believe a fee should be charged given the state of the economy. Mr. Zieman concluded by advising there were two OLCC representatives in the audience should council have questions of them.

Phil Horner of Eagle Point advised he previously owned both a large bar restaurant and a saloon restaurant in California. He stated, given the small amount of funding that would be received, it would not be worth the negative message it would send.

Councilor Fierke asked for a motion to close the public hearing. Councilor Bilden moved that council close the public hearing. Councilor Brown seconded the motion. There was no further discussion. Roll Call: Bill Fierke, yes; Ruth Jenks, yes; Jonathan Bilden, yes; and Wayne Brown, yes. The motion passed unanimously.

Attorney Kellerman suggested council address the action of **Ordinance 2011-06** so that Mayor Russell could resume his council seat. Councilor Jenks moved to adjust the agenda and address Item 11.1 on the agenda. Councilor Bilden seconded the motion. There was no further discussion. Roll call: Jonathan Bilden, yes; Wayne Brown, yes; Bill Fierke, yes; and Ruth Jenks, yes. The motion passed unanimously.

- 11.1 **Ordinance 2011-06.** An Ordinance authorizing liquor license application fees for new application; change of ownership, location or privilege; temporary; annual renewal or special event.

Councilor Fierke announced **Ordinance 2011-06** and asked for council comments. Councilor Bilden stated he was not inclined to support it, stating the benefit does not outweigh the costs. Councilor Jenks agreed with Councilor Bilden that less than \$1,000 a year in revenue does not offset the negative tone it would send to small business owners. Councilor Brown agreed, but stated there is also the need to have the income to pay employees. Councilor Fierke stated he was torn; the city needs to find other sources of revenue, but is also needs a viable downtown. He stated he would lean towards not implementing the fee. Councilor Jenks moved that council reject **Ordinance 2011-06**. Councilor Bilden seconded the motion. There was no further discussion. Roll call: Wayne Brown, yes; Ruth Jenks, yes; Jonathan Bilden, yes; and Bill Fierke, yes. The motion passed unanimously.

7. CONSENT CALENDAR.

- 7.1 Presentation of workshop and regular meeting minutes of August 9, 2011.

Mayor Russell announced the consent calendar and asked for a motion. Councilor Bilden moved council approve the Consent Calendar as presented. Councilor Fierke seconded the

motion. There was no discussion. Roll call: Bob Russell, yes; Bill Fierke, yes; Jonathan Bilden, yes; Wayne Brown, yes; and Ruth Jenks, yes. The motion passed unanimously.

8. CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR.

9. PRESENTATION OF BILLS TO BE PAID.

Mayor Russell announced the bills to be paid and asked for a motion to approve the bills. Councilor Fierke asked for clarification of the payment to Engineering & Associates for \$43,933. Melissa Owens responded it is a pass-through payment for inspections for the hardware store and hillside elementary in addition to South Shasta and other small projects. Councilor Bilden moved council approve the bills as presented including the additional bill list. Councilor Fierke seconded the motion. There was no further discussion. Roll call: Ruth Jenks, yes; Wayne Brown, yes; Bill Fierke, yes; and Jonathan Bilden, yes. The motion passed unanimously.

10. OLD BUSINESS.

11. NEW BUSINESS.

11.2 **Resolution 2011-48.** A Resolution on behalf of the City of Eagle Point recommending Jackson County adoption of the Greater Bear Creek Valley Regional Problem Solving Plan as amended.

Mayor Russell announced **Resolution 2011-48** and asked for the staff report. Dave Hussell advised the legislation would approve passing the RPS Plan on to the Jackson County Board of County Commissioners for approval. He advised changes to the Plan have been proposed by the Jackson County Planning Commission, two of which impact Eagle Point. The first is the inclusion of additional land due to a statistical error. The second proposed change is to increase Eagle Point's density from 6.5 to 7.5 units per acre. This would not, however, take effect for 20 years and the city would have the option to move some of the density from urban reserve areas to other areas. It would not require all building to have this density. Mr. Hussell stated if council was not comfortable moving forward with the recommended changes they would need to justify not doing so. Council Jenks stated she questioned the figure of 7.5 houses per acre given Rogue Valley Transit District's statistical data which stated 4-5 houses per acre within ¼ mile from a transit corridor, which would be Highway 62, would support hourly transit. The data also states it would take 6-8 houses per acre to support 30 minute busses. She then brought everyone's attention to page three of the Jackson County Planning Commission recommended changes, noting the differences in densities. She asked if the proposal is that all cities end up at a density of 7 units per acre. Dave Hussell responded the original proposal for Eagle Point was 6.5 for urban reserves which is the same for Medford. It was slightly higher for Central Point and Talent. He explained this is the next step requiring all areas in the urban reserve to be 7.5 in 20 years. They are trying to forecast what the density needs/expectations will be 20 years out. Mr. Hussell then brought council's attention to the photos included in their packets regarding creative ways to achieve such density. He explained that whatever Eagle Point decides to do it will affect all the other cities participating in the plan.

Mayor Russell asked if density could be increased downtown and less in other areas. Dave Hussell responded he was correct and that density could be traded. Mayor Russell stated it was difficult to find a legal argument even though he didn't want increased density.

Councilor Fierke stated no one can make a 50 year plan. He further stated at least 10-12 people have spoken to him about the increased density and all of them are opposed to it. He stated going to a density of 7.5 was in conflict with Resolution 2005-14, #4 which indicates lower residential densities in some areas of the community. He then related a recent visit to Wenatchee, WA at which he spoke with a developer who is developing 1 acre lots who related his concern with going to 1/3 and 1/4 acre lots as he felt them too small. Councilor Fierke further related he spoke with another developer who is developing 1/2 acre lots. He noted Wenatchee is a larger community and they are not increasing their density this much. He then stated if the argument is being made that the city is going to "Safe Harbor" it is false. Councilor Fierke next stated RVTD is doing anything they can to increase their business and that they conducted a study Highway 99 between Ashland and Medford regarding the feasibility of increasing the routes and determined it would not be economically feasible. Their answer was to increase density rather than dismiss it because it would allow them to profit by running transit.

Councilor Brown expressed his concern that people do not do well when there is too much density. He explained his experience has been that dense developments can be made very nice, but they ultimately turn into ghettos because of their density.

Mayor Russell asked council if they were ready to appear before the Board of County Commissioners to justify their refusal of a 7.5 density. The council then held a lengthy discussion of their position, justification and possible effects of the refusal. Dave Hussell advised council members would need to accompany him to the meeting with the Board of County Commissioners to speak to the issue.

Councilor Bilden moved that Council approve **Resolution 2011-48** with the exclusion of a 7.5 density rate after 25 years. Councilor Fierke seconded the motion. There was no further discussion. Roll call: Jonathan Bilden, yes; Wayne Brown, yes; Bill Fierke, yes; Bob Russell, yes; and Ruth Jenks, yes. The motion passed unanimously.

11.3 **Resolution 2011-57.** A Resolution adopting a "Memorandum of Understanding" for construction of Hillside Elementary School, 185 East Main Street, Eagle Point, Oregon.

Mayor Russell announced **Resolution 2011-57** and asked for the staff report. Dave Hussell reported staff has been working with representatives from Jackson County School District #9 on a Memorandum of Understanding. The agreement outlines what the city is responsible for and what the school district is responsible for. It does not speak to all the unexpected time and effort staff has already put into the project. Councilor Fierke asked if both city staff and school representatives were in agreement with the obligations of each. Dave Hussell responded they are.

Councilor Jenks moved that Council approve **Resolution 2011-57**. Councilor Brown seconded the motion. There was no further discussion. Roll call: Bill Fierke, yes; Ruth Jenks, yes; Jonathan Bilden, yes; Wayne Brown, yes; and Bob Russell, yes. The motion passed unanimously.

12. REPORTS FROM CITY COUNCIL AND CITY COMMITTEE REPRESENTATIVES.

Councilor Fierke reported he reviewed the jobs listing in the recent *Local Focus* publication and it appears the proposed salary for the new city administrator for Eagle Point is in line with what other cities are offering. He further reported his school board meeting report is in the *Upper Rogue Independent*. Councilor Fierke advised Superintendent Rickert's report stated test scores are going up even though the newspaper reported they aren't. He advised Shady Cove is looking at the Safe Routes to Schools program. He noted he listed the school board goals in his *Upper Rogue Independent* article.

Councilor Bilden reported next week he would be meeting with Representatives McLane and Richardson, as well as Senators Whitsett and Atkinson to discuss their future transition. He further reported he is working on getting the newer representatives involved in Eagle Point and they are eager to do so.

Mayor Russell congratulated Councilor Bilden for his recent award which was publicized in the *Upper Rogue Independent*. He then reported he met with members of the Kiwanis of Southern Oregon who want to establish a new chapter in Eagle Point. Mayor Russell invited other council members to contact him if they wanted to become involved. He then reported he attended a Medford Water Commission meeting which was much more positive than recent meetings. Further, he attended the Mayors United kick off meeting for ACCESS. Their dinner fundraiser will be on September 17 in Jacksonville. Mayor Russell stated it is a very worthy cause and invited everyone to attend. He further added he might have free tickets if anyone was interested. The Southern Oregon Library Association is also having their annual fundraiser at the Butte Creek Mill on Saturday. It will be a steak dinner and music for \$25.00. Councilor Bilden interjected representatives of the Kiwanis will be at the Eagle Point/Upper Rogue Chamber meeting in October. Councilor Jenks interjected the city's Street Dance was a very successful event. Mayor Russell stated he felt it should be done several times a year.

13. STAFF REPORTS

Melissa Owens advised her financial report was not ready as August is her busiest month. She noted there were no surprises this year. She stated the city's new website went live on Friday, but that staff still has content to add. There are many new features such as subscribing to agenda notification and the emergency alert feature which can be used for fire, flood, water breaks, etc. People can subscribe and they will receive a message when new items are added. She asked council to look at the site and give staff comments as staff developed the site based upon questions routinely received by the public; council will have a different perspective. Ms. Owens noted Councilor Jenks prepared the first article for the "Council Corner" which was excellent. She invited other council members to write future articles, noting the "Council Corner" section has the ability to change whenever council would like it to and it can just list the latest article or all articles. Staff will be adding road construction information to the "News"

section on the home page. Ms. Owens next advised she received 129 applications for the front office position and they range from recent high school graduates to people with PhDs.

Rob Miller brought council's attention to the certificate in their packets regarding outstanding water performance, noting it is not an award given out to many and Gary Shipley was responsible for Eagle Point receiving the award. Mr. Miller then reported bids were opened for the S. Shasta bike path project today. Unexpectedly, the bids were high. The engineer's estimate was \$447,000 and the low bid came in at \$539,000. Mr. Miller related that staff and the city's engineer have discussed options to get the bid down and came up with the following:

- Reduce the paving by a couple of blocks, revise some of the striping work and try to renegotiate a price down to \$447,000.
- Reduce the project and rebid it with one of the city's other projects, receiving some economy of scale.
- Rebid the project as is. This would push the timeframe of the project and it likely would mean there would be open gravel and no pavement until spring.

Councilor Fierke asked staff's opinion on the likelihood of a reduction in price. Mr. Miller responded the city's engineering had already held discussions with the contractor and they are willing to negotiate. Mr. Miller advised the current project takes the path to Arrowhead Trail. At that point there are drainage issues so curb, gutter and sidewalk have to be installed for the last two blocks. If the project length were reduced it could stop at Aberdeen. The council then held a short discussion. At the conclusion they asked staff to talk with the contractor about reducing the width of the path from 10' to 8' but complete it all the way to Arrowhead Trail.

Councilor Fierke asked the status of the LDS community project. Dave Hussell responded he had not heard from them. Councilor Jenks commended Rob Miller for his work at the Street Dance, noting he was there the entire day.

14. INFORMATION.

Mayor Russell closed the regular meeting at 8:50 p.m. and called for a short break.

15. EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(e) REAL PROPERTY TRANSACTIONS AND ORS 192.660(2)(h) LITIGATION.

Mayor Russell opened the Executive Session pursuant to ORS 192.660(2)(e) Real Property Transactions at 8:59 p.m.

Discussion.

Mayor Russell closed the Executive Session pursuant to ORS 192.660(2)(e) Real Property Transactions at 9:28 p.m. and reopened the regular session. There was a council consensus to direct Dave Hussell to respond to Mr. Whittle as requested.

Mayor Russell closed the regular meeting at 9:29 p.m. and opened the Executive Session pursuant to ORS 192.660(2)(h) Litigation.

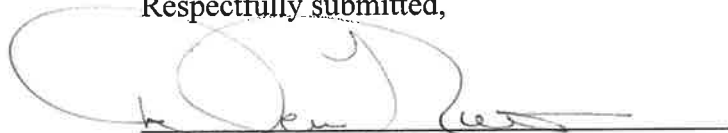
Discussion.

Mayor Russell closed the Executive Session pursuant to ORS 192.660(2)(h) litigation and reopened the regular meeting at 10:11 p.m. There was council consensus to direct the city administrator to request a confidential meeting with the Medford Water Commission.

16. ADJOURNMENT.

There being no further business to come before the Council, Mayor Russell adjourned the meeting at 10:13 p.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Dena Roberts", written over a horizontal line.

Dena Roberts, City Recorder

ATTEST:

A handwritten signature in cursive script, appearing to read "Robert E. Russell", written over a horizontal line.

Robert E. Russell, Mayor