

CITY OF ELGIN
COUNCIL MINUTES FOR MARCH 24, 2015

COUNCILORS PRESENT -

Name:	Present:	Name:	Present:
Mayor Allan Duffy	Yes	Councilor Brent Linville	Yes
Councilor Michelle Miles	Yes	Councilor Kathy Warren	Yes
Councilor Teresa Shaffer	Yes	Councilor Jeremy Richards	Yes
Councilor Rocky Burgess	Yes	Student Councilor Lena Johnson	Excused

Call to Order

The meeting was called to order at 7:00 PM by Mayor Duffy with the salute to the flag.

Roll Call

Mayor Duffy requested roll call. Councilor Miles, Councilor Shaffer; Councilor Burgess, Councilor Warren, Councilor Richards, Councilor Linville, all responded present.

Revise/Approve Agenda

Mayor Duffy requested to add Committee Appointment of Councilor Richards to Old Business. No objections.

Approve Minutes

Administrator Eckstein stated there is a correction on page 6 of the minutes of March 10, 2015 regarding the service truck purchase/trade-ins. The recording is hard to hear and it should read the new work box is ordered and the works to be installed. Legacy took the old dodge as trade-in for \$1,000 and the old service truck was not given away for \$500 and scrapped, it was sold for \$650 as a service truck. The new box is not \$650; it is actually \$20,050, which brings the total cost for the new truck to \$33,550. Councilor Miles asked for the total. Administrator Eckstein stated after the credit for the trade-in, the total is \$32,550. Councilor Miles stated the Blue Book value of the truck is less than \$17,000. Administrator Eckstein stated that would be without the service box. Administrator Eckstein further stated at the February meeting, Council gave approval for the purchase with a \$30,000 to \$40,000 spending limit. Mayor Duffy asked for other corrections. Councilor Shaffer moved to approve the minutes of March 10, 2015 with corrections. Councilor Linville as Second. Richard Mackie voiced his objection stating the minutes were correct, adding that Administrator Eckstein bold faced lied. He went on to state he had a copy of that disc at the house, and those minutes are correct. Administrator Eckstein responded that the recording is of the unapproved minutes and he did not lie. Mayor Duffy asked Mr. Mackie to take a seat. Mr. Mackie went on to say the disc says \$650 for utility box. Administrator Eckstein corrected him saying the \$650 was for the sale of the utility box on the old service truck. Mr. Mackie responded: No, that is not right that pickup you sold for \$650. Mayor Duffy stated Mr. Mackie was out of order asked if he would like to be removed then asked him to have a seat. Mr. Mackie responded he was not gonna let this lie. Mayor Duffy stated he did not recall the original minutes. Mr. Mackie stated there was never a quote given to the Council. He asked for a copy of the quote and they don't have one. Administrator Eckstein asked a quote for what. Mayor Duffy stated if it is for the vehicle purchase, the quote is right here. Mr. Mackie stated that it was stated as a combined thing, a complete unit and then requested the Mayor do something about it. Administrator Eckstein stated Mr. Mackie is threatening us, and had threatened him; this is ridiculous. Mayor Duffy stated there is a record

of minutes and there is no discussion on the Council at this point. A Councilor has moved and been seconded. With no further questions, Mayor Duffy asked for the vote. The vote was unanimous for approval. Motion Carried.

Old Business

Councilor Appointment to Committee

Mayor Duffy recommended appointing Councilor Richards to Public Works and Opera House Committees. Councilor Warren moved to approve the appointments. Councilor Shaffer as Second. The vote was unanimous for approval. Motion Carried.

Solid Waste Transfer Station Upgrades

Administrator Eckstein stated a representative from a company who submitted a bid was present. Reed Bishop of Total Scales submitted his bid and then went through the document with the Council. The quoted price is the turnkey price for either concrete or steel options and it includes the purchase, installation, freight, labor, calibration, concrete, and being placed into service. The responsibilities the City could take on are included in the documentation.

Mr. Bishop met with Administrator Eckstein and Dan Larman and they did a site visit at the Transfer Site. The possibility of the City taking on the excavation of dirt was discussed and it would lower the overall cost of project and would require a revision of the quote.

Mr. Bishop went on to share some highlights. There is a 5 year warranty for the scale that includes the scale, parts, electronics, labor and travel. Any failure by normal use would not be an out of pocket expense to the City as it is covered by warranty. Of course damage is not covered under the warranty. The scale electronics are of good quality and have a lower failure rate than that of traditional weigh bars. They will accommodate the projected usage. In regards to the Service contract, the company is in the area at least quarterly to perform service for several customers. Semi-annual service is recommended and would be coordinated with other service calls to keep costs down. When called out to re-calibrate there would be a \$375 fee per inspection.

As for payment options, Total Scale uses a leasing company out of Wenatchee. The lease to own option would require a 1 month payment for down payment with a 5 year term of monthly payments with a 10% balloon payment at the end of the contract. The other option is a more traditional loan that would require a 1 month down payment and 5 years of monthly payments. The purchase option would have a higher monthly payment amount. Additional submitted literature included design and other components of the scale system.

Mr. Bishop recommends a steel deck as it will be less money and it would meet the needs based on traffic flow of the Transfer Site. Councilor Linville asked if the City opted for the Steel deck would the service contract take care of the paint and wear or does the City take care of that. Mr. Bishop responded it would depend, but most typically they don't do paint on the steel scale deck. The steel deck is sandblasted, then steel shot, primed, painted, cured in a heat booth; surfaces other than the deck have never had problems and there have been no problems with rust. Total Scales can work with the City if there are concerns with the painting.

Richard Mackie asked how the scale holds up when installed over landfill; how would that affect the weight when the ground shifts. He also questioned how the steel scale would hold up with snow and ice. Mr. Bishop responded it is very important and essential to ensure a good foundation and could possibly have the ground tested for compaction. If the ground is not properly compacted it would not be good for the scale. He went on to say the down side to using steel is that it has less grip and could be slippery when wet or icy. If the scale shack is alongside the scale, then no one would be walking on the scale deck, but concrete is still an option. Richard Mackie stated snow and ice with rain is a concern. Heaters are installed in the concrete scale deck to avoid frost heave. Mr. Bishop responded when concrete scales are installed the concrete is poured below the frost line to avoid frost heave.

Mayor Duffy asked for any more questions from the Council and asked Dan if he had any input. Dan stated Public Works can do the excavation. Councilor Linville questioned why the City is looking at a longer scale. Administrator Eckstein stated for payment purposes and debt wise, as the City is making great strides to get out of debt he would recommend making the purchase outright. Councilor Linville asked if the 40' scale would be long enough to weigh the garbage truck before it leaves the Transfer Site. The response was yes, it should be long enough to accommodate the garbage truck as well as a full-size pickup and trailer.

Mayor Duffy, with no other questions, recommended the Council take this all under advisement to determine if it would be overall financially beneficial to the City; be able to charge a reasonable fee and still be competitive; and need to include the payoff of the equipment purchase as well as maintenance when setting fees.

Councilor Burgess stated the scale looked to be user friendly. Mr. Bishop stated software is available as an option but is not included in the current bid. With the software every transaction would be recorded with time and date, weight, payment type, description of load and stored in a database. Reports could be run from the database and could be used for auditing purposes. Councilor Linville stated the software could help with issues with the audit and should be something to consider. Mayor Duffy asked for consensus to table the issue for further discussion. Administrator Eckstein volunteered to come back to the next meeting with hard numbers for charges per ton, pickup fees, and fuel charges the City is currently paying. Without objections, the topic was tabled till the next meeting.

Card Room License

Mayor Duffy stated he has more information coming on this topic and would like to table this topic to the next meeting. With no objections, the topic was tabled till the next meeting.

Parking Lot – North 8th

Councilor Linville and Administrator Eckstein recused themselves at this time from the discussion and left the room. Mayor Duffy asked if Public Works director Dan Larman had anything to report. Dan stated he had talked to the property owner adjacent to the proposed parking lot and the only complaint by the property owner was he did not know who to deal with. Dan recommended the Council establish a primary contact person for the project. Mayor Duffy stated he had a conversation with County Commissioner Howard. The property is owned by the County, it was seized for taxes. Mayor Duffy spoke with legal counsel, but will need to hire outside legal counsel as both the City and the County have the same legal counsel.

The County is working on a proposal on how the City can obtain the property from the County. There will be more information for the next meeting. Councilor Burgess asked for clarification that the City is in the process of obtaining the property. Mayor Duffy confirmed. The County has emailed a legal description of the property. Mayor Duffy recommended the Public Works committee and the Mayor be designated as the primary contact for the project, excluding Councilor Linville. There were no objections to this recommendation. Councilor Burgess stated he is willing to work on this project. With no objections, the topic was tabled till the next meeting. Administrator Eckstein and Councilor Linville re-joined the meeting at this time.

Opera House Lease

Administrator Eckstein stated there were two more changes that were recommended by the Opera House Board in Section 8. In Section 8c and 8d the words "at all times" were removed. The concern was harsh wording. Mayor Duffy stated even without the phrase the lease will read the same. Administrator Eckstein stated the Opera House Board was pleased with the lease and have signed off on it. Administrator Eckstein went on to say regarding Section 4, and the LED sign, they would like the person giving approval for use of the sign to be the Opera House Board and not the City. Their main reason for this is to avoid scheduling conflicts. The groups allowed to use the sign would be local groups and organizations promoting community events. Councilor Linville asked for clarification on the LED sign; the Opera House wants complete control over what is put on the sign, but he City still has final say? Administrator Eckstein confirmed they want to control the scheduling of the ads on the sign but the City still has ultimate authority on who can advertise on the sign. Councilor Linville had no problem with that change, but did regarding Section 8 and the phrase 'at all times'. Administrator Eckstein responded the reasoning behind that change is they are not sure how future Councilors will interpret the contract with that phrase included.

Councilor Linville stated that clause may be considered a bit tight in their opinion, but on the City side, it is different. He can see paint on the rocks and grass from props being painted and there is a painted hand print on the side of the building. They need to understand it is a City building, a historical building and a lot of people stop and take pictures. They need to have a lot of pride in the building. May need to change the wording but they need to be conscious of what is going on. Mayor Duffy stated they are aware and very conscious of the need to monitor the volunteers and the lease states the building needs to be maintained. Now that Councilor Shaffer and Councilor Richards are assigned to work with the Opera House Board, any issues can be addressed quickly. Mayor Duffy went on to say he understands Councilor Linville's concern, but without the added phrase the lease reads the same. The property will be maintained. Having the Opera House committee and consistent communication will be a benefit to both the City and the Opera House. Councilor Linville asked about the office space issue. There was concern about the City using the Ticket Booth/Room during a production. When in production and the City needs office space they will accommodate with another space. Mayor Duffy stated the city asked for office space and they offered the ticket booth. The lease still reads the ticket booth. Councilor Linville asked, if the lease still includes the evidence shed, is the City not going to store historical stuff there any longer. The response was the City would no longer store any of the historical stuff in the evidence shed, it will be moved to the old EMT shed. Councilor Linville asked if all Opera House stuff will be off the lawn. Mayor Duffy stated the space is being given to store all their items out of sight. The Mayor went on to say the evidence is so old it is obsolete. The evidence that is in the EMT shed, that was previously in the jail cell, is now

contaminated and will be discarded. When it was moved by Public Works, chain of custody was broken. Councilor Miles stated the Sheriff's office would be responsible for the disposal of the evidence.

Councilor Warren moved to approve the changes and authorize the mayor to sign the lease. Councilor Shaffer as Second.

Roll Call Vote: Councilor Miles – Aye; Councilor Burgess -- Aye, Councilor Shaffer – Aye, , Councilor Warren – Aye, Councilor Richards -- Aye, Councilor Linville – Aye, Mayor Duffy – Aye. Motion Carried.

Calico Lease Agreement

Administrator Eckstein stated Calico is happy with the main lease to purchase as it has satisfied everything they needed to fall into the Enterprise Zone to get the property tax relief for three years. However, the lease for the gun range states Calico would pay 10% of the property tax on that property. But the City does not pay property tax on the property where the Transfer Site and Gun range are located. That lease needs to be re-written with no rent but included guidelines; something similar to the lease with the Opera House Board. Richard Mackie stated it was his understanding the business owner was present and agreed to cover the property tax for gun range; not the dump – just the gun range. Administrator Eckstein restated there are no taxes paid on that property. Mr. Mackie stated that once rent is being paid, property taxes would be owed. Mayor Duffy stated the lease will say if there is a tax, Calico would be responsible to pay the tax. On the other hand, if the City chooses not to charge rent there will not be any income and thus no tax. If the City chooses not to charge rent, then the tax issue becomes a moot point. Administrator Eckstein stated the lease will need to be rewritten. He further stated Calico has a copy of the ground lease to purchase at the Industrial Park and is checking with the County to make sure he has all he needs.

New Business

Measure 91 Marijuana Ordinance

Mayor Duffy opened the discussion by stating Measure 91 is for recreational use and the Council needs to concern themselves with the medical use. There is a temporary Moratorium on dispensaries which will expire or sunset in May. Councilor Miles participated in a webinar from League of Oregon Cities and reported the Legislature has just started talking about Measure 91. Participants were advised to not expect an extension of the sunset date of May 1st. The webinar talked quite a bit about time, place, and manner and also recommended everyone to consult their City attorney. Mayor Duffy stated the Councilors can get more information online on the League of Oregon Cities website. Cities that have issued a ban have gone into litigation and are being appealed, so there is no court record. The City needs to consult legal counsel on how to move ahead. Councilor Miles stated the City can opt out all together but it would have to be put on a ballot to be voted on by the people. Mayor Duffy stated the problem is two separate issues; there is medical marijuana and Measure 91. Measure 91 gives the City the option to place it on a ballot in November to ban the sale of marijuana in the community, unless something changes in the meantime. The original ballot measure gave this option. The issue first is the medical marijuana, as the moratorium sunsets on May 1. All sample ordinances cover time, place, and manner, but do not address banning outright. We need to be cautious if the choice is made to

issue a ban as it can bring legal problems. The second hurdle is where to go with Measure 91. Does the City put it on the ballot and proceed? Need to separate the 2 issues. Councilor Miles stated medical marijuana can be taxed by the city but recreational use marijuana cannot; which brings it all back to time, place, and manner. Mayor Duffy stated if the City places a tax on it that gives the ok to sell in the City as the taxes are assessed from the purchase within the City. Councilor Warren asked if the City can give some restrictions. Councilor Burgess asked if the City even has to provide it. Mayor Duffy posed the question does the City allow a dispensary or not, keeping in mind anything the City does can be challenged legally. Richard Mackie suggested having doctors dispense it. Councilor Miles stated doctors can only recommend it as it is still against federal law to prescribe it. She further stated the City can require a business license just for medical marijuana and include stipulations. Mayor Duffy stated either go with time, place, or manner or move toward some sort of ban; either will cost money with legal fees. Even if the City drafts an ordinance banning the sale it will be subject to legal challenges. Councilor Burgess stated there is nothing legal about any of this as it is still federally illegal. Mayor Duffy recommended the Council view the League of Oregon Cities webinar and video training. Councilor Burgess stated if all are in agreement to outright ban then go forward. Mayor Duffy stated the legislature is silent on this issue and to not expect anything this year from the Legislature. Councilor Burgess asked what happens after May 1. Mayor Duffy responded at that point, if someone wishes, they would get approval from the City on the licensing end of it, and would be told the City is temporarily holding off on issuing licenses as rules are not yet established. Administrator Eckstein stated requiring the purchase of a business license is the best approach; can't be discriminatory though. Councilor Burgess suggested holding off until can see what other cities are doing. Richard Mackie stated it would be discriminatory to charge a fee when no other business in town needs a business license. Councilor Miles responded it was recommended to issue a business license for a dispensary, even if you don't usually require them, and add a stipulation to the license that they cannot be breaking federal law which means they don't get one anyway.

Mayor Duffy asked for any objection to contact legal to get a direction to go. Hearing none, the Mayor directed the Administrator Eckstein to contact legal.

Citizens to Speak

Toni Olsen asked where the stop sign was for the intersection of Beverly Terrace and 14th Avenue. Mayor Duffy understood that a stop sign was ordered; it was brought to the attention of the Council via a complaint. Mayor Duffy directed Dan to install the sign. Mr. Hallgarth asked why put up a stop sign if no one will stop; what is the sense in spending money on a sign if no one will stop. How many tickets are given for not stopping vs. warnings? Stop signs are stupid.

Councilor Shaffer moved to adjourn. Councilor Linville as Second. The vote was unanimous for approval. Motion Carried.

Meeting Adjourned

Minutes respectfully submitted;

Theresa Chandler, Library Director