

CITY OF MILLERSBURG
City Council Meeting 6:30pm
Public Hearing 7:30pm
September 12, 2017

COUNCILORS PRESENT: Scott Cowan, Scott McPhee, Mayor Jim Lepin, Don Miller, Dave Harms (6:42pm)
COUNCILORS ABSENT: None
STAFF PRESENT: Steven Hasson, City Manager; Sarah Cook, City Recorder; Forrest Reid, City Attorney; Janelle Booth, City Engineer

Mayor Lepin called the meeting to order at 6:30pm. Councilor Miller lead the pledge of allegiance and requested a moment of silence at the end in honor of those that lost their lives in the 9/11 attacks.

CONSENT AGENDA

Councilor Miller moved to approve the consent agenda including the minutes of August 8, 2017 and the accounts payable. Councilor McPhee seconded. All in favor: Ayes - 4, Opposed - 0. **APPROVED.**

Mayor Lepin mentioned that we have spent roughly 25% of our budgeted contract engineering costs and that we need to monitor.

GUEST PRESENTATIONS

Celeste Krueger and Alan Meyer, Regional Managers at Pacific Power, came forward and presented information to the Council in response to the future need for additional power, noting that they fully supported growth and expansion and were ready to service the need when the time came. It was explained that they worked in response to requests for large power needs, at which point a construction agreement would be prepared, and if additional facilities or a substation was needed they would build it; however, they did not work on speculation. In regards to construction costs, Ms. Krueger assured the Council that the City would not pay fees associated with it and referred to rule 13, further stating they would never ask a City to pay those costs.

Councilor Cowan said what he was hearing was quite different than what Pacific Power had told the City in the past and explained they had even searched for grants to help fund a new power station to serve industry. Alan Meyer assured him and the rest of the Council that they had never charged a City to build a new substation for new load or outdated equipment and the Council was happy to hear those assurances. Brief discussion took place about the potential costs to build such a station, to which Mr. Meyer noted depended on many variables and could cost anywhere from \$1 million and up.

Next up, Lieutenant Duncan presented the Linn County Sheriff's report for August, indicating it was a busier month being that it was summer, as well as the eclipse. She explained they spent 114 hours in town, 111 complaints were investigated, 10 citations were issued, 1 adult was arrested, and there were several alarm calls. Mayor Lepin commented on the number of false alarm calls that took the deputy's time away from other things, pointing out that one business alone had 16. Marion County Sheriff's Office

had an alarm permitting program and he was interested in looking into that. There had also been 2 traffic related deaths on Old Salem Rd. and a resident that received serious injuries from an accident. Mayor Lepin pointed out more lighting and speed radar signs were coming, but hoped there could be other positive impacts on that road. In that regard the Mayor has asked the Sheriff's Office and the County Road Dept. to assist in a study to determine steps to be taken to improve traffic safety on Old Salem Road in the near future. Lt. Duncan spoke about the growing number of people using the road, noting there was significant increase in traffic along I-5 as well.

PUBLIC COMMENTS

Michael Maynard, 6091 Danica Ct. - expressed concern with a continuing water issue he had on his property, and was worried that he and his neighbors would end up in the same or worse situation again this year. He felt as though he was getting the run around from everybody. City Manager, Steven Hasson, explained a claim had been filed against the City regarding the matter, to which the insurance company investigated and denied, and he was unsure of the status beyond that; however, being that it was a legal issue, he did not think it should be further discussed. Mr. Maynard indicated nothing had been done to mitigate the water, despite being told it would be handled in the spring. Mayor Lepin encouraged him to contact Steven Hasson who could work with the City's legal counsel on it.

COUNCIL COMMENTS

Councilor Miller said ODOT would be implementing a .10 cent tax increase over the next several years, and Oregon would still be one of the lowest in all 50 states.

MAYOR COMMENTS

Mayor Lepin offered a brief update on the Strategic Plan and the process taken to update of the status of the goals ready for Council's approval. Councilor Cowan moved to approve the plan as presented. Councilor Scott McPhee seconded. All in favor: Ayes - 5, Opposed - 0. **APPROVED.**

CITY MANAGER REPORT

Steve Hasson informed the Council that the development fees were last adopted in 2006 and that he'd asked a budget analyst to come in and review the City's fees associated with building and development, to include SDC's, in an effort to ensure the City was charging developers appropriately. He further reported that staff had completed their part in the audit prep work and were now waiting on the auditors to schedule a time to come in and complete the remaining portion of the audit. And finally, Mr. Hasson pointed out that the City of Millersburg would grow by another 400 homes over the next couple years, which would add approximately 1,000 more people to town.

CITY ATTORNEY REPORT - None

CITY ENGINEERS REPORT

Janelle Booth offered a brief update on the Lone Oaks construction, noting they would be starting work soon and their first order of business was the installation of sewer and storm drains. She said they had a plan in place for a diversion ditch that would carry water to the creek. Moving on, she spoke about the intent of the new pavement patching standards, which were designed to deter cutting into newer roads because current patching standards

did not provide the long term integrity of the roadways that they'd like to see. The associated fees were meant to cover City contract work when necessary, but further evaluation of the fees would be done at a later time. Councilor Cowan questioned inspection and enforcement procedures, to which the engineer explained CH2M would do the inspections and pointed out the newer standards required a wider patch so that proper equipment could be used to smooth the surfaces and less settling would occur. Steven Hasson added, like the ROW permit, this process ensured the City knew who was doing what to their roadways and enhancing the standards provided a means to protect them.

Janelle Booth went on to provide updates on the lift station projects, noting the ATI project was delayed until next year and there was no added cost to the City; however, they did ask that the materials be paid for now, which all agreed would keep the costs stable. The Morningstar lift station was currently underway and they were getting ready to install a fiberglass insert. There had been some delay due to large amounts of ground water, for which a change order was expected, but they were back on schedule. Last, she spoke about public construction of private infrastructure, which they would see later in the meeting in the form of a resolution. In short, she explained it would replace some of the inspections Albany did and they were already doing them; this just formalized it and put it on paper.

With some time left before the hearing was scheduled to start, Mayor Lepin moved down the agenda to cover some items under new business, first calling out the resignation of Planning Commissioner Dan Nixon. Councilor Cowan said he had done a great job in Millersburg and served a long time. Steve Hasson noted he had already received inquiries from 3 interested parties.

NEW BUSINESS

- Resolution 2017-16, establishing a permit process for private construction of public infrastructure and amending Resolution 2017-11 to include the associated fees; Councilor Cowan moved to approve the resolution as presented. Councilor McPhee seconded. All in favor: Ayes - 5, Opposed - 0. **APPROVED.**

- Resolution 2017-20, adopting pavement standards and fee structure; Councilor Cowan moved to approve the resolution as presented. Councilor McPhee seconded. All in favor: Ayes - 5, Opposed - 0. **APPROVED.**

PUBLIC HEARING - to consider withdrawing from Jefferson Rural Fire District and Albany Rural Fire District in accordance with the provisions of ORS 222.524;

Mayor Lepin offered background on the goals developed over a year ago where it was a desire to evaluate fire, EMS, and police services in the City. At the time, Councilor Scott Cowan was asked to lead the fire and EMS study and recently the Council held two town hall meetings to inform the public of several options. At 7:31pm the Mayor announced they would be adjourning from the regular Council meeting to enter into a public hearing for the above noted purpose. He explained the process so that everybody who wished to speak would have a chance to and asked that they please state their name and address for proper record keeping.

Councilor Scott Cowan expanded upon the history of the project, how it came to be, and the committee that was formed to research options. He pointed out the driving force for Millersburg was the control, which the City had none to speak of, but saw a great need for it as the town continued to grow at the rate it had been. With that, he introduced Kevin Kreitman, whom the City had consulted with to assist in the process.

Mr. Kreitman summarized the presentation he'd made during the two town halls where information was presented about the split coverage Millersburg currently received; where addresses south of Conser Rd., which was primarily industry, were covered by Albany's career fire department and addresses to the north of Conser Rd., which was where most of the homes were located, was served by Jefferson's volunteer department. He laid out the 4 options the City considered and explained why he believed their best option would be to withdraw from both departments and contract back with Albany. He felt that option would allow for fair and equal coverage through town and left nobody to rely upon a volunteer based system, which had become problematic. He spoke about the possibility of higher taxes if/when Jefferson went out for a levy, which would burden half the citizens and provide no added service. There was further discussion and clarification amongst the Council that Millersburg currently levied \$1.70/1,000 in taxes; however, the maximum rate allowed was \$3.50. Kevin Kreitman went on to talk about staffing in Millersburg, noting at first, they'd likely start with 2 full time staff, with the idea of moving to a 3rd in 3-5 years and coverage would be provided through an intergovernmental agreement (IGA).

Mayor Lepin called upon anybody wishing to seek clarification on the presentation only. Jason Yutzie, commenting from the audience asked about the article in the newspaper where Albany Mayor, Sharon Kanopa said Millersburg residents could be responsible for a share of the costs of the new downtown fire station. City Attorney, Forrest Reid explained it was all preliminary and if things moved forward they would be having more in-depth conversations with those agencies. Councilor Cowan commented that Millersburg residents did not vote on it so he was unsure how they could do that.

Mayor Lepin opened public comment to those that OBJECTING to the withdrawal from one or both fire departments.

Kevin Hendricks, Interim Jefferson Fire Chief - he began working in Jefferson in July and was briefed on concerns. In August, they voted to suspend moving forward on a bond measure. He didn't feel there was cooperation amongst the City of Millersburg and the fire department and thought their accomplishments were often overlooked, noting they had served the City for more than sixty years. He asked that if it was the City's desire to withdraw, that they please wait to do so until June 2019 so they would have time to evaluate and adjust their budget and staffing.

Sandy Decker, representing the Morningstar Grange located at 38794 Morningstar Rd - she indicated she attended both town hall meetings and found the presentations to be biased. She said the Grange and 10 houses would be in jeopardy of longer response times if they had to wait for them to come from Albany. She also wondered what equipment Albany would provide and thought they shouldn't worry about fixing something that wasn't broken.

Mayor Lepin called upon those wishing to speak in FAVOR of the withdrawal(s).

Brian Carrera, 2931 Anthony Ln. - he was a career fire fighter with the City of Salem and time mattered. He had worked with a lot of volunteer agencies and felt the services provided by a career department that worked 24/7 were unsurpassed. Albany could provide ladder trucks, EMS and so much more, all day, every day because they lived and breathed it.

Jason Katzenstein, 3038 NE Malachi Way - grew up here with strong ties to the town and had the same feelings toward Jefferson Fire. He had been a career fire fighter for Albany for 17 years and they simply were not talking about parallel services. He said volunteer departments were struggling for people and having to reach out to other areas. He agreed the City needed local control and that putting apparatus and people to work inside the City was the way to go.

Felicia Henderson, 3439 Siuslaw Ct. - said she'd grown up in Millersburg and her elderly family members still lived here as well. She'd had to phone 911 many times for them and wanted somebody to respond quickly as waiting 10-15 minutes was too long.

Erik Park, 4964 Granite Ave. - was a State Trooper for 20 years and saw a lot of accidents during that time, which tied up many resources and required a lot of manpower. He appreciated JRFPD, but Millersburg needed what Albany could offer, as well as local control and oversight.

Holly Bishop, 2750 NE Alexander Ln. - a new resident of Millersburg and a surgery nurse at Good Samaritan; she emphasized that time was of the essence in any emergency and the sooner a patient could receive medical service the better the outcomes.

With no further comments, Mayor Lepin closed the hearing at 8:07pm and entered back into regular council session for deliberations. Councilor Cowan heard many people mention response times as a concern and thought that with a staffed station in Millersburg the response would be fantastic. The talk on equipment would be discussed in depth at a later date. Speaking to the control piece, he shared a story of how and when he first learned about the tax when he was at home filling out his own ballot; before then, he had no idea and was part of why he felt so strongly about having in-house control.

Councilor McPhee echoed his fellow Councilor's comments, adding that for him it wasn't about who would provide the service, but more importantly, that the City would be in charge of the service provided. He shared a conversation he'd had with Jefferson Fire regarding the potential for the old bridge going out in a major emergency and inquired what the plan was if that occurred, to which he was informed there really was no plan and Millersburg would be on their own. For him, that was the deciding factor that the City needed local control.

Councilor Miller shared that he'd had two heart attacks in the 28 years he'd lived in Millersburg and Jefferson Fire responded to both. For him, it was not about the City having control over the services, but rather it was his job as a City Councilor to provide the best service and he simply felt like the town needed more. He also expressed concerns about Jefferson's ability to handle multi-level structures that may be coming to town. Starting

with just 2 full-time staff would be 2 more than what was in town now and almost all of Albany staff were trained EMS.

Councilor Harms indicated he'd sat in on the meetings and was completely unbiased, having no relationship or ties to either agency. The evaluation from ECSI showed him there was a clear service issue and he wanted better for his family and neighbors and thought it was something to think about when businesses had to decide where to locate based on adequate services.

Council deliberations concluded and Councilor Cowan moved to adopt Ordinance 131, withdrawing all territory within the City of Millersburg from the Albany Rural Fire Protection District. Councilor McPhee seconded. All in favor: Ayes - 5, Opposed - 0.

APPROVED.

Councilor Cowan moved to adopt Ordinance 132, withdrawing all territory within the City of Millersburg from the Jefferson Rural Fire Protection District. Councilor McPhee seconded. Discussion: the date of withdrawal from both agencies was confirmed to be July 1, 2018. All in favor: Ayes - 5, Opposed - 0. **APPROVED.**

The Mayor thanked Councilor Cowan for his efforts on the project, noting he'd taken some heat when it came about, but appreciated his strong leadership skills. Attorney Forrest Reid also commented that he'd contacted the Oregon Ethics Commission in the beginning to confirm there would not be any conflicts of interest with Scott Cowan's participation in or leading of the project, as there was to be no financial gain or detriment to him or his family.

Break: 8:22pm; Reconvene: 8:26pm

Going back to the items on the agenda that were set aside for purposes of conducting the hearing, Mayor Lepin called upon John Pascone of AMEDC in relation to the proposed Resolution 2017-19. The purpose of the resolution was to approve an extended property tax abatement agreement between the City of Millersburg, a cosponsor of the south Santiam Enterprise Zone and Ti Squared Technologies, Inc. Mr. Pascone further explained the purpose of the resolution and shared a bit about the business and their intent, which was to move their business from Sweet Home and build in Millersburg. They currently employed 34 FTE and would add at least 4 more and the type of work was titanium casting. In all, it was a \$7.5 million dollar project and the City would see the benefits in the amount of electricity they use, which would increase franchise payments. Councilor Cowan sought clarification on the 3-year tax abatement process, expressing some concern in that the City would not receive taxes from the business in that time. He was glad to hear the county provided a tracking system for these programs. John Pascone said several of these had been done over the years and none had ever been denied, pointing out that Albany and Linn County had already approved it and he was expecting the same from Lebanon. Answering Councilor McPhee's questions on qualifications, Mr. Pascone indicated it had to be in an enterprise zone, the business had to increase their FTE 10% and in order to receive an additional 2 years had to offer wages and benefits at 150% of Linn County wages, which was currently about \$39k.

Councilor Cowan moved to approve Resolution #2017-19 as presented. Councilor McPhee seconded. All in favor: Ayes - 5, Opposed - 0. **APPROVED.**

- Parks Committee Appointments

Mayor Lepin was pleased to see 12 applicants, including one that was added that same day. Both Councilors McPhee and Harms expressed interest in serving as the 2 Councilor positions. The resolution also called for two Planning Commissioners and Connie Lepin had expressed interest, so one more from that group was needed. Councilor Cowan thought the two City Councilors could reach out to all the interested parties and launch the group into their first meeting. Councilor Miller felt having a large number of folks was better in case some couldn't make it all the time. Councilor Cowan moved accept all participants on the list, including the latest addition, as members to the Parks Committee, with Councilor Scott McPhee and Dave Harms. Councilor McPhee seconded. All in favor: Ayes - 5, Opposed - 0. **APPROVED.**

CLOSING PUBLIC COMMENTS

Gary Keehn asked for updates on the IP Property, Love's Truck Stop and the medical facility. He was informed that the old IP property was going through a negotiation process and could not be discussed publically. Love's was waiting on one permit and should be ready to start soon, and John Pascone explained to his knowledge the medical facility was under negotiations as well, but had no other updates.

Bob Wrightman inquired about Gordon Trucking. Mayor Lepin said they moved their operations and another company may be leasing the property soon.

CLOSING COUNCIL COMMENTS

Councilor Miller thanked fellow Councilor Cowan again for his work on the fire service matter. Councilor Cowan said he was nervous about how tonight would go, as he'd worked with a lot of the people involved. Mayor Lepin said they would look at ways to help Jefferson Fire as we proceed.

With no further comments, the meeting adjourned at 8:55pm.

Respectfully submitted,

Sarah Cook, City Recorder