



City of Aumsville

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AUMSVILLE CITY COUNCIL JANUARY 11, 2016 REGULAR MEETING MINUTES

Mayor White called the meeting to order at 7:07 PM in the Aumsville Community Center, 555 Main Street, Aumsville, Oregon. Council present were Mayor Harold White, Councilors Robert Baugh, Jr, Nico Casarez, Brian Czarnik, Della Seney and Lorie Walters. City Administrator Maryann Hills was also present.

PRESENTATIONS: Annual Financial Audit FYE June 30, 2015 - Tom Glogau of Grove, Mueller & Swank, P.C. handed out a City of Aumsville Comparative Financial Data - Last 3 Fiscal Years report and reviewed it with council. The city council has been able to keep the city financially stable and exceed the benchmark. The city is getting out of debt and it may stimulate some thinking about whether the city has any need to go into debt for city infrastructure needs; meaning is it wise to pay down debt when you should possibly be saving for the future so you don't have to incur debt then. City expenses have been more than has been coming in; meaning the city has drawn down on money that has been accumulated in the past. Long term level of service is the city's goal. The city is doing what they are supposed to do. Will revenue bond investors be pleased with the city's ability to pay them over time? The city did get a smiley face on their ability to make debt service payments. They are a good credit risk. These are numbers from a financial report indicating that the city is sufficiently charging their customers enough to provide services and cover debt, even if there is a "bump in the road" and an unexpected repair is needed. Mr. Glogau stated that this audit was real easy; they did not make any changes to the numbers that City Administrator Hills and Finance Officer Hoyer provided. City Administrator Hills shared that Mr. Glogau praise is an indication that the change to the city's new VISION financial software has been a success.

VISITORS: Corn Festival President Sonny Newson stated that he would like to update council on a quarterly basis and he is thankful for his work with City Clerk Colleen Rogers. This is his third year as Corn Festival Board President. He said he is also appreciative of Mayor White and his decision to have the Corn Festival go forward after bad weather came in this past August. It ended up being a good year for the vendors. The Corn Festival Board is requesting a \$2,500 donation from the city again. They would like to have a manned city booth with information about Aumsville and their vision for the future. He met with PARC and asked them to consider having a booth down at the festival also, even to combine it with the city booth. He is

proposing, instead of asking citizens, that the Corn Festival Grand Marshall be the Cascade Football Coach and Team, since they just took the state championship. Council agreed that is a great idea. The CF Board is open to new ideas to improve or add to the Corn Festival. If council has any ideas, or if in talking with residents, they hear suggestions, he is asking that they share those with him or Colleen Rogers. They are making a list of goals for the future. He has made two new goals for himself, including increasing Corn Festival membership. One of their new members, Jennifer Fagin, is their new secretary. His second personal goal is to increase media sites, getting information out about the Corn Festival to more people. Colleen is helping the Corn Festival Board get information out asking for members for the 2018 50th Anniversary Corn Festival Committee. They want to start putting together ideas now. Councilor Walters has agreed to be on the committee. They are considering all ideas. Councilor Casarez asked if Ken Cartwright has been contacted, since he has a local radio show and many music contacts. Council discussion followed on Councilor Casarez' proposal to add a beer garden as an addition to the Corn Festival. It could not be in Porter-Boone Park, it would have to be off-site because Porter-Boone has a deed restriction against alcohol in the park.

CF Board President Newson then shared a "Aumsville Resource Group Summit Meeting" proposal and requested council input. He explained that they want to bring all the regional organizations together and it is now scheduled for March 21, 2016, a Monday afternoon, in the community center. It will be couple of hours that will really benefit the city; they would like to get information out to local businesses, grow regional assets, and find a better way to support each other which garnering more volunteers. He asked that any comment, or concerns you want to add to it, give to City Clerk Rogers. He is asking for the council's blessing. City Administrator Hills said they are looking at maybe 4:00 to 6:00 pm, before businesses go home for the day. The Monday timeframe was discussed versus a Saturday or evening meeting. It was noted that the majority of local non-profits are associated with other towns than Aumsville. Having it more than annually was considered as more beneficial. Councilor Walters suggested that it is also beneficial to send tickets and have something to motivate people to come to the event. Further communication with the council on the event details was discussed.

Steven Sugg, FTX Networks addressed council regarding the City Administrator Report - Follow-up FTX Networks, LLC Franchise Violation & Revocation of Franchise Hearing agenda item. Mr. Sugg explained his frustration with communication from the city regarding discussion of his franchise violations and that he had been working with City Administrator Hills to adequately address the violations, and it was discussed. He stated that the process of submittal of a Letter of Acceptance of Franchise was unfamiliar to him and that he was unaware of the requirement to do so. He reference the FTX Letter of Acceptance filed today in the same format as another provider in the city and council reviewed their copy of the document and noted that it was written as binding upon the FTX as of the 2013 Effective Date of the FTX Franchise. Mayor White questioned Mr. Sugg on his understanding and future compliance with the terms, provisions and conditions of the franchise ordinance, as stated in the acceptance letter. Mr. Sugg said he has worked to comply and will continue, and it was discussed. Councilor Casarez asked if there is a checklist for franchisees to follow to make sure they're in compliance with all of the franchise requirements. City Administrator Hills said that there is not; an application for franchise is completed, and during the process a franchise ordinance is negotiated and adopted by council. It is the franchise grantee's responsibility to read the franchise ordinance during the

process and request any clarification needed to comply. Once it is adopted by council, the franchisee is then required to submit the required Acceptance of Franchise, Certificate of Insurance, and franchise payments. She noted that she was unaware in her communications with Mr. Sugg that he didn't know what was being required of him. Councilor Casarez stated his disappointment that this has become adversarial, and it was discussed. Councilor Baugh acknowledged that FTX is in a challenging business and it is hard for a small business to compete with the larger companies, especially since larger businesses can bundle different options together. He talked about the difference between Direct TV, which has a box on the side of a house, versus FTX, which is actually laying out fiber optics. He noted City Administrator Hills may be using the portion of the city ordinances that addresses internet, but even if the internet was discounted, there is still the issue of the fiber optics cable that is being laid out in the public right-of-way. That is the main difference. Mr. Sugg argued that he doesn't like the way the city is deciding what should be counted as income/profit. Councilor Baugh said that council and City Administrator Hills need to feel that they are being provided the gross revenues information that has been requested; and that he is doing it with the right intent, not as an adversary, but a business that recognizes the cost of doing business. There has been a communication problem, but it has been on both sides. FTX has not made the effort to educate when there was a need to do so. Councilor Baugh pointed out that to be angry with City Administrator Hills because he doesn't like the fee is not right – it was council that made the decision to impose the fee. Mr. Sugg may not think he is being treated fairly, but Mr. Sugg chose to do business in Aumsville and to argue that the fee doesn't apply to him because of the size of his profit compared to bigger businesses, does not change the fact that the fee is not determined by total profit, but rather a percentage of the business done. Mr. Sugg indicated that he disagrees with council's understanding of what the legislature intended. It was pointed out, again, that the ordinance dealing with franchise fees is consistent for all businesses doing business in Aumsville. That is fair and equal. Just to disagree does not change whether or not the fee is due. Mr. Sugg argued further that he thinks the ordinance should not pertain to his business. Council disagreed and discussed the fact that FTX franchise payments have now been paid to date. City Administrator Hills noted that she did not go back and impose any penalties or interest on the franchise payments. Council discussed with Mr. Sugg the proposed \$500 minimum annual communications franchise fee resolution change on the council's agenda, which would then apply to FTX Networks. City Administrator Hills stated that she and Mr. Sugg could review the franchise to simplify the quarterly percentage payments now due to an annual report and payment. Council reviewed with Mr. Sugg the Exhibit B Customer List in the City Administrator's Report and it was discussed. Council considered the Recommendation and options in the City Administrator's Report. Councilor Baugh so moved to retroactively ratify the FTX franchise and make it clear that it is in effect, because they have been operating in the city and paid franchise fees. All ayes. Councilor Seney asked City Administrator Hills to provide franchise grantee's a sample Letter of Acceptance in the future, to assist them in filing the required written acceptance.

Council recessed at 9:23 PM and reconvened at 9:35 PM

ORDINANCES & RESOLUTIONS:

Councilor Baugh moved to consider and pass A RESOLUTION ESTABLISHING UPDATED CITY SERVICE FEES AND PUBLIC RECORDS/INFORMATION REQUEST POLICY. Voting aye were

Councilors Baugh, Casarez, Czarnik, Seney, Walters, and Mayor White.

City Administrator Hills explained the need for and Councilor Casarez moved to make A RESOLUTION MAKING A 2015-2016 SEWER FUND BUDGET APPROPRIATION TRANSFER. Voting aye were Councilors Baugh, Casarez, Czarnik, Seney, Walters, and Mayor White.

Councilor Baugh moved to approve the FINANCIAL NORTHEASTERN SECURITIES, INC. CORPORATE RESOLUTION. Voting aye were Councilors Baugh, Casarez, Czarnik, Seney, Walters, and Mayor White.

Councilor Czarnik moved to approve A RESOLUTION MAKING A MAPLE STREET ABATEMENT ASSESSMENT. Voting aye were Councilors Baugh, Casarez, Czarnik, Seney, Walters, and Mayor White. City Administrator Hills informed council that the cost of recording and releasing city abatement liens is not being reimbursed in the current ordinance process. Council asked that she bring back an amendment to include the cost of lien recording.

Mayor White did the First Reading of AN ORDINANCE AMENDING ORDINANCE NO. 460, THE MASTER COMMUNICATIONS INFRASTRUCTURE ORDINANCE by title only. Councilor Baugh moved to approve the reading by title only. Voting aye were Councilors Baugh, Casarez, Czarnik, Seney, Walters, and Mayor White. Councilor Baugh moved to approve the 2nd reading by title only. Voting aye were Councilors Baugh, Casarez, Czarnik, Seney, Walters, and Mayor White. Councilor Baugh moved to adopt AN ORDINANCE AMENDING ORDINANCE NO. 460, THE MASTER COMMUNICATIONS INFRASTRUCTURE ORDINANCE. Voting aye were Councilors Baugh, Casarez, Czarnik, Seney, Walters, and Mayor White.

REVIEW OF BILLS: December 10, 2015 through December 31, 2015 were received.

APPROVAL OF MINUTES: Councilor Casarez moved to approve the December 14, 2015 Aumsville City Council Meeting Minutes with a correction to page 2 paragraph 5: delete "councilors are elected" and replace with "those working in government have". Voting aye were Councilors Baugh, Casarez, Czarnik, Seney, Walters, and Mayor White.

CORRESPONDENCE: Email from Sara Zavala, Marion County Sheriff's Office asking if council would be interested in a Jail Tour for Mayors and Council Members. Administrator Hills said that she would send a copy of the email invitation to all council emails, plus Councilor Baugh's personal hotmail account.

POLICE REPORT: Chief Schmitz' Monthly Report was received without comment.

PUBLIC WORKS REPORT: Director Oslie's Monthly Report was received without comment.

UNFINISHED BUSINESS: Aumsville's Response to Draft Regional Transit Network proposal in the Santiam Canyon. Councilor Czarnik reported that the consultants' CARTS Planning Project report is complete and going to the Salem-Keizer Transit Board. He has prepared a draft letter to the Board asking that the consultant's proposed recommendations are discarded, giving several alternate proposals that might help their cost concern while still meeting the needs of

Santiam Canyon residents. He has researched the cost through the distance; there are many factors, but this is a consistent measurement and the other factors are not available to him. He explained the recommended proposal and then explained his suggested alternatives. The letter includes information about the lifeline service need for the upper canyon and a suggestion to include Corban University, which could reasonably increase ridership. Mayor White responded explaining why the Canyon Connector came about to start with, and he understands the desire for greater profit, but the Connector was funded to provide rural services for the Santiam Canyon residents; this is not the same reasoning as Woodburn's route. Mayor White emphasized that federal money is coming to make *rural* transportation available, serving rural communities. There was discussion about the lack of communication from the Salem-Keizer Transportation Board to the Santiam Canyon cities; and why that prejudices the decision/recommendation they have before them about changing the routes. The council talked about the reasonableness of an express service; but there is still a need for the connection between Santiam Canyon cities. There was discussion about the Dial-A-Ride service as it is currently and what it might become. Mayor White said that the ridership on Bus 30 (Canyon Connector) has been consistent. Statements otherwise are not true. Councilor Czarnik said they are looking at cutting coverage to Silverton and Polk County too. Councilor Baugh asked how this can be stopped and Councilor Czarnik said that this letter objecting and giving other proposals is a good start. It was discussed at length, including the difference between wheel and spoke service vs. a grid service (which allows people to travel from one area of town to another without going downtown to the main transit center). There was also discussion of current services that are not being used. Council strongly supported changing the stop to Winco, as opposed to the Walmart on Turner Road. Riders have access to four different bus routes at Winco. The next step was discussed and the need to be prepared to argue for continued full canyon service. Councilor Czarnik suggested making a change on page 1, before paragraph 3, to clarify that the proposals can also be integrated. Administrator Hills asked how to close the letter to emphasize Aumsville's opinion. Councilor Casarez proposed closing the letter with "In summary, we again want to reiterate our opposition to the elimination of service and we look forward to hearing the board's response to our proposal. Councilor Czarnik proposed also adding to the letter "... by making the stop at Winco, it makes the route more relevant, which will increase ridership and Corban will also increase ridership. Councilor Baugh asked about the advisory board make-up and it was discussed that City Administrator is the chair of the committee and they make recommendations to the Salem-Keizer Transit Board. There is no rural representation on the actual transit board. Councilor Czarnik contacted Corban and asked for their input. Mayor White said that he wants to emphasize that the cities in the upper Canyon need continued transportation options.

NEW BUSINESS:

Oregon Liquor Control Commission (OLCC) –Aumsville Liquor License Renewal Options

Councilor Casarez reported that the Marion County Commissioners are in support of transferring the Aumsville Ponds Park to the City of Aumsville. Marion County's Manager and Public Works Director have met with the city to begin the transfer, and it will be included in the Park Master Plan update underway. Council also discussed inclusion of the Marion County shop property adjacent to Porter-Boone Community Park in the Park Master Plan update for a future park acquisition.

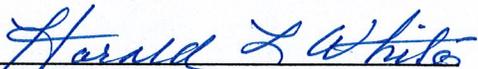
COUNCIL REPORTS: Councilor Seney reported that Mid Willamette Valley Area Commission on Transportation (MWACT) met with the Governor's Transportation Commission and received information about Marine, Airports, Rails, and Roads Visioning for the next 10 years. The commission was saying 'this is what we have money-wise, where do you want to see it spent' and MWAC was the first to actually give input. MWACT emphasized rural transportation that can merge with city transportation is important to our area. Yamhill, Polk and Marion County all said that. There was not much discussion of rail. It was more about improving Hwy 97's access to I-5 vs. widening I-5 to handle more traffic. They wanted to know about transportation issues that clog their areas. They also gave information about why it is important to the entire state to keep the Port of Portland running.

Councilor Baugh asked if the Chief of Police and Fire Chief have been involved in the "Cascadia Rising," a national exercise with planning meetings and coordination of FEMA on an earthquake exercise to prepare for the event. Discussion followed on the fact that the city is going to be on their own for a month or more, and educating the public on preparation is important. Councilor Seney asked if they have updated the impact of the Detroit and Big Cliff Dams in the event of an earthquake and it was discussed. Newsletter notification was discussed to let people know the city is working on it. City Administrator Hills will check into it and include it in the on the upcoming Emergency Operations Plan (EOP) meeting. Bring in the school district and faith community to the EOP meetings.

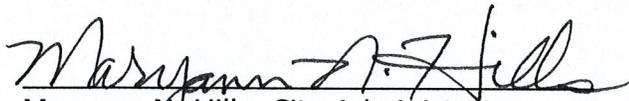
Councilor Baugh's schedule may be changing again, causing him to be out of the country a couple weeks at a time.

ANNOUNCEMENTS WAVE Broadband Rate Adjustment Notification and Councilor Czarnik informed that they are going all digital, no longer supporting any analog boxes.

ADJOURNMENT: 11:10 PM without objection.


Harold L. White, Mayor

ATTEST:


Maryann N. Hills, City Administrator