

**CITY OF OREGON CITY
CITY COMMISSION
MEETING MINUTES**

July 18, 2012

1. [Convene Regular Meeting of July 18, 2012, and Roll Call](#)

Mayor Neeley called the meeting to order at 7:00 pm.

Roll Call: Doug Neeley; Rocky Smith, Jr.; Betty Mumm; Carol Pauli; and Kathy Roth.

Staff Present: David Frasher, City Manager; Mike Conrad, Police Chief & Public Safety Director; Scott Archer, Community Services Director; Jim Loeffler, Human Resources Director; Maureen Cole, Library Director; Eric Underwood, Economic Development Manager; Wyatt Parno, Finance Director; Bill Kabeiseman, City Attorney; Kelly Burgoyne, Asst. City Recorder; Kattie Riggs, Asst. to the City Manager; Pete Walter, Associate Planner; John Lewis, Interim Public Works Director; and Tony Konkol, Community Development Director .

2. [Flag Salute](#)

3. [Ceremonies, Proclamations, Presentations](#)

a. [Oregon City Police Department - Oath of Office for Police Officer Ross Horton](#)

Mike Conrad, Police Chief and Public Safety Director, introduced Police Officer Ross Horton.

Mayor Neeley administered the oath of office to Officer Horton.

4. [Citizen Comments](#)

Bill Daniels, resident of Oregon City, said the McLoughlin Neighborhood Association had been trying to get extra stop signs at the intersection of 6th and John Adams to make it a four way stop. He explained the reasons for the request and asked that the Commission consider the change.

William Gifford, resident of Oregon City, supported the concept of a four way stop at 6th and John Adams due to the confusion at the intersection.

5. [Adoption of the Agenda](#)

Item 7c was pulled from the agenda.

6. [Public Hearings](#)

a. [AN 12-01: Emergency Sewer Annexation for 0.69 acres at 15172 S. Holcomb Boulevard](#)

Pete Walter, Associate Planner, explained the location of the property. The request was due to a certified failing septic system and per Oregon Revised Statutes properties located within 300 feet of the City sewer system were required by law to connect to City sewer when a septic system failed. Approval would mean that the land use complied with the City's codes and policies. If approved, staff would bring back a resolution to place the application on the November 6 ballot. All of the criteria had been met and there would be no development or rezoning of the site. Clackamas River Water had no conflicts with the application.

Mr. Konkol explained how the City would deal with the health hazard with an extra territorial extension if the vote failed.

John Lewis, Interim Public Works Director, asked if the line had been extended to the top of the property limits.

Mr. Konkol said since it was an emergency situation, the applicant connected to the existing line in Holcomb Boulevard. The policy was when the City provided services; the property would be annexed into the City. If the annexation failed, the applicant would still have the service.

Mayor Neeley opened the public hearing and asked for public testimony.

Dan Fowler, resident of Oregon City, said if the annexation failed the service would still be delivered without any tax revenue. He encouraged citizens to support the annexation.

Mayor Neeley closed the public hearing.

Motion by Betty Mumm, second by Carol Pauli to approve AN 12-01, emergency sewer annexation for 0.69 acres at 15172 S. Holcomb Boulevard.

A roll call was taken and the motion passed with Doug Neeley, Rocky Smith, Jr., Betty Mumm, and Carol Pauli voting aye and Kathy Roth voting no. [4:1:0]

b. [**AN 12-02: Emergency Sewer Annexation for 0.3 acres at 16770 S. Leroy Lane**](#)

Mr. Walter explained the location of the property. This septic tank developed a leak in January and the owner needed to connect to City sewer. It was within the 300 feet and no development or rezoning was proposed. This would also be forwarded to the voters in November if approved. Clackamas River Water had no conflicts with the proposal.

Mayor Neeley opened the public hearing and asked for public comment.

William Gifford, resident of Oregon City, clarified that the property owner would be charged the same sewer rate as if they were in the City for the sewer service whether or not they were annexed. He asked Commissioner Roth why she was not in favor of these applications as they would be paying City taxes.

Commissioner Roth felt there was something else going on behind this.

Elizabeth Jacobsen, property owner, asked for more clarification of Commissioner Roth's statement. She would like to come into the City.

Commissioner Roth wanted to be careful with annexations in this area.

Mayor Neeley closed the public hearing.

David Frasher, City Manager, explained the policy reasons for these annexations.

Motion by Betty Mumm, second by Doug Neeley to approve AN 12-02, emergency sewer annexation for 0.3 acres at 16770 S. Leroy Lane.

A roll call was taken and the motion passed with Doug Neeley, Rocky Smith, Jr., Betty Mumm, and Carol Pauli voting aye and Kathy Roth voting no. [4:1:0]

7. **General Business**

a. **Second Reading of Ordinance No. 12-1005, Modifying the Composition of the Oregon City Urban Renewal Commission**

Eric Underwood, Economic Development Manager, stated this was the second reading of the ordinance to modify the Urban Renewal Commission composition to seven members.

Motion by Rocky Smith, Jr., second by Betty Mumm to approve the second reading and final adoption of Ordinance No. 12-1005, modifying the composition of the Oregon City Urban Renewal Commission

A roll call was taken and the motion passed with Doug Neeley, Rocky Smith, Jr., Betty Mumm, Carol Pauli, and Kathy Roth voting aye. [5:0:0]

b. **License Agreement to Allow Operation of the End of the Oregon Trail Center**

Scott Archer, Community Services Director, reviewed the changes that had been made to the agreement per the Commission's request at their June 20 meeting. He read the written testimony submitted by Nancy Walters. She thought this was a public contract and subject to competition.

Bill Kabeiseman, City Attorney, gave reasons the agreement did not fall under the Oregon public contracting code. This was a matter of permission. The City was not providing money to CHP or any services that would not otherwise be provided. He thought it fit under small procurement that allowed direct selection.

There was discussion regarding if the upgrades to the facility were public improvements. A clause could be added that before CHP installed any public improvements CHP would work with the City to make sure all public contracting laws were followed.

Kevin Hunt, resident of Oregon City, discussed a law suit because the City would not allow a person to operate a concession on the street because it violated a City ordinance when for ten years a concession operated on this property managed by CHP who were violating the ordinance and collecting the rent. There was not enough transparency and he thought other organizations should be approached to see if they could offer what CHP could. He also saw potential conflicts with having a City Commissioner on the CHP board.

Tom O'Brien, resident of Oregon City, clarified the time limit on the agreement was to the end of 2013. He asked if there was a non performance penalty in the agreement.

Mr. Kabeiseman replied there was no specific non performance, but the City retained the authority to revoke the license agreement at any time for any reason.

Mr. O'Brien thought there would be a lot more cost to the taxpayers for maintenance of the improvements. Backing away might not be the only recourse they should be looking for.

Karin Morey, resident outside of the City limits, stated CHP could tell the tale of the end of the Oregon Trail and bring the tourists and dollars to the City. She was concerned that a seated City Commissioner on the CHP Board would negate the vote. She suggested making the position an ex-officio member. The City Commission should not be voting members on any board that had an influence on how City funds were set.

Mr. Kabeiseman said the bid process was for public improvements over \$1000,000. The Commission would not have a legal conflict of interest in voting on something that came before the Commission if they participated on the CHP Board because CHP was a non-profit.

Commissioner Smith discussed the need for clear understanding of the financial status of CHP.

Dan Fowler, resident of Oregon City, gave reasons the Commission should enter into the agreement with CHP. CHP did not have anything to gain except to serve. They had done everything that was asked by the City in relationship to the concession issue. They had been as transparent as possible. There was nothing hidden in the financial reports. CHP sought permission before they applied for the grant and had given the Commission their business plan. They wanted to do something good for the community with the money. He requested that it not be delayed further.

Gail Yazzolino explained how the finances were done. This agreement was for visitors that were coming.

Commissioner Mumm said both the City and CHP had to take responsibility for the past, this was an 18 month contract, and the new Finance Director could help explain the financial reports.

Commissioner Pauli thought CHP was giving back to the City through this grant. Citizens wanted the facility open.

Mayor Neeley received emails from visitors out of state who wanted the facility operating again. He thought they should move forward with the contract.

Commissioner Smith felt comfortable with the contract. The Commission would be watching this carefully.

There was consensus that a Commissioner would serve on the CHP Board as a voting member as it was a similar situation to other boards on which Commissioners served. The wording in the agreement regarding the financial reporting was acceptable as written.

Motion by Carol Pauli, second by Rocky Smith, Jr. to approve the license agreement to allow operation of the End of the Oregon Trail Center.

A roll call was taken and the motion passed with Doug Neeley, Rocky Smith, Jr., Betty Mumm, Carol Pauli, and Kathy Roth voting aye. [5:0:0]

- c. **Resolution No. 12-21, Terminating Public Water Services on Private Property and Vacating a Public Utility Easement**
- 8. **[Consent Agenda](#)**
- a. **Minutes of the June 12, 2012 Work Session**
- b. **Minutes of the June 20, 2012 Regular Meeting**
- c. **Resolution No. 12-22 for a Revocable Right-of-Way Permit, RW 12-47, at Tri-City Treatment Plant**
- d. **Easement Deed of Dedication for a portion of Beaver creek Road at Kaen Road for the Beaver creek Road Transfer Agreement**
- e. **Easement Deed of Dedication for a portion of Beaver creek Road at Library Court for the Beaver creek Road Transfer Agreement**
- f. **Contract for Construction 2012 Paving Projects**
- g. **OLCC: Liquor License Application - Full On-Premises Sales, Commercial Establishment, Applying as a Corporation, Fire Dragon, Inc., DBA Rodders Grub & Pub, Located at 19195 Molalla Avenue, Oregon City, OR 97045**
- h. **Amendment No. 1 to the Municipal Elevator Staffing Services Agreement**

Motion by Betty Mumm, second by Rocky Smith, Jr. to approve the consent agenda.

A roll call was taken and the motion passed with Doug Neeley, Rocky Smith, Jr., Betty Mumm, Carol Pauli, and Kathy Roth voting aye. [5:0:0]

- 9. **Communications**
- a. **[City Manager](#)**

Mr. Frasher reported Representatives Bill Kennemer and Alan Olson agreed to read for story time at the library. The City Engineer and Public Works Director positions would be separated. The City Engineer would be contracted out to Wallis Engineering temporarily.

Mr. Lewis said the contract with Wallis Engineering had been signed for an hourly rate through the end of October.

Mr. Frasher announced Main Street had released a new newsletter.

Chief Conrad gave an update on the downtown parking project which would be finished in August.

Mr. Frasher and Mayor Neeley met with the presiding judge at the Clackamas County Circuit Court regarding parking downtown connected to the Court House operation. Mr. Frasher had looked into parking solutions and suggested a feasibility study of the County facilities impact to downtown. He asked for permission to send a letter pledging a recommendation to the Commission of up to \$300,000 to the County for a solution if the parking improvements were made available to all City residents and proportionate to the County's impact to the downtown. He then discussed an email from the president-elect of the International City Management Association who asked him to serve on the International Committee. He explained the work load and staffing issues in the City and the need for hiring a support staff position.

b. **Mayor**

Mayor Neeley announced the 150th anniversary of Union Pacific. On July 31 there would be a Union Pacific caravan coming through Oregon City. He discussed the top four League of Oregon City's legislative priorities. There was one vacancy on the Planning Commission. He would be writing a letter removing someone from an advisory board due to their lack of attendance. He showed a map of Newell Creek Canyon and the new acquisition of Metro.

c. **Commissioners**

Commissioner Roth announced Conversations with Commissioners at Hagen's Market Street Cafe on July 19. She thanked staff for the downtown tour. She was finishing FEMA certification and encouraged other elected officials to go through the training.

Commissioner Smith reported on the Arch Bridge event planning meeting. The festival would be October 12-14 and the bridge would open on October 15. The annual Oregon City/West Linn football game would be on October 11. He discussed the ribbon cutting for the Washington Street/Clackamas River Drive connection and that he had driven through the round-a-bout. He also discussed the work being done on Main Street. He asked about the lighting on Singer Falls.

Mr. Lewis said the lighting should be completed by the Arch Bridge event.

Commissioner Smith discussed a grant that had been received for the elevator.

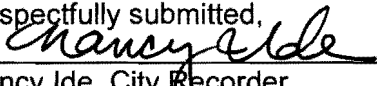
Commissioner Pauli had been visiting businesses making sure they had received a flyer for the Metro workshops. The First City Celebration would be held on July 28. Business owners on Main Street needed to be included in the advertising for the Arch Bridge opening.

Mr. Lewis explained the marketing effort for the Arch Bridge being planned by ODOT.

10. **Adjournment**

Mayor Neeley adjourned the meeting at 9:28 pm.

Respectfully submitted,


Nancy Ide, City Recorder