

CITY OF COTTAGE GROVE  
CITY COUNCIL  
AGENDA SESSION MINUTES  
April 9, 2021

The meeting was held via GoToMeeting. Mayor Gowing called the meeting to order at 8:30 am.

Those in attendance either in person or virtually were Mayor Gowing and Councilors Fleck, Roberts, Stinnett, Solesbee, Ervin and Savage.

Staff present were City Manager Richard Meyers, Assistant to the City Manager Jake Boone, Public Works & Development Director Faye Stewart, Assistant City Planner Eric Mongan, City Planner Amanda Ferguson, Police Chief Scott Shepherd and Finance Director Roberta Likens.

Public Hearings

None

Resolutions and Ordinances

- (a) Ordinance Amending City of Cottage Grove Municipal Code Title 18, Regarding Annexation Standards and Procedures, to Allow Extraterritorial Connections

Public Works & Development Director Faye Stewart said the item had come before Council on February 8<sup>th</sup> and March 22<sup>nd</sup> and there were two ordinances for Council consideration. He said Ordinance #1 would allow extraterritorial connections outside City limits but within the UGB and would be a process that would only need to come before Council and could be adopted within a two to three week period. He said Ordinance #2 would allow for some strict possible connections outside the UGB and would require a land use process with a 45 day notice to DLCD and then before Planning Commission and ultimately to Council for consideration. He said he had attached the State law around connections, water service and wastewater services outside the City limits. He said the City Attorney had reviewed the ordinances and highlighted several items in regards to wastewater and water connections that showed what would and would not be allowed outside the UGB.

Councilor Fleck said the consent cited an Amendment A and he assumed it had the details about non-remonstrance, etc.

Faye said that was correct and he had also attached the Consent to Annex Agreement that must be signed for approval.

Councilor Fleck said he didn't see the form in his packet. He asked about the recommendation from staff on Ordinance #1 or #2. He said he wasn't sure he would want to do the one outside the UGB, however there could be compelling circumstances to adopt he would consider it.

Faye said he would double check as it was in his packet after Ordinance #2. He said staff's recommendation was Ordinance #1, as it was a quicker process. He said with Ordinance #2, it would be a longer process and could be costly.

Councilor Savage asked if SDCs were collected at the time the connection would be made or were they collected at the time the property was annexed into the City.

Faye said the SDCs would be collected at the time of connection and would be SDCs that related to whatever they were asking to be connected to. He explained that if they were being connected to the water system, they would pay the Water SDCs.

Councilor Savage said it was her understanding that there had only been one application in four years for someone outside the UGB.

Faye said that was correct, it was in the Mount View area where the main water line went up that direction to the base of Dorena Reservoir to serve the customers between the City limits and Dorena. He explained that they had a failed well and the waterline went right next to their property however legally they couldn't be connected separately.

Councilor Ervin asked if Council voted on Ordinance #2 and it failed if there could be a contingency that they could vote for Ordinance #1. He asked if there was the possibility of doing both two ordinances. He said the example provided would be frustrating if the waterline went right next to your property.

Faye said he would have to ask legal counsel to see if it were possible. He said Ordinance #1 would definitely address between the City limits and the UGB. He said there may be a way to craft an ordinance specifically outside the UGB that Council could consider.

Richard said one thing to consider is outside the UGB typically most of the properties had more space and ones in the UGB had smaller lots.

Councilor Ervin said essentially that meant they had enough space to repair their septic system.

Richard said it probably didn't apply 100% of the time outside the UGB but overwhelming when you went outside the UGB you were looking at larger pieces of property.

(b) An Application for Multiple-Unit Property Tax Exemption (MUPTE) Program for SquareOne Village

Assistant City Planner said SquareOne Villages had submitted a revised application for the MUPTE program following the Council meeting on March 22, 2021. He said it was staff's understanding that the intention of SquareOne Villages is to convert the existing dwelling from single family to a small one bedroom apartment or studio and a community space for the development. He said their application was to align with Section 3.10.050 for public benefits of redevelopment of a blighted property. He said they provided a home inspection report that they commissioned prior to taking ownership of the house. He said they had put \$30,000 into the

house by replacing the roof and bringing safety items up to code and estimate an additional \$50,000 to \$60,000 needed to make the final conversion of the space. He said staff had prepared two resolutions for Council to consider. He said one resolution was to include everything and the other resolution excluded the existing structure. He said staff had worked with Lane County to try and understand better the tax assessment process and/or valuation.

City Manager Richard Meyers said staff didn't provide the chart that was prepared before, he said it was prepared however the four columns in the middle that showed the estimate for taxes. He said if the chart was provided to Council the numbers were wrong, they would be either high or low. He said if Council wanted the chart staff could remove the tax numbers.

Councilor Savage said she had read the home inspection report from 2016 and the summary of recommendations from the inspector. She said she hadn't grasped what condition the structure was in until she read the report.

Councilor Fleck said the application met the criteria as far as redevelopment of blighted and the appreciated the applicant and staff's time.

(c) An Application for Multiple-Unit Property Tax Exemption (MUPTE) Program for Hi-Valley Development Corporation

Assistant City Planner Eric Mongan said a MUPTE application was received from Hi-Valley Development Corporation for an 80-unit project proposed for the southern 645 feet of the former Harrison Elementary School. He said the public benefits proposed by the applicant include ADA facilities, open space over the minimum which includes common meeting room/clubhouse with kitchenette, fitness space and a pool. He said they were also proposing a public bus shelter where the existing LTD Route 98 Bus Stop is located. He said there was only one resolution for Council's consideration.

Councilor Savage said she would be recusing herself from the item as she had an actual conflict of interest.

Councilor Stinnett asked if the 80 units would not be built without the approval of the MUPTE.

Eric said it was his understanding that a verbal statement had been made that without the approval of MUPTE they couldn't make it work.

Public Works & Development Director Faye Stewart said from the landowner the property was scheduled to close two days after the Council meeting and one contingency of closing was the approval of MUPTE.

(d) Resolution Establishing Appropriations Within the General Fund for the Expenditure of an Unforeseen Specific Purpose Grant from Travel Oregon

Finance Director Roberta Likens explained that the City received a \$30,000 grant from Travel Oregon through the Destination Ready Program. She said the grant was specifically for the creation of three outdoor public parklets. She said in order for the City to spend the grant funds, the City must comply with the requirements of Local Budget Law.

Mayor Gowing thanked staff and everyone involved in getting the grant funds to pay for the building of the parklets. He said Council approved the parklets but the businesses didn't have the funds to build them due to COVID.

(e) Police Department Policy Resolution

Police Chief Scott Shepherd said the current personnel policy didn't allow for employees to supervise family members and relatives. He said Exhibit "A" attached to the Resolution allowed for sergeants, acting in an official capacity, to directly supervise a person who is a relative or member of their household.

Councilor Fleck asked what was driving the change.

Scott said there were two brothers who worked patrol and both were eligible to apply for an open sergeant's position that was open.

Councilor Fleck said he was less concerned about brothers than spouses, he wasn't sure he was comfortable with that.

City Manager Richard Meyers said State law defined brothers, siblings, spouses, and children all the same and couldn't be adjusted in the rules. He said the policy did comply with State law.

(f) Adoption of the FCS Group Five Year Utility Rate Financial Plan

Public Works & Development Director Faye Stewart said on February 22, 2021 the FCS Group presented a Five Year Utility Rate Financial Plan to Council. He said since that meeting, staff had worked with FCS to consider options other than the three consecutive years of a 12% rate increase. He talked about an issue with one of the clarifiers at the Wastewater Treatment Plant and how it would affect the sewer rates. He also talked about renewals of permits for the Wastewater Treatment Plant. He said FCS Group would be at the meeting to present an updated financial plan which proposed an 8% increase in fees for the first two years and a 5% for the third year and no increase for the last two years. He said these increases were the minimum necessary for the City to keep the facilities in operation and in permit. He talked about the amount of capital improvement plan projects and what was being proposed in the financial plan.

Mayor Gowing left the meeting at 9:00 am to be on the KNND Beeper Show and turned the meeting over to Council President Fleck.

City Manager Richard Meyers said the adjustment FCS did took the program proposed originally and stretched it out ten years instead of five years. He said it was something that the City needed to talk and think about when trying to work on repairing infrastructure and/or maintaining infrastructure. He said the difference in monthly rates would be \$6.44 for the previous plan at 12% and the new plan at 8% would be \$4.30.

Councilor Ervin said anytime you had a thirty year mortgage versus a fifteen year mortgage you were spending more in interest and asked if that's what was making up the difference. He asked about the financing cost of spreading the cost out over ten years instead of five years. He asked if it affected the scope of the project.

Richard said it was also the scope, the projects were moved out. He said the City would borrow \$2.3M and under the original plan it was \$1.7M which was a little less. He said there were two options for Council to consider.

Councilor Stinnett commented that he would like to see some public outreach in regards to the need for increases and the methodology behind them. He didn't doubt it would be a hardship for a lot of Cottage Grove residents and no one would like it, but hoped we could help people understand.

Councilor Stinnett left the meeting at 9:04 am to attend the KNND Beeper Show with Mayor Gowing.

Councilor Savage asked if there was a way to offer different rates depending on someone's income, etc. She said she appreciated that it was clarified that it were only the wastewater fees being increased.

Richard said the City did have a low income program for utility customers and if they met certain criteria, they could get a reduced utility rate. He said the City also had funds going into the H2O program through Community Sharing.

Councilor Solesbee said she agreed with Councilor Stinnett that the City needed to have some kind of community outreach so people understood what was being increased.

Councilor Fleck said the reason the City was in the position it was because it was kicked down the road for years and he was reluctant to do that. He said from a fiscal sense it made more sense to make the investment now. He agreed with Councilors Stinnett and Solesbee that there needed to be community outreach.

Councilor Savage asked Faye if there was federal funding available that could be used towards this.

Faye said that was correct, he participated in a town hall forum with Congressman DeFazio who was working on a bill that would allocate \$50B to water and wastewater projects. He said \$40B would be allocated through loan programs and \$10B through grant programs. He said staff was watching it closely and once a bill was passed staff would do everything to apply for funding. He

said the City had tried in the past for assistance with water projects and because the City's rates were not high enough, the City didn't qualify for grants. He said the City could receive favorable loan programs locally that didn't come with all the federal strings.

Richard said he had a conversation with Dan Whelan, Congressman DeFazio's Staff Field Agent, about the City addressing issues in advance such as the effluent project and being proactive compared to cities who do nothing until it became a crisis.

Councilor Ervin voiced his support for the whole philosophy on how the City was addressing needs in the City and making responsible decisions now even if it cost more.

Richard said to remember that and when he got the chance to meet with Dan Whelan at a LOC Conference or any of the Senators or Representatives office, to relate that same thought to them.

Faye said he had spent considerable time recently with Damien Sherwood from the Sentinel was doing an article that would encompass the wastewater, water and storm drain.

Richard said Dana Merryday with the Creswell Chronicle was also doing a similar article.

#### Business from City Council

##### (a) Update on Cottage Grove Area Transit Development Plan Project

City Planner Amanda Ferguson said Kelly Clarke from LCOG would be providing a PowerPoint presentation on the Transit Development Plan. She said staff had been working with LCOG under a grant from ODOT for the last year to develop the plan. She said Councilor Ervin was on the Advisory Committee.

##### (b) Vision Keeper Appointments

City Manager Richard Meyers said the expiration date for Shauna Neigh with the Chamber of Commerce was incorrect and needed to be changed. He said the City had also received a nomination of Ana Marie Dudley to representative Peace Health Cottage Grove Community Medical Center.

##### (c) City Council Subcommittee and Liaison Appointments

City Manager Richard Meyers said the Mayor wanted to wait until the Ward I position had been filled to appoint additional liaison positions for Council. He was recommending Councilor Savage as the second representative for Vision Keepers Committee and the alternate for the Chamber of Commerce.



(d) Budget Committee Recruitment

Finance Director Roberta Likens said there was one unexpired term on the Budget Committee with the appointment of Councilor Savage to the Council. She said a three member Council subcommittee needed to be appointed to interview applicants.

(e) Work Session/Goal Setting

City Manager Richard Meyers said in reviewing the calendar he didn't think there was time to schedule a Saturday Work Session before the budget meetings start. He suggested scheduling a Work Session on April 26, 2021 before the regular Council meeting. He said staff would prepare an abbreviated simplistic goal sheet from the existing goals and ideas from the Saturday session.

(f) Concerns from Council

Councilor Fleck said he had spoken with the Mayor and City Manager about creating a group to look at affordable housing.

Business from City Manager

(a) Local Foods, Local Places Community Action Plan Update

City Planner Amanda Ferguson said she would provide an update on the recently finalized Local Foods, Local Places Community Action Plan.

City Manager Richard Meyers said the information items for the plan were on the City's webpage and the link is provided in the Agenda which went to the actual pages on the City's website.

(b) Report from City Manager

City Manager Richard Meyers reminded Council that Statements of Economic Interest (SEI) were due April 15, 2021.

Mayor Gowing adjourned the meeting at 9:25 am.

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Trudy Borrevik, City Recorder

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Jeffrey D. Gowing, Mayor