

## TOLEDO CITY COUNCIL MINUTES

May 6, 2009

Mayor Rod Cross called an Executive meeting of the Toledo City Council to order at 6:30 pm.  
Councilors present: Mark Camara, Nancy Lynne, Monica Lyons, and Mary Young.

Excused: Council President Bob Emmett and Councilor Wes Chadwick

Mayor Cross called for a recess from Executive session at 6: 47pm.  
Council resumed into the regularly scheduled meeting at 7:00 pm.

Staff present: City Manager (CM) Michelle Amberg, Treasurer Polly Chavarria, City Recorder Teresa Jenkins, Public Works Director (PWD) Adam Denlinger, Toledo Police Chief Mark Fandrey, and Assistant City Recorder Nancy Bryant.

Visitors present: Kira Morgan, Angelo Stephenson, Nick Dahl, Don Amberg, Terry Dillman, Jim Chambers, Bret Lacroix, Bill Montgomery, and Bernice Olshanoski.

### **Visitor Comments:**

Jim Chambers presented Council with information regarding proposed bus shelters to be located in Toledo. While working with Lincoln County Transit and the Toledo Public Works Director, they have identified four potential sites to locate Lincoln County Transit bus shelters in Toledo. One located at Olalla Grocery Store, one at JC Market and two on Main Street. He said the transit bus currently stops at those sites but they currently lack shelters. He believes that identified bus shelters with posted schedules will increase ridership. He asked that Council authorize the City Manager to enter into an agreement with Lincoln County Transit to place a bus shelter on city property and authorize the Public Works Department to install all four of the shelters in Toledo. Lincoln County Transit has agreed to fund these shelters at approximately \$5,000 each if the city will agree to install them at the city's expense.

PWD Denlinger stated the estimated cost to the city for materials is \$300 per shelter.

By consensus Council agreed to add this issue as a decision item at the end of this agenda.

Chambers' second request from council was for the gazebo project at the corner of A Street and Business Hwy 20. He believes this project to be his commitment and would like to finish it. He asked that Council approve an expenditure of \$1000 from the projects fund to purchase materials needed to finish the project.

By consensus Council agreed to add this issue as a decision item at the end of this agenda.

### **Proclamations**

Mayor Cross proclaimed the week of May 17-23, 2009 as **Emergency Medical Services Week** and encouraged everyone in the community to observe this week with appropriate programs, ceremonies, and activities.

Bret Lacroix a paramedic and one of the operation supervisors for Pacific West Ambulance stated that he is personally honored that the city has chosen Pacific West Ambulance to serve the community and he looks forward to a continued relationship. He said this proclamation is important to all Emergency Medical Service providers here in Toledo.

Mayor Cross proclaimed May 2009 to be **Older Americans Month** and urged everyone to take the time this May to honor our older adults and the professionals, family members, and citizens who care for them.

### **Consent Calendar:**

**Motion**-It was moved and seconded (Lyons/Camara) to approve the consent calendar consisting of the invoice list dated May 1, 2009 as well as council minutes dated April 15, 2009 and April 22, 2009. **Motion passed 5-0**, noting the absence of Council President Bob Emmett and Councilor Wes Chadwick.

### **Discussion and Information Items**

#### **U.S. Census 2010 Presentation**

Ping Khaw-Sutherland, Partnership Specialist of the US Census Bureau for the Census 2010 presented Council with information regarding the importance of an accurate count of the 2010 census data. She said the data collected is important in determining the distribution of \$300 billion annually of government funding for critical community services and generating thousands of jobs across the country. She asked Council to proclaim support of the Census 2010 to encourage participation by their constituents. She said in becoming a partner we will work closely together to inform the community regarding the latest news.

By consensus council agreed to proceed with the proclamation.

**Mayor Cross proclaimed** that the City of Toledo, Oregon is committed to partnering with the U.S. Census Bureau to help ensure a full and accurate count in 2010.

### **Decision Items:**

#### **An Ordinance establishing the road maintenance regulatory program and adopting fees for road maintenance services**

(PWD) Denlinger provided Council with an explanation of the proposed ordinance to establish a Road Maintenance Regulatory Program and adopt user fees for such program. He said establishing a fee for services will increase funding which will be used for maintaining the City's roadway system and it will satisfy the 2007 Council Goal No. 5 to develop and implement a Street Utility Fee. He explained that diminishing resources are forcing many cities to set service priorities and or reduce services. Currently, cities do not have adequate resources to conduct proper street maintenance and preservation, but have a triage, choosing what emergency road treatments to provide while watching overall city road conditions slide down the life cycle curve. This has been the department's response to streets preservation. Not only is the purchasing power of state highway fund dollars decreasing, but maintenance and preservation expenses are rising. Lacking proper maintenance and timely repairs, paved roadways will fail and require extremely costly

reconstruction. Estimates of the cost of street reconstruction range from 6 to 10 times the cost of regular road maintenance. Without a significant new investment in city road maintenance, this vital infrastructure asset will continue to deteriorate and create enormous future repair cost. These investments come in the form of Transportation Utility Fees (TUF). Adopting a Road Maintenance Regulatory Program and the fees for road maintenance services will provide the department with additional funding to proactively address the decline of Toledo roadways.

In answer to Council questions PWD Denlinger responded as follows:

- The TUF funding will be used primarily for road maintenance. That could include curb and gutters when they tie into the street system.
- The fees will be allocated to the road maintenance program that can be used for coating and rocking dirt roadways, street sweeping, street striping, and storm water when the infrastructure must be repaired before paving the street.
- Staff will report to Council on an annual basis regarding the progress of this program.
- This program comes with accountability from the department to the rate payers. They should see road improvements by the end of each year.

Treasurer Chavarria explained that staff has set up a separate budget line item for this fee coming in and going out. She said it will be easy to see the funds in the both the income and the expenditure line items.

Mayor Cross suggested project signs indicating that the project is funded by the street utility fees.

Council and staff discussed the ordinance provision of three years for before the fees can be increased.

CM Amberg explained that the provision was included in the ordinance as a safeguard for the rate payer's piece of mind that the rate would not increase before three years from the date of implementation.

Councilor Camara noted his concern that three years may not be enough flexibility to determine if the program is adequate.

CM Amberg stated that staff will need at least 2 years of implementation and a third year of budget to really understand how the program is going to work and what the exact revenues will be.

**Public Comment:**

Bernice Olshanoski asked that the dirt road that she lives on be sprayed in the summer to keep the dust down.

Jim Chambers provided testimony in favor of the transportation utility fee. He said Toledo is looking at a time when we lack the funding to maintain roads. These funds will allow the city to participate in the larger funded small city allotment grants. He encouraged council to adopt the proposed ordinance and implement a fee to get the program going.

Angelo Stephenson testified in support of the proposed ordinance. He suggested that the proposed fees are set too low and should be raised to increase the road maintenance progress.

Council and staff also discussed the rate payer appeal process provided in the ordinance.

**Motion-**It was moved and seconded (Camara/Lyons) to read Ordinance No. 1325 twice by title only. **Motion passed 5-0**, noting the absence of Council President Emmett and Councilor Chadwick.

**Motion-** It was moved and seconded (Young/Lyons) to adopt, by reading twice only, Ordinance No. 1325 establishing a Road Maintenance Regulatory Program and adopting fees for road maintenance services.

**Council comments:**

Councilor Camara said he does not like voting yes on this ordinance but he does like driving on roads that can be driven on without damaging the vehicle.

Mayor Cross stated that the city needs to boost the funds to maintain its roadways. He said as a matter of public policy this is an ordinance that council needs to enact, and it will allow a continued debate on how to set the fees. This is an important first step and he supports the ordinance.

**Motion passed 5-0**, noting the absence of Council President Emmett and Councilor Chadwick.

**A Resolution implementing a road maintenance program and adopting fees for road maintenance services**

PWD Denlinger stated the proposed resolution authorizes city staff to collect fees in association with the previous road maintenance program ordinance. He said there are 19 other agencies that have successfully implemented programs like this. Toledo has the advantage to glean information from other agencies comparable to ours. Staff feels that the rates, as identified in this resolution, are an appropriate first step for this program.

Councilor Lyons noted that she has talked to people in town and several new business owners are concerned about having to pay TUF because of financial hardship. She asked if a provision could be included for a grace period of the first 3 to 5 years for new businesses.

Councilor Camara stated that he has had similar conversations in the community. He understands their concern of lost profit and the hardship for new businesses. He agrees that there should be a grace period provision for new businesses.

Councilor Young said business attract traffic. She understands the hardship but believes all business that attracts traffic should pay the transportation fees.

Councilor Camara responded by stating that the fee is long term. If it hinders a business from getting off the ground it will be hard to attract new business. The idea is that a new business wouldn't be exempt from the fees forever just long enough to help them get started.

Councilor Lyons agrees that her business attracts traffic. Her suggestion is to waive the fee for one person in business under 3 years and one less than 6 months.

Mayor Cross stated that he would like to table this resolution and review the fee structure.

Councilor Camara said he is also concerned with the industrial categories in the fee schedule. Toledo has a wide range of industrial types of business. He is not sure that the diversity is captured in three industrial categories. He said there is a big gap between Georgia Pacific and the next similar business.

CM Amberg stated the more categories you have the more you have to refine the fee structure and Toledo does not have a transportation planner on staff to evaluate traffic counts. The intent is to make this as fair as possible for the rate payers. The categories of heavy, medium and light are pretty clear to define. The fee methodology includes three factors; square footage, intensity and the type of vehicles a business attracts. She noted that the standards in the system have capped the fees for mills because of their vital part in the community.

Angelo Stephenson said he disagrees with waiving fees for new business and he believes this Council should adopt the resolution.

PWD Denlinger explained that it is necessary to try to shrink those categories as much as possible unless you have the staffing manpower or funding to have the surveys done by a traffic engineer or trip consultant. The agency programs that he surveyed with populations of fewer than 5000 have chosen to use these categories.

Councilor Camara said that the City will need to be explicit that there is a cap. He said he may not agree with it but can live with it.

PWD Denlinger stated that other agencies who have implemented these programs have also struggled with the same decision that this Council faces. One of the benefits that other agencies have seen is that it brings businesses into the communities because they see that the community cares about its infrastructure.

Mayor Cross said that if this was the only fee that Council has had to look at this year he would be in agreement with the implementation. There are other fees that need to be raised as well. He looks at all the city fee increases to total at \$12 to \$15 per month. That is a lot for a minimum wage earner. He believes raising the fees for water and sewer are a higher priority at this time.

**Motion-** It was moved and seconded (Camara/Young) to adopt Resolution No. 1251 implementing a road maintenance program and adopting fees for road maintenance services.

Public comment:

Bernice Olshanoski testified to the hardship for people on fixed incomes and noted that she will not get a cost of living increase in her social security income. She believes this fee to be unfair for the residents who don't often drive.

CM Amberg explained that Toledo has a system that needs to be maintained and the system doesn't serve just one individual or business. She said it is similar to funding schools. We all pay for schools whether we have children in them or not. Because we have this system we all need to maintain it. Staff's intent has been to put forth a proposal that maintains our common infrastructure at a rate that hopefully meets the ability of the community to provide.

Jim Chambers said he is pleased to see the low end fee of \$3 for the residential fee. He believes it is a good start.

**Motion passed 4-1**, noting a no vote by Mayor Cross and the absence of Council President Emmett and Councilor Chadwick.

**A Resolution approving an annual rate increase for solid waste and recycling services provided by Dahl Disposal Services, Inc.**

CM Amberg explained that Dahl Disposal has an exclusive franchise with the City of Toledo to haul solid waste within our city limits. On March 31<sup>st</sup> a letter was received from Dahl Disposal requesting consideration by City Council to grant an annual rate increase broken down as follows: CPI increased 3%, Franchise Payment to City increased 2%, and Recycling Offset increase from 1 to 3%. On April 7, 2009 members of the Toledo Public Utility Commission reviewed the rate increase request. A quorum was not present at that meeting however three public members and one ex-officio member were present. These members respectfully request that the City Council approve a six percent 6% increase proposed by Dahl Disposal as well as an additional two percent (2%) increase to cover the costs of the recycling program offered to customers.

Nick Dahl of Dahl Disposal Inc. testified that they are adapting to the current economic changes. Over the last several months recycle markets are down over 16%, raw material is down 28% and curbside customers are downsizing by taking less frequent pickups and their bad debt line has over tripled. In order to combat this crisis, management has moved from a macro to a micro management approach and turned over every stone to find savings. They have an obligation to provide base services to their customers. The best way to handle all waste is to reduce, reuse and recycle it but that comes at a cost. It is vital that they keep the recycle infrastructure in place while riding out the economic storm. The rate increase is roughly \$1.45 per month for the average customer.

In answer to Council questions Dahl responded as follows:

- Currently the recycling market is still in tanking. The price has stayed the same for six months. The reason for this is that there is an overwhelmed inventory of material.
- The recycling offset increase is significant to recoup the lost revenue in recycle sales. On the coast we don't generate enough to haul more than once per month. The material is

stored until there is enough volume to haul with a transfer trailer to Portland. It is expensive to handle this material and what used to be revenue is now an expense.

**Public Comment:**

There was none.

Mayor Cross said he understands what Dahl Disposal is going through. The three big issues are water, sewer and sanitation. Dahl Disposal provides a service that when used properly helps our residents stay clean and healthy. He appreciates the work that Nick has put into this.

**Motion-**It was moved and seconded (Young/Camara) to adopt Resolution No. 1252 approving an annual rate increase for solid waste and recycling services provided by Dahl Disposal Services, Inc. **Motion passed 3-2**, noting a no vote by Councilors Lynne and Lyons and noting the absence of Council President Emmett and Councilor Chadwick.

Mayor cross called for a 3 minute recess at 8:56pm. The meeting resumed at 9:02 pm.

**City Council Committees**

The Mayor and City Council met on April 22, 2009, at a regularly scheduled work session and reviewed the list of committees. CM Amberg provided Council with the revised list as modified by Council.

The revised committee list included vacancies as follows:

- Economic Development Committee-3 vacancies to be filled by a community member from the banking industry, a representative of the Port of Toledo and the Toledo Development Association.
- Contribution Committee- 1 vacancy to be filled by a budget committee member.
- Toledo Transportation System Working Group- 1 vacancy to be filled by a representative from Lincoln County.
- Housing Rehabilitation Loan Committee- 1 vacancy to be filled by a community member with a financial background.
- City of Toledo Viability Committee- to be determined.

Mayor Cross directed council and staff to look for community members to fill these vacancies.

In response to council question Jim Chambers said that he would be willing to serve on the Toledo Transportation System Working Group.

**Mayor Cross appointed Jim Chambers to fill the vacancy on the Toledo Transportation System Working Group.**

**Motion-** It was moved and seconded (Lyons/Camara) to approve the revised list of City of Toledo Committees and appoint members to fill any vacancies at a later date. **Motion passed 5-0** noting the absence of Council President Emmett and Councilor Chadwick.

Public Comment:  
There was none.

Councilor Camara said this is a good setup of committees. In order to make them functional, he believes the next step is to give them defined missions, appoint chairpersons as well as set meeting schedules. There is more work to do to put the committees in place.

Mayor Cross stated that most of these committees already have everything that Councilor Camara has asked of them. The only committee on the list that is not currently meeting with those criteria is the Toledo Transportation Working Group.

Mayor Cross announced that Angelo Stephenson is heading up a citizen's ad-hoc committee to review Toledo's Ordinances. It is expected that it will take 5 to 7 years to complete this task.

**Review the Oregon Liquor License Application filed by Jeffery and Sherri Davis for McBaron's Tavern.**

Assistant City Recorder Nancy Bryant explained that Sherri and Jeffery Davis have applied to the Oregon Liquor Control Commission (OLCC) to serve alcoholic beverages at McBaron's Tavern located at 320 N. Main Street in Toledo. The applicants recently purchased this establishment and have taken possession of the premises. The Police Chief has recommended endorsement to OLCC for granting this license. Applicant has satisfied the requirement of the City License fee of \$25.00.

**Motion-** It was moved and seconded (Lynne/Young) to recommend approval of the Oregon Liquor License Application for McBaron's Tavern based on Police Chief Fandrey's recommendation.

**Motion passed 5-0**, noting the absence of Council President Emmett and Councilor Chadwick.

Public Comment:  
There was none.

**Authorize the City Manager to sign the Agreement between City of Toledo and AFSCME General Unit**

CM Amberg reported that there has been no official response from the AFSCME General Unit regarding approval of this agreement. This item was tabled to a future regularly scheduled meeting.

**Authorize the City Manager to enter into an agreement with Lincoln County Transit for the placement of bus shelters on City owned property, to find the appropriate funding for this project and to authorize the Public Works Director to work with Lincoln County Transit to place the shelters.**

**Motion-**It was moved and seconded (Young/Lyons) to authorize the City Manager to enter into an agreement with Lincoln County Transit for the placement of bus shelters on city owned property, to find the appropriate funding source for these projects and to authorize the Public Works Director to work with Lincoln County Transit to place the shelters.

Public Comment:  
There was none.

**Motion passed 5-0**, noting the absence of Council President Emmett and Councilor Chadwick.

**Proposal to use \$1,000 from the projects fund for the building of the gazebo at the Park and Ride facility and coordinate with Public Works for the erection of said gazebo.**

**Motion-** It was moved and seconded (Lyons/Lynne) to authorize the City Manager to use \$1,000 from the projects fund for erecting a gazebo at the Park and Ride facility and coordinate with the Public Works Department for the erection of said gazebo.

Public Comment:  
There was none.

**Motion passed 5-0**, noting the absence of Council President Emmett and Councilor Chadwick.

**Reports and Comments:**

**Department Reports**

PWD Denlinger reported there will be a viewing of a documentary produced by American Water Works Association and the University of Pennsylvania regarding the need for improving infrastructure.

**City Manager's Report**

CM Amberg reported the following:

- City Attorney recruitment packets will be available on Monday at the Police Department. The interviews will take place in closed session on Wednesday the 13th at the Fire Station.
- There will be an All American City meeting Thursday evening at City Hall at 7pm.
- She met with the Angelo Stephenson of the Citizens Involvement Committee. She thanked him and the committee for the work they have taken on and she is excited to see what they can do.
- The City budget should be ready for viewing on the 11<sup>th</sup> and the hearing is scheduled for the 18<sup>th</sup>.

**Council Comments**

Councilor Young said tonight was not an easy night; it is not easy to spend other people's money. She loves this community and believes there are a lot of good and positive things happening here. She said if we all step up and see how important it is that our community will be the place we have always dreamt it could be.

Councilor Camara agreed that it was a rough night. He wants people to know that they are doing what they have to do to keep this city together. He thanked Angelo Stephenson for the task he and

the committee have set upon themselves. It is important to have someone look over the City's code as evident by recent issues and a lack of clarity.

Councilor Camara also noted the Port of Newport is working on a NOAA Marine Operations lease and he asked Council for a letter of support from the City of Toledo. He said if this operation is located in Newport it will have a positive impact on Toledo as well.

By consensus Council directed the City Manager to write a strong letter of support for the Port of Newport's efforts in attaining the NOAA Marine Operations lease.

### **Mayor Comments**

Mayor Cross reported on the All American City Committee funding raising efforts as follows;

- May 9<sup>th</sup> a car wash at the Toledo Chevron.
- May 16<sup>th</sup> a community pot luck and bingo at Toledo Eagles.
- May 21<sup>st</sup> a jail at Pig Feathers Restaurant.
- May 23<sup>rd</sup> a dinner and dance including a silent auction at Toledo Elks beginning at 5pm.
- May 25<sup>th</sup> a skate board tournament at the Toledo Skate Park.
- May 30<sup>th</sup> a pancake feed early morning followed by an Amazing Race being organized by the City Manager then followed by a barbeque at the City Hall Parking lot.
- May 31<sup>st</sup> they are hoping to have a treasure hunt for youth in the downtown area and a golf scramble at Olalla Golf Course.
- There are T-shirts being designed for sale.

He noted that those citizens attending the All American City Award presentation in Florida must arrive in Tampa by June 16<sup>th</sup>. The group plan is to arrive on the 16<sup>th</sup> and return home on the 20<sup>th</sup>. He thanked Angelo Stephenson for the Citizens Involvement Committee. He said the ordinance review task they have taken on has been needed for awhile.

He noted his appreciation of PWD Denlinger and staff for all the work they have done.

CM Amberg thanked council for their work tonight. She understands their difficult positions and appreciates their support.

### **Adjournment:**

The meeting adjourned at 9:37pm.

ATTEST:

APPROVE:

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Assistant City Recorder

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Mayor