

City of Springfield
Regular Meeting

MINUTES OF THE REGULAR MEETING OF
THE SPRINGFIELD CITY COUNCIL HELD
MONDAY, JULY 20, 2009

The City of Springfield Council met in regular session in the Council Meeting Room, 225 Fifth Street, Springfield, Oregon, on Monday, July 20, 2009 at 7:00 p.m., with Mayor Leiken presiding.

ATTENDANCE

Present were Mayor Leiken and Councilors Ralston, Lundberg, Wylie, Leezer, and Pishioneri. Also present were City Manager Gino Grimaldi, Assistant City Manager Jeff Towery, City Attorney Joe Leahy, City Recorder Amy Sowa, and members of the staff.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Leiken.

BUSINESS FROM THE CITY COUNCIL

1. Committee Appointments
 - a. Ward 5 City Council Position Appointment.

City Manager Gino Grimaldi presented the staff report on this item. Due to the death of Councilor John Woodrow, the Ward 5 City Council position is vacant. On June 8, 2009, the position was advertised and applications were received through the closing date of June 26, 2009. Two applications were received. On July 13, 2009, council interviewed both candidates and, by consensus, chose Fred Simmons to be appointed to the Ward 5 position. According to the City Council's operating policies and procedures, this appointment must now be ratified.

The term for this appointment expires December 31, 2010.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO RATIFY THE APPOINTMENT OF FRED SIMMONS TO THE WARD 5 CITY COUNCIL POSITION WITH A TERM EXPIRATION OF DECEMBER 31, 2010. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST.

City Attorney Joe Leahy administered the Oath of Office to Fred Simmons as the City Councilor for Ward 5.

Councilor Simmons joined the Council for the rest of the meeting.

SPRINGFIELD UPBEAT

1. Safe Boating Season 2009 Proclamation.

Mayor Leiken proclaimed Safe Boating Season for 2009. He presented the proclamation to members of the Coast Guard Auxiliary.

Norm Hoffman, on behalf of the Coast Guard Auxiliary, thanked the Mayor and Council. Boating and water safety were very important. The local Coast Guard Auxiliary was doing boating inspections, security controls, and educating people to keep them safe.

CONSENT CALENDAR

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO APPROVE THE CONSENT CALENDAR. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

1. Claims
2. Minutes
 - a. June 1, 2009 – JEO Meeting
 - b. June 22, 2009 – Work Session
 - c. July 6, 2009 – Work Session
 - d. July 6, 2009 – Regular Meeting
 - e. July 13, 2009 – Work Session
3. Resolutions
 - a. RESOLUTION NO. 09-27 – A RESOLUTION AUTHORIZING THE CITY MANAGER TO AWARD COMPETITIVE BIDS EXCEEDING \$35,000, REQUESTS FOR PROPOSALS, OTHER PERSONAL SERVICES CONTRACTS EXEMPT FROM BIDDING REQUIREMENTS UNDER THE PURCHASING REGULATIONS, AND APPROVE AMENDMENTS TO PUBLIC CONTRACTS DURING THE PERIOD OF JULY 21, 2009 THROUGH SEPTEMBER 13, 2009 WHILE THE COMMON COUNCIL IS IN RECESS.
4. Ordinances
5. Other Routine Matters
 - a. Allow Construction Activities Outside of the Hours of 7 a.m. and 6 p.m. with Conditions, for Oregon Department of Transportation (ODOT) Bridge Vertical Clearance Improvements (KN16390) for Work at Centennial Boulevard Overcrossing of I-5.
 - b. Allow Construction Activities Outside of the Hours of 7 a.m. and 6 p.m. with Conditions, for Sanitary Sewer Rehabilitation 2009 Marcola Interceptor on 30th Street Near Olympic Street and Across the Kingsford Charcoal Yard to Marcola Road.
 - c. Authorize the City Manager to Enter into an Amended Independent Contractor Agreement with West Yost and Associates in the Amount of \$47,402.00 for Engineering Services Performed for the Construction Management of the Harlow Road Lift Station (P20381).

- d. Authorize the City Manager to Enter into an Agreement with Lane County to Act as an Agent for the City for Engineering and Materials Testing Services.
- e. Award the Subject Contract to H & J Construction, Inc. in the Amount of \$644,313.55 for Project P21024; Sanitary Sewer Rehabilitation 2009, Basins 8, 18 and 20.
- f. Award the Subject Contract to Wildish Construction Company in the Amount of \$90,979.00 for Project P21007; 68th and D Street Drainage.

ITEMS REMOVED

PUBLIC HEARINGS - Please limit comments to 3 minutes. Request to speak cards are available at both entrances. Please present cards to City Recorder. Speakers may not yield their time to others.

1. Resolution Certifying the City's Eligibility to Receive State Shared Revenues from Cigarette, Gas and Liquor Taxes and Electing to Participate in State Revenue Sharing.

RESOLUTION NO. 09-28 - A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF SPRINGFIELD CERTIFYING ELIGIBILITY FOR STATE-SHARED REVENUES FROM CIGARETTE, GAS AND LIQUOR TAXES, APPROVING THE CITY OF SPRINGFIELD'S PARTICIPATION IN THE STATE REVENUE SHARING PROGRAM, AND DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUES PURSUANT TO OREGON REVISED STATUTES 221.760 AND 221.770.

Budget Office Bob Brew presented the staff report on this item. The law provides that cities located within counties having more the 100,000 inhabitants, according to the most recent Federal decennial census (2000) must provide four or more municipal services from a specific list to be eligible to receive state-shared cigarette, liquor and highway taxes under ORS 221.760. Participating jurisdictions must also certify they elect to receive State shared revenues. The accompanying resolution will satisfy those requirements.

To be eligible to receive state shared revenues in the ensuing fiscal year, the City must provide at least four of seven eligible services, and perform five additional actions:

1. Advertise and hold a public hearing before the Budget Committee
2. Advertise and hold a public hearing before the City Council
3. Adopt a resolution certifying the City is eligible to receive funds under the ORS 221.760 and elects to receive State shared revenues under ORS 221.770
4. Adopt a resolution approving the City's participation in the program
5. File a copy of the resolution with the State of Oregon by June 30th

A public hearing was advertised and held before the Budget Committee on May 12, 2009. The attached resolution will satisfy items 2, 3 and 4. Upon adoption, the City's Budget Officer will file the appropriate documentation with the State.

This resolution amends the resolution adopted June 15, 2009. The only substantive change from that resolution is the addition of references to ORS 221.770 added at the request of the State of Oregon.

Mr. Brew noted that he had taken a position as the Budget Officer for the Oregon Secretary of State's office and this was his last Council meeting.

Mayor Leiken opened the public hearing.

No one appeared to speak.

Mayor Leiken closed the public hearing.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO ADOPT RESOLUTION NO. 09-28. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

2. Adoption of Local Stormwater Systems Development Charge Methodology, and Project List.

RESOLUTION NO. 09-29 - A RESOLUTION OF THE CITY OF SPRINGFIELD COMMON COUNCIL MODIFYING A METHODOLOGY FOR THE CALCULATION OF STORMWATER SYSTEMS DEVELOPMENT CHARGES AND SETTING AN EFFECTIVE DATE.

RESOLUTION NO. 09-30 - A RESOLUTION OF THE CITY OF SPRINGFIELD COMMON COUNCIL ADOPTING A LIST OF CAPITAL IMPROVEMENTS TO BE FUNDED BY STORMWATER SYSTEMS DEVELOPMENT CHARGES, AND SETTING AN EFFECTIVE DATE.

Assistant Public Works Director Len Goodwin presented the staff report on this item. Staff has completed the process, which commenced in 2007, of reviewing and updating Stormwater SDCs. With the input of a Citizen Advisory Committee, and contractual assistance from Galardi and Associates, a new proposed Methodology was developed and forwarded to the City Council for review at a Work Session on May 18, 2009. The Council directed staff at that time to schedule required public hearings for consideration of resolutions enacting the new Methodology, project list and actual charges. On July 20, Council will consider adopting the new Methodology and project list. The proposed fee resolution will be presented for Council consideration on July 22 following the Joint Elected Officials meeting with the Lane County Board of Commissioners. If all of the proposed resolutions are adopted by Council, this schedule will provide for the new Stormwater SDCs for all uses other than single family or duplex residential construction to have an effective date of September 1, 2009. For single family and duplex residential, the fees will be proposed to go into effect on October 16, 2009.

Mr. Goodwin said Council would be asked, following the public hearing, to consider adoption, by resolution, of a new systems development charge methodology for local stormwater and a list of capital improvements. Staff was not asking Council to approve a resolution to increase fees. The projects to be funded by SDCs must be on the appropriate land use documentation first. A joint elected officials (JEO) meeting had been scheduled for Wednesday, July 22 with Lane County to consider modifications of the Public Facilities and Services Plan (PFSP) concerning local stormwater projects. Once that action was taken, and the PFSP was in place, then they would ask for Council approval of fees. A Special Regular Meeting was scheduled immediately following the JEO. He would discuss all of the aspects of the SDCs.

Mr. Goodwin said the current Stormwater SDC methodology was not legal under present Oregon law, but was based on an old concept of level of service and not on a specific project list. That was one of the reasons staff was proposing a new methodology that did comply with Oregon law and was based on a specific project list. The old methodology also didn't include a reimbursement component to the SDC, only the improvement component. He explained each. He referred to the documents included in the agenda packet which outlined the SDC methodology and noted the increase to the stormwater rate. The increase was needed to prevent user rates from covering all of growth costs. Growth should pay for the cost of building new capacity and users pay for maintaining facilities. The City had not been able to do that due to the delays in getting the PFSP updated. In current years, the majority of the funding for capital improvements was coming from user fees. Increases in the SDCs were essential if we were to reverse that trend.

Mayor Leiken opened the public hearing.

No one appeared to speak.

Mayor Leiken closed the public hearing.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO ADOPT RESOLUTION NO. 09-29. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

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3. Liquor License Endorsement for Five Downtown Establishments for the Renewal Period of 2009-2010.

Community Services Manager Dave Puent presented the staff report on this item. On May 4, 2009 the Council was provided with a list of 147 businesses that would likely be applying to the Development Services Department for their 2009-2010 liquor license endorsement. Not included in the list in were five downtown establishments that would also likely be applying for their liquor license endorsement for this period. These establishments were: Jims Landing, The Brick House, Stables, Club 420 and Bright Oak Meats.

On July 7, 2008 as part of the review of an application for a new liquor outlet establishment proposing to locate in downtown Springfield, the Council was provided with information that identified a high level of requests for police assistance and criminal activity that radiated outward from an area of 4th and Main Street to approximately 300 feet. As a result of this information and the need to examine recent calls for police assistance and criminal activity within this area, an extension of sixty (60) days was granted from OLCC to provide the City's recommendation for the above referenced five establishments.

At the conclusion of tonight's public hearing, Council is requested to provide one of the following recommendations to OLCC: 1. Grant; 2. No Recommendation; 3. Do Not Grant Unless (applicant demonstrates commitment to overcome listed concerns); or 4. Deny.

In completing the review of the more recent police information relative to these five establishments, the persistent continuance of illegal activity and the need for police assistance in this area related to certain liquor establishments, staff's recommendation in accordance with section 7.302 of the Springfield Municipal Code, that Council provide a Deny recommendation to Stables and Club 420; a No Recommendation for Jim's Landing; and a Grant recommendation to The Brick House and Bright Oak Meats.

Taylor Murdoch, from the City Attorney's Office, said the information being presented tonight was listed in the agenda packet under the exhibit list. Section 7.300-7.304 of the Springfield Municipal Code required the City Council to make recommendations about liquor licenses annually. He referred to 7.302(1)(a) and 7.302(1)(c) regarding how the Council was to make their recommendation. The notebook provided to the Council included factual information on which the Council could base their recommendation. He referred to the maps in the Council packet which showed a cluster of fights, disturbances and disputes around the 4th and Main area. The maps showed the criminal activities clustered around 420 Main Street and 414 Main Street, as well as Jim's Landing at 303 Main Street. He referred to maps showing police response for drugs downtown, found syringes by area, and assaults. He noted that data for 303 Main Street included calls for the apartments above the bar, making it difficult to distinguish the origin of the calls. He showed a chart showing police calls for service through downtown and noted that the number of syringes and fights was extremely high near 420 and 414 Main Street. He pointed out the number of arrests at 420 Club compared to other nearby establishments. He referred to other charts and showed a five year trend for calls for service. He discussed page 3 of Exhibit 10, the OLCC report, which discussed the arrest of Jack Dugger for assault IV. The City Attorney's Office had received word that the District Attorney (DA) would not be prosecuting that case.

Mayor Leiken asked Council to write down questions and hold them until after the public hearing.

Mr. Leahy said Police Chief Jerry Smith was in attendance to answer questions on the data.

Mayor Leiken opened the public hearing.

Mayor Leiken provided some ground rules for tonight's public hearing. He asked that everyone be respectful to all that speak, even if they didn't agree. He would like to get through all of the speakers that had signed up to speak. He reminded the audience that he had the authority ask the Sergeant of Arms to escort people out if there were too many outbursts, but he would prefer not to do that, but rather hear all of the testimony so Council could make a sound decision.

Mayor Leiken called forward Dwight Purdy and noted that Mr. Purdy would be allowed to speak for 5 minutes as the representative of the School District. He would be the only one speaking on behalf of the School District, rather than having several people speak.

1. Dwight Purdy, Springfield School District, 1011 Harlow Road, Springfield, OR. Mr. Purdy said he was the attorney for the Springfield School District. The School District Board met this afternoon and passed a resolution supporting the City staff's recommendations. He read from the resolution:

"Whereas, the liquor license for Club 420 and Stables, located in the 400 block, was up for renewal; Whereas, crime statistics provided by the City staff illustrated that Club 420 and Stables are the epicenter of criminal activity of downtown Springfield; Whereas, Club 420

is located within approximately 600 feet of the Academy of Arts and Academics (A3); Whereas, Club 420 was located approximately 800 feet from another secondary school, the Gateways High School; Whereas Club 420 was just over 1000 feet from the School District's Memorial Building Programs, which include special education programs (Stables was just another 40 feet from Club 420); Whereas, the criminal activity centered at the 400 block had an adverse impact on the safety and well being of students, faculty and staff of the three school locations; Whereas, there was approximately 300 students enrolled at the 3 downtown schools, including 50 who attend night school (this number was expected to increase as A3 expands into its new building); Whereas, the youngest children enrolled in programs at the downtown schools are age 12 and the oldest children are age 20 and everywhere in between; Whereas, all the students of the downtown schools frequently and regularly walk between the three district buildings for different classes and nearly all of the students patronize downtown businesses for lunch; Whereas, the majority of the students of the downtown schools use public transportation to get to and from school and Club 420 and Stables are located directly between the school buildings and the nearest major bus station (Springfield Station); Whereas, renewing these liquor licenses will result in continued increasing criminal activity in downtown which endangers our students, our faculty and staff; Therefore, the Springfield School District supports the City of Springfield's staff in denying renewal of liquor license for Club 420 and Stables."

Mr. Purdy noted that a concerned citizen had come to the School District with a video tape filmed at Club 420. This video was entered into the record and he played a short excerpt from that video.

Mayor Leiken reminded the rest of the speakers that they would each have 3 minutes to speak.

2. Alethalou Harmon, 145 Pioneer Parkway East, Springfield, OR. Ms. Harmon thanked the Mayor and Council for being strong supporters of downtown and for what they had done to support downtown businesses. Unfortunately, it seemed no matter how many resources were put into downtown, until it was a viable, safe community for people to come to, the activities pursued couldn't happen. She supported the staff's recommendations to deny the two liquor licenses on Main Street. She said she had been in business downtown for 12 years. When the Brick House came in, she was alarmed and opposed to them being there, but they had been excellent neighbors. If we had bars like that downtown, businesses could co-exist and thrive. She didn't see the management of the other bars wanting to comply and be good neighbors. She noted the disturbances in front of Club 420 during a recent Christmas event. She wanted to see downtown Springfield thrive and she asked the Council to vote their conscience.
3. Dan Egan, 850 N 6th Street, Springfield, OR. Mr. Egan said he was representing the Springfield Chamber of Commerce and the Springfield Renaissance Development Corporation (SRDC). Several years ago they knew there were things that had to happen in downtown Springfield or we would lose our downtown. It's been a tough job, and a lot of people had helped and tried to make it better. This work continued today with Council's help and this was another milestone in making downtown a better place and a safer place. Staff recommendations were solid and this change had been needed for a long time. As a representative of two organizations that had worked very hard to try to make a change, he asked Council to go with staff recommendations.
4. Curtiss Greer, 357 55th Street, Springfield, OR. Mr. Greer said he and the City may have been on opposite sides on some issues, but on this one, they were on the same side. Staff had done

a very good job in promoting their recommendations and he backed them wholeheartedly. He hoped the Council voted on that recommendation.

5. James Perkins, 5883 E Street, Springfield, OR. Mr. Perkins concurred with those that were in favor of the staff recommendations. The establishments needed to act responsibly or we would lose our kids and our beautiful community.
6. Don Moloney, 448 Main Street, Springfield, OR. Mr. Moloney said he was a homeowner, business owner and property owner in downtown and had been for 20 years. The two bars were the worse he had seen in downtown in all those years. The people that congregated there passed by his business, spit on the windows, passed out in the doorway and defaced businesses. It had made starting a new business downtown extremely difficult and had cost a lot of money. We needed to rid the downtown of its blight, and denying their liquor license would be a good first step to get rid of those businesses and the people that did those things.
7. Harley McCoy, homeless. Mr. McCoy said he was in favor of keeping the place open. He was homeless and they gave him coffee. He kept the sidewalk clean and stopped fights. He also worked for Willamalane Senior Center and the Salvation Army through GoReap. Jack (Dugger) had helped the homeless. Things went wrong at his business, but it was not Jack Dugger's fault. If there was no place to go, people caused problems. There were also problems on 17th Street. The problem was not in the bars, but was a homeless issue.
8. Rose Musted, homeless. Ms. Musted said getting rid of the bars wouldn't get rid of the problem. If the community would help the homeless, it would help. Eugene had a place. That's the main problem. Bars couldn't stop the problem, it was just people.

Mary McDonald was called forward but was out of the room.

9. Nanette Swisher, 1406 Mohawk Blvd, Springfield, OR. Ms. Swisher was speaking on behalf of Jack Dugger and the other bars downtown. She used to work for Jack Dugger. She said the establishment couldn't be blamed for what went on in the street. She didn't want to be afraid to call the Police Department because it would be logged. She turned someone in, they were arrested, and were soon back on the street. She felt she couldn't be asked to help the City when she didn't get help back. She agreed drugs were a problem, but she didn't know what more they could do besides tell them they couldn't come back. There were no loitering laws in Springfield, so there wasn't anything more they could do. If the City shuts the bar down, those people would just go to another neighborhood. Before making a decision, she asked Council to look at the whole picture.
10. Nanci Love, 1136 North B, Springfield, OR. Ms. Love said she had been in trouble, but needed somewhere to go. They needed each other and this was her home. There was some good that came out of the bar. The bar couldn't be responsible for the actions outside the bar. The problems would stay there until the end and had been there before Jack came.
11. Nelson Polk, 5662 Daisy Street #22, Springfield, OR. Mr. Polk said he had been in a lot of trouble, but Jack helped him after getting off parole and probation four years ago. Jack was there as a business and the drugs and other activities happened other places, too.

12. Mary McDonald, 1135 North B Street, Springfield, OR. Ms. McDonald said the crimes in the Springfield community could not be blamed on one bar or one business or one person. It had been an ongoing problem in downtown for a long time so how could they blame Jack Dugger or Stables or other area businesses. There had been no drug arrests at Uncle Jack's since this started. His business brought revenue and jobs downtown. He was a good man trying to run a good business. She said he had her support.
13. Derik Bagley, 975 W. 10th, Eugene, OR. Mr. Bagley said he had come to this bar off and on for the last twenty years. Most of the problem was the homeless out front panhandling and doing their business. If there was any type of problems, they were sent away.
14. Julie Hunt, 38941 Wendling Road, Marcola, OR. Ms. Hunt commented that it was not fair to turn people away for wanting to speak at a hearing. She said the packet the City put together was not accurate and had false information. The report showed that Club 420 had 3200 calls in a five year period, and Stables, which was just next store, only had 1200 calls. She questioned how there could be such a difference when they were so close. No one had been arrested for dealing drugs or prostitution inside the bar (Club 420). Jack didn't like what happened outside the bar either, but if the Police couldn't stop it, she didn't know how Jack could. People that got kicked out of his bar, hung out in the streets outside. She said only one person was arrested for prostitution in that area last year. She noted differences in the figures in the packet and again questioned how the number of calls could be so different for places all so close to each other. She said they kept a record at the bar of how many people got arrested and it had only been about ten. The homeless issue needed to be addressed. Even if bars weren't there, the homeless issue was still a problem.
15. Lennie VanDrew, 757 E Street, Springfield, OR. Mr. VanDrew said he had been assaulted twice near the schools and he had seen drug transactions in the store by the kids and heard them making drug deals on their phones. The problems were not all Jack or the bars downtown, but was a community problem. He didn't feel it was fair to pick one man out. Mr. VanDrew said he had been homeless without a job, and Jack gave him a job and got him back on his feet.
16. John Barrett, 3878 Litus Lane, Springfield, OR. Mr. Barrett said he had heard a lot about the bars downtown, but every city had statistics like that. The people testifying tonight were not dangerous criminals. The City was not stomping out the drugs by closing Jack's bar; they were just stomping out Jack. He was a businessman and one of the people that built this town.
17. Jack Koehler, Representing 555 Main Street, Springfield, OR, formerly the Office Diner and Lounge. Mr. Koehler said he was concerned when he heard there was a night school because of the problems downtown. He referred to City Council goal #3, "Enhance public safety". When he and his wife had their restaurant open, there were several ladies that mentioned they were afraid to come down at night. Downtown needed lighting, and there was a fear to go downtown. He commented on previous testimony: Jack Dugger had helped people by having the bar open – he said that was great, but asked why he didn't open up a home to help these people. A business stands and falls on its owner and the owner was responsible for what happened in their establishment. Someone commented that no drugs had ever been sold there, but the video showed drugs being sold in that establishment. Homelessness was another issue. In Mexico, the families took care of the homeless.

18. Ken Taylor, 1775 W. 12th, Eugene, OR. Mr. Taylor said he worked as a computer tech for Jack Dugger and had known him for about 3 or 4 years. He liked Jack and liked the atmosphere of bar, but not the outside. A lot of bars he went to were like that. He asked what the crime rates were per bar from 52nd to 1st Street. If the City eliminated Jack's 420 bar, he wondered what would be next - Brick House, Jim's Landing, etc. Once a bar closed, the element would still be there and we would have the same situation.

19. Robert Welch, 414 Main Street, Springfield, OR. Mr. Welch represented Stables Bar and Grill for his mother. He became the manager on January 1, 2009. He felt he was being painted with a broad brush. He and his brother were against drugs and he didn't have that in his bar. Many people knew that. He said he ran a different establishment since January. When he took the bar over, it was a Mongol clubhouse. He ran them out and had his life threatened. They also had a Crypt problem with the gangs and he ran them off. Stables Bar was not part of Club 420. Jack ran a different business than he did. He had been in business for about 15 months and this problem was downtown long before his bar opened up. He noted the testimony about the Brick House being a good neighbor and said his family owned the Brick House. He said he couldn't help where he was located and was tied to the business next door. He wanted the Council to understand he was willing to work with them to make a safer cleaner downtown. He met with Chief Jerry Smith on a few occasions and relayed his interest in working with the Police. He had worked with the officers, and let them look through the whole bar. He encouraged the Police officers to come down more often because it ran out customers he didn't want. He referred to statistics of drug arrests in his bar, several of which he helped by putting people under citizen's arrest. He wanted people in the bar to see they would be arrested if dealing drugs. They had a Blues Band every Friday night and last week only had a small crowd, but he was trying. He liked Jack and was willing to work with him, but they ran their businesses differently. He was looking forward to the new jail opening so we could clean up downtown. If the Council recommended granting his liquor license, he would assure them there would be no drugs. He noted in conclusion that he ran people off that loitered on the sidewalk outside his bar. He was told by OLCC and Chief Smith to be cautious because people had the right to be on the sidewalk. What went on outside the bar was not going on inside. He invited each of the Councilors to come in and have lunch. He was looking forward to working together and finding a solution downtown. He asked the Council not to tie him in with what had been going on next door for years.

Mr. Leahy noted that there was no protocol on the "John Doe", but the City did have a requirement that those submitting written testimony provide name and address for the record.

John Doe did not come forward to speak.

20. Karen Frost, 4501 Franklin Boulevard, Springfield, OR. Ms. Frost asked why the City was building the jail if they didn't want criminals downtown. There would be a lot of people going to court and getting out of jail walking downtown. She didn't understand why she had to call the probation board about certain things. Police could pick up their criminals from downtown if they wanted to, but they seemed to ignore it. There had been a no tolerance rule at the bar and always had been. She felt the City wasn't do their job and getting the criminals.

21. Vanessa Hayles, homeless. She said she hung out at Club 420 from morning to night and saw what was going on. She had built personal relationships with a lot of bartenders and Jack and they were beautiful people. They had asked her to help control the issue, so she monitored the

restrooms to make sure there were not more than two people at once. She said most bars had a patio area for smokers because of the new law. She asked how many bars had established a smoking area for their customers. Many hadn't and the people were standing out on the streets instead.

22. Riley Smith, 329 Main Street, Springfield, OR. Mr. Smith said he owned Lifetime Tattoos. He said their business was moving out of the neighborhood. They had been there about 18 months, but a tattoo shop had been there for about 20 years. During that time, they had opened four other businesses, an art gallery, and a trade school for tattoo artists. They provided fourteen family wage jobs. They were moving because of crime, hookers, drugs, and other problems. His other businesses were in Eugene. He was moving his downtown business to 14th Street. It wasn't far, but there were street lights there and no crime at night. Businesses over there were flourishing. He said they were the only business downtown that sent Christmas cards, including one to the Mayor. No one reciprocated, but he hoped to get one from the Mayor next year. He never met Jack Dugger, even though their businesses were near each other. There were no drugs out in front or back of his (Mr. Smith's) business or in front of the other bars around. He asked the City to do the right thing. He wanted to keep his business in Springfield and hoped it would work on 14th. The hairdresser downtown was also moving due to these issues. He would like the City to do something to change this. His was the only business open after dark that wasn't a bar. His school was open as late as their shop.
23. Richard Welch, 136 4th Street, Springfield, OR. Mr. Welch said he was the owner of the Brick House. He was here to back up his brother (Robert Welch, owner of Stables). If his brother said he would work with the Police, he would do that. He and his brother were not drug tolerant. He asked Council to give his brother a little longer chance and watch what he did.

Mayor Leiken closed the public hearing.

Mayor Leiken asked Chief Smith if the crimes and statistics in the packet were misdemeanors which would be prosecuted and carried out in the new municipal jail.

Chief Smith said there was a mixture of misdemeanor and felony instances in the packet. The misdemeanor crimes would go through municipal court and be subjected to whatever sanctions the court imposed. The felonies would go to circuit court and the City had no control over those cases.

Mayor Leiken asked Chief Smith if, in his judgment, many of the folks that committed felonies also committed misdemeanors.

Chief Smith said there were many people that committed felonies who also committed misdemeanors.

Mayor Leiken said with the approval of the citizens of the community, the municipal jail was being built. He asked Chief Smith if, again in his judgment, he felt many of the issues being dealt with in tonight's report could be cleaned up more proactively when the jail opened.

Chief Smith said he was personally convinced that operating a jail would reduce crime over the entire City. To some degree, it would have an impact on downtown. The environment of the

downtown created the calls for service. The jail would have an impact on that while the people were locked up, but once released, they may return to their previous behavior.

Councilor Lundberg said she wanted to look at the 5 year trend calls for service and at each individual business. It was legitimate to separate Stables and Club 420 because Stables was a newer business and needed time. They needed to take into consideration the track record, proximity and relationships. She wanted to look at Jim's Landing as well.

Mr. Puent said the recommendation for Jim's Landing was 'no recommendation'.

Councilor Lundberg said she would consider looking at a similar recommendation for Stables. She asked what made a call associated with one address over another.

Mr. Puent said Jim's Landing and the apartments above had the same address in the report.

Councilor Lundberg asked how the police established where the call was assigned.

Mr. Puent said calls could come from the establishment, someone in the establishment, or someone outside establishment.

Chief Smith said when an event occurred, the address of the call, whether in or out of the establishment, was given for the calls for service. If they ran the activity for all calls for service at the Police Department, there would be a lot of activity. It was based on where the event was occurring.

Councilor Lundberg said it was somewhat subjective regarding locations.

Mr. Leahy said there was some subjectivity, but it was across the board for every address in the City. They looked at the numbers equally.

Councilor Lundberg said she understood, but wanted to clarify. She wanted to be as objective as possible in looking at each of the five establishments.

Mayor Leiken said one of the best cheerleaders for Springfield's downtown over the years had been Alethalou. During her testimony, she said the Brick House was good neighbor. Alethalou always spoke her mind and her testimony was good to hear. The brothers and Mom owned the Brick House and Stables. Councilor Lundberg brought up a good point regarding the source of calls for service. He didn't expect he would be voting to break a tie tonight, but he would be more inclined to suggest the Council give Stables an opportunity. Alethalou's testimony was very strong and Stables was under the same ownership as the Brick House and could work well with our Police Department. He also suggested doing a three to six month check in throughout the year. The ownership was fairly new and he felt it was worthwhile to give them an opportunity. Regarding Riley Smith's business, he said he was sorry to see them leave downtown. The City was working on the issues and he hoped Mr. Smith stayed in Springfield.

Councilor Pishioneri said he appreciated all the testimony, and noted it made his job more difficult. In looking at the numbers, it was not ciphered out who generated the calls (citizen or officer). That could change the numbers slightly. The energy behind Mr. Smith interested him. He was not sure why staff was recommending a 'no recommendation' for Jim's Landing when there

was more of a significant increase in calls for service than Stables. He would be inclined to vote on each business independently.

Councilor Leezer said she agreed there was not enough history to judge Stables. She felt they needed to allow some time and review it again.

Councilor Ralston spoke regarding the testimony. He referred to Mary McDonald's comment that Club 420 couldn't be blamed. Chief Smith answered that by saying the environment downtown was creating the problem. He also heard someone say something about no loitering laws downtown and he saw that as a problem. He thought that would take care of a lot of issues and should be addressed. He didn't see the problems in the statistics at Stables as he did with Club 420 or Jim's Landing. If he would have heard Mr. Welch yesterday, he would have had lunch at Stables today to check it out. He believed in what Mr. Welch said about no tolerance and that there was a place downtown for a good bar. There was also no doubt that if Club 420 closed, people were going to move somewhere else. If the Council gave Stables another chance, and the problem moved to Stables or Jim's Landing, they might need to close that place, too. He agreed that Council needed to look at each business individually to give them a chance to prove themselves. There would be no tolerance for these issues.

Councilor Simmons agreed with Councilor Pishioneri that they should vote on them individually. They were individual establishments and behaved differently. Based on the facts from the August 2008 activity plus the new binder, he would have originally supported staff recommendation. Based on the testimony, he would assess it slightly differently. He believed the facts spoke for themselves. When they looked at the observations by OLCC and the activity, the 420 Club was in peril. That by itself was one problem to deal with. He didn't feel there were enough facts on Jim's Landing because they had a newer owner. Looking at the sanitarians inspections, there were different names on different legal documents. They needed to look at them individually.

Councilor Wylie thanked everyone for testifying. There was a lot of emotion around this issue. Springfield was waking up to a serious homeless problem and looking at solutions. There might be some better places for the homeless to go. The facts did speak for themselves. It broke her heart to hear that the tattoo shop was leaving downtown. The City was striving to make it a healthy economic downtown for everyone. She would appreciate voting individually.

Mayor Leiken asked the City Attorney if Council could take each establishment separately.
Yes.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO RECOMMEND DENIAL BY THE OLCC TO THE 420 CLUB. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO RECOMMEND OLCC GRANT TO THE BRICK HOUSE. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO RECOMMEND OLCC GRANT TO BRIGHT OAKS MEATS. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO RECOMMEND OLCC GRANT TO STABLES.

Councilor Pishioneri said his recommendation would be to not provide a recommendation due to the activity at that location. That would allow OLCC to follow-up.

Councilor Lundberg said her experience was that OLCC wanted to work with people. Even a 'no recommendation' was like giving them a trial period. She felt it was legitimate, even as a business owner, to go forward with a 'no recommendation' and feel comfortable.

Councilor Lundberg withdrew the second on the motion.

Councilor Ralston asked if anyone else would second the original motion. No.

IT WAS MOVED BY COUNCILOR PISHIONERI WITH A SECOND BY COUNCILOR LUNDBERG TO ISSUE A NO RECOMMENDATION TO OLCC FOR RENEWAL OF LICENSE FOR STABLES. THE MOTION PASSED WITH A VOTE OF 5 FOR 1 AGAINST (RALSTON).

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO ISSUE A NO RECOMMENDATION TO OLCC FOR RENEWAL OF LICENSE FOR JIM'S LANDING. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

4. Code Amendment - Emergency Homeless Shelter.

ORDINANCE NO. 6244 – AN ORDINANCE AMENDING SECTIONS 8.000-8.016 OF THE SPRINGFIELD MUNICIPAL CODE AND DECLARING AN EMERGENCY.

Planning Supervisor Jim Donovan presented the staff report on this item. At its June 15, 2009 Work Session the City Council directed staff to prepare an Ordinance that, if adopted, would amend the Municipal Code to expand emergency overnight homeless shelter provisions consistent with the Council Briefing Memorandum presented. Pursuant to that direction, the Council Briefing Memorandum has been updated with additional information and the attached ordinance would allow overnight parking in certain church parking lots under the authority of the City and the supervision of the St. Vincent DePaul Overnight Parking Program.

The attached staff report includes updated information, conclusions and a final recommendation of adoption. If adopted, Staff will proceed with a coordinated implementation plan for the pilot project and initial budget not to exceed \$7000. The implementation plan will include a City Council update at the first regular session in December at which time the City Council may consider further actions.

Mr. Donovan said this was under an emergency clause and was scheduled to go for one year through June 30, 2010 to match the budget year. Further financing opportunities would be sought for this program. He entered into the record a letter from Superintendent Nancy Golden from the School District.

Mr. Donovan talked about the issues around time and resources needed in cleaning up homeless camps. He asked an officer in Eugene how many camps they had to clean up and noted there was an 80 to 90 percent reduction with their new ordinances. None of the issues were related to the homeless camps in churches. The \$7000 requested in the budget for this program would be less than the cost of homeless camp removal. The code amendment was included in the ordinance and had been reviewed and approved by the City Attorney, and included all of the Council's recommendations.

Councilor Pishioneri said about 10 churches were willing to participate at this time. He asked if there was a mechanism to limit the number of churches at this time, or if it could expand.

Mr. Donovan said he would recommend staying with the amount until June 30, but would bring back an update on the program's successes and needs prior to the winter recess around Christmas. The \$6500 was for 10 churches and St. Vincent DePaul (SVDP) was absorbing quite a bit of the overhead costs and providing great service. If we had more volunteers than anticipated, we would ask SVDP to help us get through until staff could get back to Council. Council had full discretion and authority to expand or reduce the program or budget.

Mayor Leiken opened the public hearing.

1. Chanda Rosales, Representing the 1st Baptist Church of Springfield, 1175 G Street, Springfield, OR. Ms. Rosales said she wanted to go on the record as saying their congregation was enthusiastically welcoming a homeless family to stay on their property.
2. Tom Wilson, 665 Level Lane, Springfield, OR. Mr. Wilson said it was interesting to discuss this after the previous hearing. He thanked the Councilors and staff for going forward with this. He also welcomed Fred Simmons back to the Council. He hoped our churches not only could provide a parking space to accommodate the problem, but also to help people solve their problems. A parking spot in a church parking lot was a good start. In some churches, the parking lot was not the best spot to park, so he asked if there could be other options.
3. Janet Beckman, 672 North 32nd Street, Springfield, OR. Ms. Beckman said she was the homeless liaison for the Springfield School District. She asked the Council to imagine they only had 30 seconds to get their most valued possessions out of their house and to decide what they would take. She asked them to imagine they had a senior in high school and other children in other grades, but their only relatives lived in other communities. How could they get the kids to school? Would it be nicer if they could have a trailer in a church parking lot? Our kids deserved the best and a safe place to be at night. They needed a place they could know their parents would be when they got out of school. This was a start.
4. Gloria Griffith, 90984 Hill Road, Springfield, OR. Ms. Griffith spoke on behalf of Elaine Hayes who had to leave the meeting. She said she was frustrated that many of the press had left. She said Elaine asked that Council support this proposal. Her heart ached for children that, by not fault of their own, had ended up homeless and taken out of school. To be able to provide a trailer or other mobile unit for a family to live in would be greatly appreciated. She provided a Resource brochure with the City Recorder developed by the SAFER program.
5. Carole Elliott, 351 S. 52nd Street, Springfield, OR. Ms. Elliott wanted to remind the Council, after hearing those that blamed the homeless, that SVDP worked with the homeless people

and did a good job. Not all homeless people were criminals and it shouldn't be a crime not to have a home. She thanked the Council for doing something about it.

6. Robin Barrett, 2555 Gateway Street Apt. 70, Springfield, OR. Mr. Barrett said he didn't know he had to fill out card to speak when he first arrived. He said he was the Junior Warden at St. John's Divine at the corner of Game Farm and Harlow. This program was good. One of their Episcopal Churches in Eugene had been running this program for a couple of years and had good reports. They were looking at it from a point of outreach to help people. Their church did have a large parking lot, with a lot of tall trees and was protected from outside visual, and the LTD bus stop was right there. He felt it would be wonderful. He had contacted SVDP who was sending out a speaker for the church's meeting. He felt they would go for the program, enjoy it and work hard at the program. He thanked the City for getting this program started.
7. Edith Roberts, 2510 Woodlawn Drive, Eugene, OR. Ms. Roberts said she was an active member of the Springfield Church of the Brethren on Main Street. Many of the church members strongly supported creating the services for homeless in Springfield. The Church of the Brethren was expanding their services to the homeless. Learning from the 10 year experience from SVDP and Eugene, she felt the proposal for Springfield could be implemented quite successfully.

Mayor Leiken closed the public hearing.

Councilor Lundberg said it had been one of her hopes to do this and it was nice to see the church community coming forward and taking care of the families. She had personal experience with the Brattain House and lots of people would benefit from this. It was nice to see the compassion in the community and do something positive. She was very happy this was happening.

Councilor Simmons said he was supportive of the program. He noted concern regarding fire safety in mobile homes. He asked if there was any process, support or program that would assist homeless folks if they didn't have heat in the structure so they didn't use their stove for heat. He asked if there was a way the City could assist through the HOME program regarding a fire safety component.

Mr. Donovan said that was a point well taken. Staff discussed that eventually churches would provide something of their own choosing for the home. The program allowed one vehicle, which could include an RV or standard vehicle. It could be a double edged sword to go beyond that at this time in terms of utilities, temporary power, etc. Because speed was of the essence, they opted to go with the current wording and continue to work with SVDP and the churches for personal preferences. They would also seek other sources of funding that might allow helping with utilities in the future. The housing staff, who had worked for years on homeless shelters and this type of ordinance, would continue to look for alternate sources of funding.

Councilor Wylie said the City could ask SVDP to help people who participate in the program understand the fire safety issues.

Mr. Donovan said SVDP may be aware, but he would talk to them about that. Their top priority was to help families with children and safety would be of the utmost importance.

Councilor Ralston said he hadn't seen anywhere in the ordinance that restricted the program to 10 places. He didn't want to limit it to ten in case more wanted to join. He referred to the testimony regarding the differences in the church properties and asked if we could look at each site individually. He asked about the Code regarding parking spots and if anything in the Code would prohibit a church from participating due to limited parking spots.

Mr. Donovan said the program was geared toward churches that were functioning as a church and met standards for setbacks and parking. There were other issues regarding parking on undeveloped sites such as stormwater and sanitation. The ordinance could be expanded in the future with Council direction. Until they had more evidence on neighborhood impact, etc. they needed to focus the initial resources on sites that were best suited. Staff would return with initial results and options.

Mr. Leahy said this didn't require the planning staff to count the number of parking spaces in the lot and would allow some flexibility.

Mr. Donovan said the ordinance said one vehicle for sleeping. Some congregations asked if there would be a problem if there was an RV and also a vehicle for transportation. He said staff from housing, building officials, code enforcement and police would sit down and work out some of those details and handle them at the staff level. If someone participating in the program parked one RV for sleeping purposes and also parked their means of transportation elsewhere on the lot, he wouldn't consider them in violation.

Mayor Leiken thanked staff for their work on this. He also thanked those from SAFER for pushing this. It was a good partnership and a good start.

Mr. Donovan said this couldn't happen without council leadership. From the first meeting with the homeless advocates, they had worked to move this forward as quickly as possible and allow for expansion to assist families in Springfield that were homeless. He thanked Council for their leadership.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO ADOPT ORDINANCE NO. 6244. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

BUSINESS FROM THE AUDIENCE

1. Susie Polen, 833 Oak Orchard, Springfield, OR. Ms. Polen said she was here on behalf of her family who owned property on Olympic Street. They had recently developed the property with the new Abby's. After they developed the property, they learned there were some SDC credits left over. They were hoping the City would consider donating those to the Relief Nursery for their new location in Springfield. Her family didn't have any gain other than helping them out. The family was interested in asking if Council could consider that.

Mayor Leiken said the Council just discussed this during their work session and was something staff continued to work on. Assistant Public Works Director Len Goodwin could contact her as this moved forward.

Michael Yokum had filled out a card, but did not appear to speak.

COUNCIL RESPONSE

CORRESPONDENCE AND PETITIONS

BIDS

ORDINANCES

BUSINESS FROM THE CITY COUNCIL

2. Committee Appointments

3. Business from Council

a. Committee Reports

1. Councilor Wylie said a number of people had testified tonight that the lighting was poor in downtown. She would like staff to look into that.

Mr. Grimaldi said they would.

BUSINESS FROM THE CITY MANAGER

1. June 2009, Disbursements for Approval.

Finance Director Bob Duey presented the staff report on this item. The JUNE 2009 Disbursements for Approval is attached for your review and approval.

Checks totaling \$9,978,411.22 were issued in JUNE 2009. Documentation supporting these payments has been reviewed.

Councilor Lundberg recused herself from this item due to a conflict of interest. There were checks included that were payable to her employer.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR PISHIONERI TO APPROVE THE JUNE 2009 DISBURSEMENTS FOR APPROVAL. THE MOTION WAS APPROVED WITH A VOTE OF 5 FOR AND 0 AGAINST (1 ABSTENTION – LUNDBERG).

2. Agreement with Independent Contractor David Logan to Provide Municipal Prosecutor Services to the City of Springfield.

Assistant City Manager Jeff Towery presented the staff report on this item. The City of Springfield contracts for municipal prosecutor services. The current contract with David Logan expired on June 30, 2009 and is continuing pending City Council action.

The proposed one-year agreement results in a monthly cost of \$19,398. This is no change from the current amount. The contract covers the cost of the City Prosecutor, one full-time clerk and

three half-time clerks. The contract amount is distributed to the General Fund (87%) and the police levy (13%). The full amount of the contract is included in the FY2009-10 budget.

Under the terms of the proposed agreement, the City Prosecutor will provide approximately 135 hours of professional legal services per month for the City. In addition, the City Prosecutor is required to employ clerical support necessary to carry out the work of the City Prosecutor's Office.

During Budget Committee meetings this year, there was some discussion about the possible review of the contract, exploration of other providers and in-house service options. Any or all of those approaches are within the Council's purview to analyze and implement. Based on the timing of the budget process and the planned opening of the municipal jail, staff recommends that any exploration of alternatives occur prior to consideration of a contract for FY10-11. Any direction provided by the Council will be incorporated into a work plan for the coming year.

It is recommended that the proposed contract be approved.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO AUTHORIZE THE CITY MANAGER TO EXECUTE THE PROPOSED AGREEMENT WITH DAVID LOGAN FOR PROSECUTOR SERVICES FOR THE PERIOD FROM JULY 1, 2009 TO JUNE 30, 2010. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO PROVIDE DIRECTION FOR PROCESS RELATED TO FUTURE YEAR'S CITY PROSECUTOR SERVICES. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

3. Request for Interim Financing for St. Vincent DePaul (SVDP) to Acquire an Apartment Building in the Downtown Area, Located at 133 Mill Street.

This item was pulled from the agenda because the sale was called off.

4. Sanipac Rate Increase.

RESOLUTION NO. 09-31 – A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF SPRINGFIELD AMENDING THE MASTER SCHEDULE OF MISCELLANEOUS FEES AND CHARGES, RATES, PERMITS AND LICENSES IN ORDER TO AMEND THE AMOUNT OF THE GARBAGE AND REFUSE RATES.

Mayor Leiken recused himself from the Sanipac item because his wife worked for one of the parent companies of Sanipac.

Councilor Ralston presided over the next two items of the meeting.

Assistant Public Works Director Len Goodwin presented the staff report on this item. The Board of County Commissioners has determined, as part of the County budget process, that the rate imposed on solid waste haulers for disposal of waste at the Short Mountain landfill should be increased, effective August 1, 2009, from \$65 per ton to \$67 per ton. This increase will,

according to the Board, fund enhancements to recycling programs. The user rate collected by Sanipac has two components: an amount designed to allow Sanipac a reasonable rate of return on its costs; and a separate component for the cost of disposal of the waste. Sanipac's request does not affect the first component and will not result in an increased rate of return. The proposed increase will represent an increase of approximately three quarters of one percent in most residential rates.

Sanipac last increased its rates in May, 2008. Under the current franchise, Sanipac is permitted to request increases annually, but is also permitted to seek supplemental increases when costs increase as a result of governmental action. The franchise expressly allows for the pass through of rates for disposal. Sanipac has requested that the increase be effective August 1, 2009.

Staff believed that the request by Sanipac is reasonable and appropriate, and recommends approval.

Councilor Lundberg asked if there was anyone from Sanipac in the audience. Yes. She confirmed that there had been no increase in rates for one year. That was correct. She noted an issue she had with Sanipac regarding her bill for yard debris. The person she talked with from Sanipac told her politely that the City Council had raised the rate, but she noted that Council was supposed to vote on it later tonight. She wanted to make sure that didn't happen again. She said it was frustrating that the City was blamed for the pass-through fees that came from the County. She would like to point out that it was the County that first imposed the additional cost.

Mr. Goodwin said he would talk to Sanipac's customer service people about how they communicate that information to citizens.

Councilor Simmons said the financing of the solid waste disposal system was very underfunded. There was no money set aside for a new dump site. A ten cent increase now would be nothing compared to fees implemented for a new dump site. This was very small compared to future costs.

IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR PISHIONERI TO ADOPT RESOLUTION NO. 09-31. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

5. Sanipac Franchise.

Assistant Public Works Director Len Goodwin presented the staff report on this item. Section 18 of the franchise requires prior written approval of any transfer of an ownership interest in the franchise. It further provides that if the proposed transferee meets all the requirements imposed by the franchise and applicable requirements of the Springfield Municipal Code such consent shall not be withheld.

The proposed transferee is a publicly held corporation with a number of franchises in Oregon and in other northwest cities and counties. Attached is an excerpt from their most recent filing with the Securities and Exchange Commission which discusses the company. A summary examination of their audited financial statements discloses no reason to doubt the financial ability to operate the franchise. They appear to be well capitalized and growing rapidly, even in the current economic environment. Since the company also owns landfills, we examined their statements and

discerned they have a low level of unfunded liability for capping and closure expenses. Inquiries with the Department of Environmental Quality and a number of other cities served by units of Waste Connections discloses no information which would tend to indicate that the proposed transferee is not fully capable of complying with the franchise and the relevant provisions of the Springfield Municipal Code. We have made numerous contacts with other jurisdictions where Waste Connections has acquired an existing service. Uniformly the company is praised, particularly for their attitude toward customer service and community support.

Since the form of the transaction is a sale of stock, Sanipac will remain the operating entity and all existing obligations will not be affected by the transaction.

The franchise is a five year grant which provides for a rolling renewal annually. Under that provision, unless the City gives notice to the franchise at least 30 days prior to October 1 of any year, the franchise automatically renews for a succeeding year. If the City does give such notice the franchise will terminate five years from the date of such notice unless the City and the franchisee, by mutual agreement, renew or extend the franchise.

Mr. Goodwin said City staff did due diligence to check out the new company. He said there were members of the current ownership and from Waste Connections in the audience. One of the questions Mr. Goodwin asked about was the extent to which Waste Connections had unfunded liabilities for their existing landfills. They had a small liability for landfills currently owned. Everything staff had seen from their financials and communications with other cities contracting with Waste Connections indicated they were capable of performing under our ordinance and complying with our franchise agreement. He had met with representatives from Waste Connections and reminded them how important the City felt the customer service from Sanipac to the citizens had been and the Council would expect that standard to be maintained. They had assured him they would do so, and the current owners of the stock indicated that Waste Connections would meet that standard.

Councilor Pishioneri asked if there was any history of how well Waste Connections had served the cities they currently served.

Mr. Goodwin said he had communicated with many cities that had Waste Connections, who indicated the level of customer service had remained the same or had improved. They had not experienced substantial or unusual rate increases. There were always issues that needed to be faced as with all servers. The Department of Environmental Quality (DEQ) also had no issues.

Councilor Lundberg said because this was a new agreement, needed to be approved by Council, and was an automatic rollover, she would like to ask for a report after the first year giving Council a check-in so it could be assessed. It would be prudent on Council's part.

Mr. Goodwin said under the franchise, the company was required to provide an annual report. He would make sure the next one was presented sufficiently in advance so Council could have time, if they chose, to cut off the automatic rollover.

Councilor Wylie asked if Waste Connections had a commitment to recycling. Yes.

IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR PISHIONERI TO AUTHORIZE THE TRANSFER OF OWNERSHIP OF THE SANIPAC FRANCHISE TO WASTE CONNECTIONS, INC. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

Mayor Leiken presided over the remainder of the meeting.

Mr. Grimaldi reminded the Council that they had two more meetings this week. There was a joint elected officials meeting with the City of Eugene on Tuesday, July 21 at Noon, and a joint elected officials meeting with Lane County on Wednesday, July 22 at 5:30pm, followed by a special regular meeting.

BUSINESS FROM THE CITY ATTORNEY

ADJOURNMENT

The meeting was adjourned at approximately 9:30 p.m.

Minutes Recorder Amy Sowa


Sidney W. Leiken
Mayor

Attest:


City Recorder