



MINUTES
KEIZER CITY COUNCIL
Monday, June 7, 2010
Keizer Civic Center, Council Chambers
Keizer, Oregon

CALL TO ORDER

Mayor Christopher called the meeting to order at 7:00 pm. Roll Call was taken as follows:

Present:

Lore Christopher, Mayor
Jim Taylor, Council President
Richard Walsh, Councilor
Cathy Clark, Councilor
Mark Caillier, Councilor
David McKane, Councilor
Brandon Smith, Councilor

Staff:

Shannon Johnson, City Attorney
Chris Eppley, City Manager
Rob Kissler, Public Works
Nate Brown, Community Development
Marc Adams, Police Chief
Kevin Watson, Assist. to the City Mgr.
Susan Gahlsdorf, Finance Director
Tracy Davis, City Recorder

FLAG SALUTE

PUBLIC TESTIMONY

Andrew Mulholland, Keizer, thanked Council for all they had done for the Keizer and noted that the building cap was already in place at Keizer Station Area C to accommodate a "big box" store. He predicted that if a big box grocery store is allowed in Area C grocery stores located in Keizer would be put out of business within 5 years. He threatened that should Council allow a big box store in Keizer Station, he would visit each business and let them know who had caused their demise and destroyed River Road and the heart of Keizer.

Teresa Thompson, Keizer, explained that she had moved away from an area near big box stores and expressed opposition to allowing a big box store at Keizer Station Area C.

Kevin Hohnbaum, Keizer, noted that without transparent communication citizens grow suspicious. He claimed that Council actions over the past 2½ years had changed the zoning for Area C from Mixed Use to Commercial Retail without using the proper zone change process and urged that clear communication be used to keep citizens informed. He indicated that he was considering filing an initiative banning big box stores in Keizer should the Council approve the text amendment on the agenda.

Shane Wyer, Keizer, voiced opposition to allowing a Walmart store in Keizer and predicted disaster for the city.

Trish Crenshaw, Keizer, voiced support for a big box store, explaining that she lives in a high traffic area and has adjusted to change and that a big box store will provide more jobs for the city.

Jeff Anderson, Keizer, voiced opposition to a big box store in Keizer. He predicted closure of grocery stores on River Road if a Walmart comes into town, encouraged Council to preserve business on River Road and predicted an increase in crime if Walmart comes to this location. In response Chief Adams noted that any large store in a large complex will increase calls for service but he hasn't seen any statistics by "brand". He also indicated that larger chains have their own security so there may be fewer calls for service.

Frank Pauley, Keizer, disagreed noting that Walmart attracts a lower economic clientele that gets involved in crime more often. He noted that voting for this would be a political mistake.

Vickie Hilgemann, Keizer Parks Foundation, presented a check for \$1860 from the Foundation to supplement donations for the Wild Wild Rec Program. She added that the trailer is now filled with recreational equipment from a grant from the Salem Foundation and on June 22 the program will begin. She explained that this program is a partnership with Boys & Girls Club, Keizer Rotary, The Parks Foundation and the City of Keizer and reviewed the schedule. She also explained that Witham Gardens are up and running with 16 plots and a plan to have more next year. She thanked Key Bank for their assistance in this effort. Finally she encouraged everyone to plan on attending the unveiling of Marie Dorian interpretive sign at Keizer Station Park which will be dedicated on July 10 at 2 pm and requested volunteers to help with the dedication.

PUBLIC HEARING
a. ORDINANCE ~
Amending the
Utility License
Fees for Sewer
Utilities

Finance Director Susan Gahlsdorf reviewed the history of the Sewer Utilities Fee, explained that consumers had been notified of the increase and that the fee would be reviewed annually during the City Budget process to determine if continuation of the fee is in the best interest of the community. She then explained revenue that the fee would generate and what it would be used for.

City Attorney Shannon Johnson brought Council attention to a revision that was added after the packet deadline which addresses sunseting the charges on either sewer or storm water. He explained that "sunseting" would not be appropriate but he had provided verbiage for amending the ordinance. Discussion then took place regarding lowering or eliminating the fees prior to the annual review with Mr. Eppler explaining that the Council would need to direct staff to conduct a half-year analysis of expenditures and report to Council in order to revise the ordinance.

Mayor Christopher opened the Public Hearing.

Dave Bauer, Keizer, commended the members of the Budget Committee that had encouraged revisiting the Budget for various reasons and urged that Council reconsider instituting the added fees in the budget.

Sandi King, Keizer, voiced opposition to the fees on the utilities.

With no further testimony, Mayor Christopher closed the Public Hearing.

Councilor Taylor moved to approve a Bill for an Ordinance Amending the Utility License Fees for Sewer Utilities in the City of Keizer and Declaring an Emergency (Amending Ordinance Number 2002-468; Repealing Ordinance Number 2003-488). Councilor Clark seconded.

Councilor McKane summarized the cuts taken and applauded city staff and the Budget Committee for their work on the Budget: Savings of \$470,000 in materials and service; Savings of \$52,000 by freezing salaries of non-represented employees at City Hall; for a total of \$522,000 trimmed out of the budget. He voiced the opinion that although it is a good budget, it could have been better and he was not happy with the fee increases.

Councilor Smith made a friendly amendment that the automatic fee reduction be included in section 4: "The automatic fee reduction, the license fee for the billing cycle beginning with the July/August 2011 billing period shall automatically revert to 5% of any and all gross revenues."
Amendment accepted by Councilors Taylor and Clark.

Amended motion passed as follows:

AYES: Christopher, Walsh, Smith, Taylor and Clark (5)

NAYS: McKane and Caillier (2)

ABSTENTIONS: None (0)

ABSENT: None (0)

**b. RESOLUTION ~
Amending the
Storm Water
Utility Fee**

Finance Director Susan Gahlsdorf explained that the fee is currently \$2.70 per month and the proposed increase would be \$3.825 per month. She explained that the fee would fund Federal and State mandates for two additional programs. Mayor Christopher explained that this is not a budget balancing bill but is required by the Federal government through the Clean Water Act. Public Works Director, Rob Kissler, provided additional information and clarification regarding the stormwater utility program, regulations and repairs.

Mayor Christopher opened the Public Hearing. With no testimony, Mayor Christopher closed the Public Hearing.

Councilor Taylor moved to adopt an Ordinance Amending the Storm Water Utility Fee and Declaring an Emergency (Amending Resolution R2007-1808). Councilor Clark seconded. Motion passed unanimously as follows:

AYES: Christopher, Walsh, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

**c. ORDINANCE ~
Establishing
Utility License
Fees for Storm
Water Utilities**

Finance Director Susan Gahlsdorf explained that the proposed fee is 7% and would add approximately \$52,000 to the General Fund which would be used to pay for Police, Parks, Community Development and Administrative Services. She then fielded questions regarding equitable treatment and increasing all funds by the same percentage.

Mayor Christopher opened the Public Hearing.

Ross Nelson, Keizer, voiced opposition to initiating the fee and pointed out various areas where he felt the budget could be further cut in order to avoid this added fee. Director Gahlsdorf responded that the Storm Water Fund has increased due to a Federal mandate but the General Fund has actually decreased. Mr. Eppley provided additional explanation noting that the General Fund which is supported by taxes is down below a 2007 level. Two increased areas are the Stormwater Fund and a capital project for which the city has been saving. Mr. Kissler provided further explanation regarding the project.

Sandi King, Keizer, again voiced opposition to raising any fees adding that perhaps staff needs to be cut instead. Mayor Christopher pointed out that neither the Budget Committee nor the City Council has authority to lay off staff.

Dwight Reinwald, Keizer, voiced resentment over the increased charges or "taxes", expressed anger over the lack of action to reduce the budget and suggested that projects be delayed so that citizens don't have to bear the cost of increased government costs.

With no further testimony, Mayor Christopher closed the Public Hearing.

Councilor Taylor moved to adopt a Bill for an Ordinance Establishing Utility License Fees for Stormwater Utilities in the City of Keizer and Declaring an Emergency. Councilor Walsh seconded.

Councilor McKane noted that the 9% Budget increase was not due solely to the increased funds mentioned by Mr. Eppley but also because Salem had increased their sewer rates and that is passed on to the Keizer consumer as well. He commended staff for their work on the budget but noted that he was opposed to this fee. Responding to questioning by Councilor Smith, Mr. Eppley explained that over the past 4 years the City of Keizer had not imposed fee increases other than for water based on the master plan.

Councilor Smith made a friendly amendment that the automatic fee reduction be included in section 6: "The automatic fee reduction, the

license fee for the billing cycle beginning with the July/August 2011 billing period shall automatically revert to 5% of any and all gross revenues."

Amendment accepted by Councilors Taylor and Walsh.

Councilors Clark, Walsh, Taylor and Smith then each voiced dismay at having to implement the fees. Councilor Caillier explained that the Stormwater Committee recommendation was for 5% not 7% so he would not support this motion.

Amended motion passed as follows:

AYES: Christopher, Walsh, Smith, Taylor and Clark (5)

NAYS: McKane and Caillier (2)

ABSTENTIONS: None (0)

ABSENT: None (0)

Councilor McKane moved to direct the City Manager come back in six months with a report on expenditures and revenues for Council to review.

Mayor Christopher seconded. Motion passed unanimously as follows:

AYES: Christopher, Walsh, Smith, McKane, Caillier, Taylor and Clark (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

**d. RESOLUTION ~
Certification of
Street Lighting
District
Assessments**

Finance Director Susan Gahlsdorf explained that every year the City fronts the cost for supplying electricity to lighting districts and at the end of the year calculates those costs and provides certification to the County who collects the costs via the tax rolls. This resolution certifies the costs to those lighting districts.

Mayor Christopher opened the Public Hearing. With no testimony, Mayor Christopher closed the Public Hearing.

Councilor Taylor moved to adopt Resolution – Certification of Lighting District Assessments. Councilor Smith seconded. Motion passed unanimously as follows:

AYES: Christopher, Walsh, Smith, McKane, Caillier, Taylor and Clark (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

**e. RESOLUTION ~
Adopting
FY2010-2011 City
of Keizer Budget,
Making
Appropriations
and Imposing**

Finance Director Susan Gahlsdorf summarized actions and deliberations of the Budget Committee which culminated in the Committee Approved Budget being presented to Council for adoption. She reviewed the adjustments allowed by Oregon law adding that the budget must be approved by June 30, 2010. She then reviewed adjustments to the committee approved budget identified by staff, fielded questions and provided additional clarification.

and Categorizing Taxes

Mayor Christopher opened the Public Hearing.

Philip Gerstner, Ross Nelson and Dwight Reinwald, Keizer, voiced opposition to the increased fees in the budget, suggested staffing and salary cuts and use of volunteers.

Dale Henson, Keizer, noted that he was a member of the Budget Committee and wondered if revenue projections would be accurate. He questioned what mechanism would be used after the 6-month review. Mr. Eppley explained the process allowed by law: identifying core services and cutting less mission critical services first. He added that it was likely that the City would consider hiring freezes this year.

Mayor Christopher explained that the City has a contract with the police officers and they are 80% of the General Fund. She voiced disappointment that the police officers would not agree to forfeit their annual 2% increase and citizens are therefore paying the added fees.

With no further testimony, Mayor Christopher closed the Public Hearing.

Councilor Taylor moved to approve a Resolution Adopting the FY10-11 Budget, Making Appropriations and Imposing and Categorizing Taxes. Councilor Clark seconded.

Councilor Walsh provided some explanation regarding alternatives to reduce the budget; Councilors McKane and Taylor noted that they would support the budget but that they were not happy with the added fees. Councilor Caillier noted that the added fees would be about \$2.50 per month per household. Councilor Clark commended the volunteers who contribute to the City, reviewed various funding sources and invited citizens to participate in the budget process throughout the year.

Councilor Walsh requested that in an effort to alleviate budget constraints, continuation of fluoridation of water be addressed at a work session. Councilors agreed by consensus to schedule this at a future work session.

Councilor Smith voiced appreciation for the public testimony, explained that budgeting is a year long process and voiced support of the proposed budget.

Motion passed unanimously as follows:

AYES: Christopher, Walsh, Smith, McKane, Caillier, Taylor and Clark (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

Councilor McKane moved to provide formal policy direction to the City Manager that as the General Fund is monitored throughout the year with a hiring freeze and if vacancies occur Council would entertain the City Manager coming to Council and presenting his case as to why it would

be necessary to fill that position and if there are savings, that would go against the increased two fees and eliminate them sooner than the next fiscal year. Councilor Taylor seconded.

Director Gahlsdorf suggested that revenue be considered as well because it is trending downward. Mr. Johnson explained that fees are by ordinance; they can be revisited at any time but City Manager cannot be directed as stated regarding fees and that this direction might overstep Council's role. Mr. Eppley generally explained that this is not typical direction Council would provide in the Council-Manager Plan of government, but because of the economy and drastic measures he was receptive to this direction.

Councilor McKane withdrew his motion.

Councilor Walsh provided clarification on the fees; Councilor Clark suggested that further investigation be done regarding lowering 9-1-1 costs. Chief Adams explained the expenses involved in 9-1-1 and logistics of the program.

ADMINISTRATIVE ACTION

a. RESOLUTION ~ Authorization for Budget Adjustments

Ms. Gahlsdorf reviewed various reasons for transfer of funds allowed by Oregon law and the proposed expenditures.

Councilor Taylor moved to approve a Resolution Authorizing Budget Adjustments for Additional 9-1-1 Communications, Police Equipment, Keizer Station Debt Service, Community Center, Sewer, Water and Street Lighting District Costs. Councilor Smith seconded. Motion passed unanimously as follows:

AYES: Christopher, Walsh, Smith, McKane, Caillier, Taylor and Clark (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

b. ORDINANCE ~ Allowing Reallocation of Keizer Station Retail Limitation; Amending: Keizer Development Code and Ordinances 98-389, 2003-479 and 2007-562 (Second Reading)

Mr. Eppley explained that this matter had come before Council at the previous meeting but was not passed unanimously so was before Council for another vote. Community Development Director Nate Brown explained that the ordinance does not change any allocation; simply the process.

Councilor Taylor moved to adopt an ordinance Allowing Reallocation of Keizer Station Retail Limitation; Amending: Keizer Development Code Sections 2.107 (Mixed Use), 2.109 (Commercial Retail), 2.110 (Commercial Mixed Use), 2.119 (General Employment), 2.125 (Activity Center Overlay Zone, and 3.113 (Keizer Station Master Plan Review); Amending Keizer Station Plan Areas and Design Guidelines (Pages 9 to 10 of Keizer Station Plan); Amending Ordinance 98-389, Ordinance 2003-479 (Exhibit 2, Pages 9 to 10) and Ordinance 2007-562 (Exhibit "C"). Councilor Smith seconded. Motion passed as follows:

AYES: Christopher, Walsh, Smith, McKane and Taylor (5)

NAYS: Clark and Caillier (2)

ABSTENTIONS: None (0)

ABSENT: None (0)

**c. ORDINANCE ~
Amending Keizer
Development
Code Regarding
Section 2.102
(Single Family
Residential, and
Section 2.430
(Public Water
Supply);
Amending
Ordinance 98-389**

Mr. Johnson explained that this matter was before Council following their direction to return with an ordinance adopting revisions to the Single Family Residential and Public Water Supply sections of the Keizer Development Code.

Councilor Taylor moved to adopt a Bill for an Ordinance Amending Keizer Development Code Regarding Section 2.102 (Single Family Residential, and Section 2.430 (Public Water Supply); Amending Ordinance 98-389. Councilor Smith seconded. Motion passed unanimously as follows:

AYES: Christopher, Walsh, Smith, McKane, Caillier, Taylor and Clark (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

**d. ORDINANCE ~
Amending Keizer
Development
Code Regarding
Section 3.112
(Annexations);
Amending
Ordinance 98-389**

Mr. Johnson explained that this matter was before Council following their direction to return with an ordinance adopting revisions to the Annexations section of the Keizer Development Code.

Councilor Taylor moved to adopt a Bill for an Ordinance Amending Keizer Development Code Regarding Section 3.112 (Annexations); Amending Ordinance 98-389. Councilor Clark seconded. Motion passed unanimously as follows:

AYES: Christopher, Walsh, Smith, McKane, Caillier, Taylor and Clark (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

**CONSENT
CALENDAR**

A. RESOLUTION ~ Certification of Delinquent Sewer Accounts
B. RESOLUTION ~ Declaring the City's Election to Receive State Shared Revenues

C. Approval of April 26, 2010 Work Session Minutes

D. Approval of May 3, 2010 Regular Session Minutes

Director Gahlsdorf requested that Item A be pulled.

Councilor Taylor moved for approval of Items B, C and D of the Consent Calendar. Councilor Smith seconded. Motion passed unanimously as follows:

AYES: Christopher, Walsh, McKane, Caillier, Taylor, Smith and Clark (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

Ms. Gahlsdorf reported that since the staff report was prepared, payments were made on five accounts so the delinquent assessment total is \$3,394.24. A revised attachment to the resolution was distributed.

Mayor Christopher moved for approval of Item A of the Consent Calendar. Councilor Taylor seconded. Motion passed unanimously as follows:

AYES: Christopher, Walsh, Smith, McKane, Caillier, Taylor and Clark (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

COMMITTEE REPORTS

a. Swearing in of Keizer Police Reserve Officers

Taken out of Order.

Chief Marc Adams introduced the new Reserves, Dustin Barth and Timothy Dinsmore providing a brief history of each. City Attorney Shannon Johnson administered the Oath of Office.

Councilor Clark commended recipients of the "Turn Around Award": Shandra Tim from McNary; Caleb Faring from Whiteaker; Victor Duarte from Claggett Creek Middle School. She thanked Chief Adams for being the key speaker at the event.

Councilor Walsh commended everyone in the Chamber, Christine Dieker, Teresa Walsh and Dave Wallery for putting on the Iris Festival in unseasonably cold weather.

OTHER BUSINESS

Rob Kissler reminded everyone of paving projects throughout the city. He invited property owners along Chemawa Road North to an open house on June 24 to discuss upcoming improvements with ODOT representatives.

Nate Brown reported on upcoming Planning Commission and West Keizer Neighborhood Association meetings.

Kevin Watson extended an invitation to the upcoming ARES radio group demonstration at the Powerland Museum.

WRITTEN COMMUNICATIONS

None

AGENDA INPUT

June 14, 2010

5:45 p.m. – City Council Work Session

- Chamber of Commerce – Sign Code

June 21, 2010

7:00 p.m. – City Council Regular Session

- Benevan Court Street Lighting District Public Hearing
- Solid Waste Rate Increase Public Hearing

July 6, 2010 (Tuesday)

7:00 p.m. – City Council Regular Session

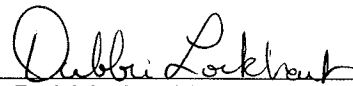
ADJOURNMENT

Mayor Christopher adjourned the meeting at 10:27 p.m.

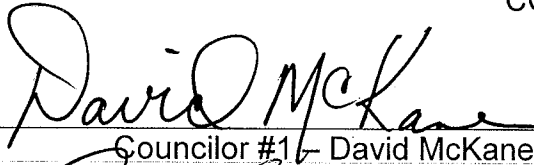
MAYOR:

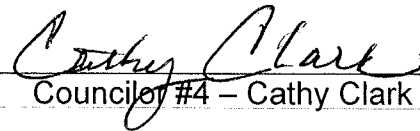

Lore Christopher

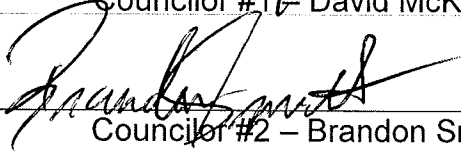
APPROVED:


Debbie Lockhart, Deputy City Recorder

COUNCIL MEMBERS

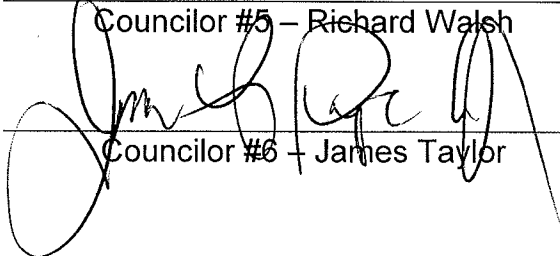

Councilor #1 – David McKane


Councilor #4 – Cathy Clark


Councilor #2 – Brandon Smith

Councilor #5 – Richard Walsh

Councilor #3 – Mark Caillier


Councilor #6 – James Taylor

Minutes approved:

7-6-10