

**PHILOMATH COMMON COUNCIL  
MINUTES  
October 13, 2014**

**1. CALL TO ORDER/ROLL CALL**

The common council of the City of Philomath was called to order on Monday, October 13, 2014, at 7:00 p.m. in the Philomath City Hall Council Chambers by Mayor Rocky Sloan.

Present:

Mayor Rocky Sloan  
Councilor Angie Baca  
Councilor Nolan Bartlow  
Councilor Matt Bierek  
Councilor Charla Koepp  
Councilor Jason Leonard  
Councilor Sean Manning.

Excused:

None

Staff Present:

City Manager Chris Workman  
Chief of Police Ken Elwer  
Public Works Director Kevin Fear

City Attorney Jim Brewer  
Finance Director Joan Swanson  
City Recorder Ruth Post

**2. CONSENT AGENDA**

- 2.1 City Council Minutes – September 8, 2014**
- 2.2 Public Works Committee Minutes – September 4, 2014**
- 2.3 Police Committee Minutes – September 10, 2014**

**MOTION:** Councilor Koepp moved, Councilor Leonard second, to approve the consent agenda and the council agenda for October 13, 2014, as presented. Motion APPROVED 7-0 (Yes: Bierek, Koepp, Leonard, Manning, Baca, Bartlow and Sloan; No: None.)

**3. ITEMS REMOVED FROM CONSENT AGENDA**

- 3.1 None.**

**4. VISITORS/PETITIONS**

- 4.1 Joyce Brynteson, 319 N 13<sup>th</sup> Street, Philomath, OR – Mrs. Brynteson complained about the brush at the south end of her flag lot. She stated that the Police Department states that it isn't the railroad's responsibility to clean it out. She has had numerous conversations with Public Works and has been told that it is her responsibility as the adjacent homeowner to maintain that area of right-of-way. Mayor Sloan stated he had an aerial view showing her lot. He passed it to the other Council members. He stated that there is an ordinance dealing with right-of-way adjacent to a property that makes it the homeowner's responsibility to maintain. Mr. Brewer provided additional explanation about the ordinance. Mr. Fear confirmed the location as a section of unused Pioneer Street and an unmaintained alley to the east. Mrs. Brynteson stated she's lived there for 10 years but this dry summer has her concerned about the brush.**

Mike VanLaere, 44053 Cascara Ln, Philomath, OR – Mr. VanLaere stated he is related to Mrs. Brynteson. He questioned if it is okay for him to cut the brush

1 down. Mr. Fear confirmed that Mr. VanLaere could clear that brush out. There  
2 was discussion about the ability to access the brush area without crossing the  
3 railroad tracks. Mr. VanLaere didn't want to get into any trouble for crossing the  
4 tracks. He said he was willing to pay to have the work done. There was  
5 discussion about the possibility of having a local church group volunteer to assist  
6 with the project. Mayor Sloan requested that Mr. Fear meet with Ms. Brynteson  
7 and Mr. VanLaere to come up with an estimate of how much it would cost for  
8 Public Works to perform the cleanup, and Councilor Leonard offered to contact a  
9 local youth group leader about the possibility of assisting. (Supplemental Agenda  
10 Item #4.1: Speaker forms, map, PMC 9.15.050 and PMC 12.15.050.)  
11

12 **5. PRESENTATIONS**

13 **5.1 Annual Fiscal Audit Report – Matt Graves, Audit Partner at Pauly Rogers and**  
14 **Company, PC** – Mr. Graves provided a summary of the city's independent audit  
15 for the year ended June 30, 2014, for both the City and for the Philomath Urban  
16 Renewal Agency. He described the audit process used. He stated there were no  
17 issues or findings to report to the Council. He stated there were no fiscal  
18 disagreements with management and no significant changes from last year to  
19 this year. Mr. Graves thanked staff for their preparation and work. He stated it's  
20 unusual to be able to complete the audit this soon after the end of the fiscal year  
21 and that is a compliment to the city's staff.  
22

23 **6. STAFF REPORTS**

24 **6.1 City Manager** – Mr. Workman reported on the status of fundraising for the park  
25 shelter, targeting specific businesses and families that have not contributed up to  
26 this point. He stated that three local contractors have stepped up to volunteer  
27 their work and some of staff has volunteered to help work on Saturdays. Mr.  
28 Workman reported on the residential campaign being launched by the Downtown  
29 Association, Chamber and city. He stated it will be a two year campaign with  
30 utube videos and other activities to encourage realtors to bring clients to  
31 Philomath. He stated the kickoff will be a realtor breakfast on October 24 at the  
32 high school. He stated that the Chamber is acting as the fiscal agent for the  
33 campaign. Mr. Workman also reported on a meeting last week with ODOT  
34 personnel regarding the update of the Transportation System Plan over the next  
35 year. He stated this will be an ongoing topic for the Council over the next year.  
36

37 **6.2 Public Works Director** – Mr. Fear reported that the south lagoon rip rap project  
38 is completed and came in slightly under budget. He stated that lagoon cell  
39 number 2 still needs to be done. He stated that Pepper Construction did a good  
40 job, including grading the road before and after their work. Mr. Fear also reported  
41 that there are only 57 transmitters to still be installed on the radio read meters  
42 and installation should be completed by the end of the week. He stated that they  
43 were able to borrow Benton County's crack seal equipment and complete  
44 maintenance on one mile of city streets with a 3-person crew. This treatment will  
45 help extend the life of the streets and they will be using it more in the future. He  
46 stated that routine cleaning and maintenance of storm drains and sewer lines is  
47 next on their agenda.  
48

49 **6.3 City Recorder** – No report.  
50

51 **6.4 Finance Director** – Ms. Swanson reported that she has received property tax  
52 figures from Benton County for the new year. She stated that property tax  
53 revenues are a little more than was anticipated and growth was 3.2%. She  
54 reported on the current status of the HP and Comcast property tax appeal cases.

1 She stated the HP case has been heard by the Supreme Court and it's  
2 anticipated that it will be approximately a year before receiving a ruling. She  
3 reported that the Comcast case was heard by the Supreme Court and was  
4 remanded back to the Tax Court, which is a favorable ruling for the city.  
5

6 **6.5 Police Chief** – Chief Elwer reported the city's two new officers are already at  
7 week 5 of the police academy. He also reported on the switch to body cameras  
8 for the officers and stated they will phase out the car cameras. He explained that  
9 body cameras show what the officer sees and follow the officer where he goes.  
10

11 **6.6 City Attorney** – No report.  
12

13 **7. COUNCIL REPORTS**

14 **6.1 Councilor Leonard** – Councilor Leonard reported on his recent experience riding  
15 along with Sergeant Rueben for a shift. He stated he was impressed with the  
16 Sergeant's interactions with citizens. Mayor Sloan encouraged everyone on the  
17 Council to consider doing a ride along.  
18

19 **8. NEW BUSINESS**

20 **8.1 Park Advisory Board Appointments** – Mr. Workman reminded the Council that  
21 in June staff was directed to reinstate this citizen advisory board. He stated that  
22 five applications have been received and there are seven open positions. He  
23 stated that Mayor Sloan has reviewed the applications. He explained that no  
24 initial meeting date has been set yet but the intent is to meet monthly. Applicants  
25 in attendance introduced themselves: Dale Collins, Malcolm Miner, and Lindy  
26 Young.  
27

28 **MOTION:** Councilor Koeppe moved, Councilor Baca second, to confirm the  
29 mayor's appointments to the Park Advisory Board as presented (Dale Collins,  
30 Malcolm Miner, Ben Folgate, Patrick McDonald, and Lindy Young). Motion  
31 APPROVED 7-0 (Yes: Bierek, Koeppe, Leonard, Manning, Baca, Bartlow and  
32 Sloan; No: None).  
33

34 **8.2 Discussion on Local Tax on Marijuana / Ballot Measure 91** – Mr. Brewer  
35 explained the language in the ballot measure going before the state voters on  
36 November 4, specifically regarding implementation of a state tax and the  
37 language prohibiting local or city taxation. He explained pros and cons of  
38 implementing a local tax before the election, including potential conflict with  
39 federal statute and racketeering laws and explained the theory of a tax being on  
40 the books before the measure can pass and prohibit one. He expanded on the  
41 larger issue of the right of cities to pass their own laws under home rule being in  
42 conflict with language written into a state measure prohibiting just that. Mr.  
43 Brewer stated that there is an option in the measure that does allow for a local  
44 tax approximately a year after measure approval, provided that the local tax is as  
45 a result of an initiative petition and local voter approval.  
46

47 Mr. Brewer explained that staff is requesting direction from Council regarding  
48 presentation of any proposed ordinance. Councilor Baca explained her  
49 preference to not take any action at this time. Councilor Bierek concurred that it  
50 seemed best to wait until after the federal government makes decisions about  
51 how they are going to handle states that legalize marijuana. There was  
52 discussion about the state tax written into the measure. By consensus, Council  
53 chose to take no action at this time. Mr. Workman stated staff will continue to

1 monitor the issue and will likely come back to the Council in 4 to 6 months with  
2 an update.  
3

4 **8.3 Discussion on Proposed Enterprise Zone** – Mr. Workman explained his  
5 memorandum was intended to give the Council an idea of what enterprise zones  
6 are and how they give a 3 year property tax waiver for new construction and  
7 improvements. He stated his biggest concern is that Corvallis has three  
8 enterprise zones. He explained the reason the State gives cities enterprise zones  
9 is to help give smaller communities a tool in competing against larger  
10 metropolitan areas. He stated that Philomath is at a disadvantage in terms of  
11 tools available to attract new industries to locate here and to convince  
12 businesses to stay and grow here. He stated that Council is not being asked to  
13 make a decision on the establishment of an enterprise zone at this time, but is  
14 being asked to direct staff whether to continue with the application process or  
15 not. He stated that there are three public hearings planned during the process  
16 and that, due to minimum notification requirements, a public hearing with the  
17 affected taxing districts is already tentatively scheduled for October 29. An  
18 additional public hearing would be scheduled with the Finance/Administration  
19 Committee prior to the City Council public hearing.  
20

21 Mayor Sloan stated his discomfort with holding a public hearing with the taxing  
22 districts prior to Finance/Administration Committee even having looked at it. He  
23 noted that there is an opportunity to pursue this process in January and he would  
24 be more comfortable with that. Mr. Workman stated that, in addition to the current  
25 enterprise zone openings, there are anticipated to be at least two more available  
26 to apply for in January. Councilor Leonard questioned what businesses have  
27 gone away in the past 10 years and expressed concerns about businesses  
28 requesting tax breaks. Mr. Workman stated that an enterprise zone would  
29 encompass a specific geographic area; and as long as a business wanted to  
30 locate there and qualified for the minimum criteria of job growth, they would be  
31 eligible for the property tax waiver. He stated the qualification criteria is generally  
32 more geared towards industrial development than commercial or retail. Councilor  
33 Leonard stated concerns about staff time to be devoted towards management of  
34 an enterprise zone. Mr. Workman stated he believes it's worth his staff time to  
35 pursue.  
36

37 Councilor Manning questioned what the downside was, if any. Mr. Workman  
38 stated it was just his staff time for the application process. He explained the  
39 negative potential of a business that would have located here even without the  
40 enterprise zone and the subsequent loss of property tax revenue over 3 to 5  
41 years for improvements they made to property. He countered that a project in the  
42 enterprise zone might be more inclined to make a larger structural investment  
43 than without it. Councilor Baca noted the locations of two of the Corvallis  
44 enterprise zones and their proximity to Philomath. She stated she believes it's  
45 worth looking into.  
46

47 Mayor Sloan still had concerns about the public hearing schedule and the  
48 Council being susceptible to questions that they don't have answers to yet. He  
49 did not want the Council to appear uninformed. He questioned where the likely  
50 location of the zone would be. Mr. Workman stated it would primarily be directed  
51 at the property already zoned as industrial park but there was more work to be  
52 done on staff's part to define this. There was discussion about the logistics of  
53 scheduling a Finance/Administration Committee meeting. Mr. Workman offered

1 to schedule a workshop session and bring in speakers familiar with enterprise  
2 zones.

3  
4 Mayor Sloan questioned the format of the public meeting on October 29 and who  
5 would attend from the Council. Mr. Workman stated the Mayor and Council could  
6 attend. He stated the only requirement is for the taxing districts to have an  
7 opportunity to comment but how that information gets relayed to the decision-  
8 making body is irrelevant. He stated that if the Council is unable to attend, staff  
9 will relay the public comments. Mr. Brewer stated it is a public meeting and,  
10 therefore, has an expectation by the taxing districts attending that they are being  
11 given an opportunity to give their perspective on the issue and would expect a  
12 quorum of either the Council or a city committee to hear those comments.  
13 Councilor Koeppé suggested that the Finance/Administration Committee could  
14 hear those comments. She requested further clarification on what type of  
15 property tax concessions are provided in an enterprise zone. Mr. Workman  
16 summarized the property tax waivers available for new construction. There was  
17 discussion about the timing issues and which taxing districts are involved. Mr.  
18 Workman stated that Council does have the option to cancel the meeting on  
19 October 29 if they do not wish to proceed with the process.

20  
21 Mayor Sloan questioned if Council felt they had enough information to proceed.  
22 Consensus was that the Council wanted to proceed with the public hearing  
23 process. It was agreed that the Finance/Administration Committee members plus  
24 the Mayor could represent the Council as a quorum at the October 29 meeting.  
25 Mr. Workman explained that a dialogue is not necessary at the October 29  
26 meeting as it is to receive input from the taxing districts. Mr. Brewer clarified that  
27 only two public hearings are required by the process. Councilor Leonard  
28 questioned how businesses will hear about a new enterprise zone. Mr. Workman  
29 stated that businesses are in conversation with the Corvallis-Benton County  
30 Economic Development Office and would receive information from there. He  
31 provided an example of a business he has spoken to whose employees are all  
32 from Philomath and consequently the business would like to be in Philomath.

33  
34 Councilor Koeppé recommended scheduling the Finance/Administration  
35 Committee meeting immediately following the already scheduled meeting on  
36 October 29. She recommended a backup meeting if the taxing district meeting  
37 runs late. Mr. Brewer explained that the October 29 meeting will be noticed as a  
38 City Council meeting with a public hearing at 7:00 p.m., immediately followed by  
39 the Finance/Administration Committee meeting. In the event that the taxing  
40 district presentations run long, the Finance/Administration Committee will  
41 schedule a backup meeting for Monday, November 3, at 7:00 p.m.

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43 Councilor Bierek recused himself from this issue and stated he would not be in  
44 attendance on October 29.

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46 **9. INFORMATION/CORRESPONDENCE**

- 47 **9.1 Website Report for September 2014** – No comments.
- 48 **9.2 Philomath Connection Ridership Summary for September 2014** – No  
49 comments.
- 50 **9.3 FY2014-2015 First Quarter Budget Update** – Handed out as Supplemental  
51 Agenda Item #9.3. No comments.

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**ADJOURNMENT**

**10.1 Adjournment** –Seeing no further business, Mayor Sloan adjourned the meeting at 8:34 p.m.

SIGNED:  
Rocky Sloan, Mayor

ATTEST:  
Ruth Post, MMC, City Recorder