

**CITY OF PHOENIX
CITY COUNCIL MEETING
PUBLIC WORKS OFFICE
1000 S. "B" STREET
TUESDAY, FEBRUARY 16, 2016
6:30 P.M.**

- 6:30 p.m. **1) Call to order/Roll call**
- 6:31 p.m. **2) Pledge of Allegiance**
- 6:33 p.m. **3) Mayor's Comments**
- 6:38 p.m. **4) Citizens Comments:** of any matter not on the agenda, with each speaker allowed three minutes unless Presiding Officer extends time
Note: Comments on agenda items will be allowed when these items come before Council
(Persons wishing to address Council on any matter are encouraged to do so. Please sign up, and if applicable, indicate the agenda item you want to discuss. When your name is called, step up to the podium, state your name and address for the record and limit your comments to the time allowed by the Presiding Officer. In accordance with state law, copies of the complete recording of this meeting will be available at City Hall. If you are hearing impaired and need accommodation, please give 48 hours prior notice to City Hall).
- 6:48 p.m. **5) Presentations:**
Reserve Officer Appreciation
- 7:00 p.m. **6) Updates/Reports:**
a) PHURA: Presentation of 2016 Goals (30 min)
b) Parks Commission (10 min)
c) Review of Council Action Log (30 min)
- 8:10 p.m. **7) Public Hearing(s)**
- 8:10 p.m. **8) Ordinances, including reading and/or adoption**
- 8:10 p.m. **9) Consent Calendar:**
a) Approval of Minutes from February 1, 2016 Regular City Council Meeting
- 8:15 p.m. **10) Unfinished Business:**
a) Approval of City Manager Review/Performance Standards
b) Approval of Letter to Commissioners Regarding Setbacks for Cannabis Cultivation
c) Approval of Contract for Rose Street Water Project
- 8:35 p.m. **11) New Business:**
a) Discussion of Placing a 3% Sales Tax on Recreational Marijuana
- 8:45 p.m. **12) Questions for Staff:**
a) Attorney's report
b) City Manager's report

8:50 p.m. 13) **Council items, comments/reports** *(any councilor may bring before the Council any business not on the agenda the councilor feels should be deliberated upon by the Council, but the Council may decline formal action on such matters or defer them to a subsequent meeting)*

9:00 p.m. 14) **Adjournment**

Next City of Phoenix Scheduled Meetings:

February 22nd, Planning Commission Meeting
March 7th, City Council Meeting –Cancelled
March 9th, City Council Workshop
March 14th, Planning Commission Meeting
March 15th, Phoenix Urban Renewal Board Meeting
March 21st, City Council Meeting
March 28th, Planning Commission Meeting

AGENDA BILL

AGENDA ITEM: lec

AGENDA TITLE: Review Council Action Log

DATE: 2/10/16

ACTION REQUIRED:

ORDINANCE: _____

RESOLUTION: _____

MOTION: _____

INFORMATION: xx

EXPLANATION:

Please see the attached Council Action Log updated by Steve Dahl. This item was previously discussed at the February 1, 2016 City Council meeting and will come before council for continuing updates at council meetings.

FISCAL IMPACT:

ALTERNATIVES:

STAFF RECOMMENDATION:

MOTION: “:”

PREPARED BY: Janette Boothe **REVIEWED BY:** _____

Council Action Log

| Open Issue | Action | Responsibility | Priority | Estimated Completion Date | Needs Council Approval and/or Feedback |
|---------------------------------|--|----------------|----------|---|---|
| City Manager Performance Review | <p>Appraisal Forms sent out on December 10, 2015. First preliminary evaluation discussion held in Exec Session on January 17, 2016. CM asked to bring a plan and response to the Exec Session on February 1, 2016.</p> | Council | High | Process should be complete by Council Meeting on 2/6/16 | |
| City Website re-design | <p>Need to have a work session where council can inform staff exactly what they would like to see on a website. Have Hired AHHA to redo website and will have committee work to design. Met with Contractor to go over needs from different department 11/09. Currently in development, draft should be before council early next year. AHHA the website developer has provided rough draft to staff. Staff has suggested changes. AHHA is currently updating the rough draft. First week in January preview for staff and training. Will come before Council the second meeting in January. Presenter is ill will reschedule to next meeting in February 1st meeting. Staff is updating old website and creating new pages for the new site. Janie and Steffen are leading the charge.</p> | CM | High | 16-Mar | <p>Council has already indicated that website must be kept up on a daily basis for content.</p> |
| N. Rose Connection TAP Line | <p>Planning Completed. Will go out to bid in November, completion next year. Plans to bring bids to council second meeting in January. Ad will be placed in newspaper and other professional locations this week 12/21. Five companies have take packets and Council will review bid at the second meeting in January. Moved to 1st meeting in February. Three companies have replied. Being reviewed by engineer and on the agenda for Feb. 1st. Council approved bid with the suggested changes for attachment. Final price for contract being negotiation with approved contractor. Will be on Feb 16. agenda.</p> | PD, CM, PWD | High | 16-Mar | <p>Cost under estimate will require Council Resolution on 2/1/2016</p> |
| Talent/Phoenix Water Meter | <p>Meter has been replaced. Currently collecting data to for repayment negotiations. Have preliminary water less records. Workshop for council review set for January 13th. Workshop was held Council wanted more monthly data. More data was provided to the Mayor. Need meeting set up with Mayors and CMs to discuss where to go from here.</p> | CM | High | Dec-15 | <p>Needs update on strategies and negotiations with Talent</p> |
| SCADA Upgrade | <p>TAP group has agreed to work together.</p> | PWD, CM | Medium | Feb-16 | Approved |

| Open Issue | Action | Responsibility | Priority | Estimated Completion Date | Needs Council Approval and/or Feedback |
|--|---|----------------|----------|---|--|
| | <p>Individual Sole Source Contract will be issued. Contract should be signed in November, with penalties if significant points aren't met. March 2016 estimated conclusion date.?? Met with TAP Committee and have agreed on contract and time plan waiting for information approved item to come back from consultants. Have purchased the radio frequency rights to the needed wireless spectrum. Contract with company will be in front of council for approval at 12/7 meeting. Contract approved in Phoenix waiting for Talent and Ashland. All the Cities have their contracts to the contractor, parts are being ordered.</p> | | | <p>Completion date should be around the end of April beginning of May.</p> | |
| Water Loss Program | <p>Currently In Development. Highway Line Leak Review No leaks were found on Kings Highway. Large meters currently being replaced in mobile parks. 98% of the new meters are in. Trying to install the Bear Creek meter my end of the year. Bear Creek Manor water meter is went in 12/8. There are two large meters that need to be installed. There is a tentative plan to complete one of them next week. The last two meters should be replaced by middle of February. One meter was replaced the week of Feb. 5. Last meter should be replaced by March 1st.</p> | PWD | Medium | | <p>where are we on all of this? Is the left column correct? Yes</p> |
| Review of Contracts | <p>Have reviewed Attorney, Engineering, Auditing Contracts, Will review Building. Planning will have an RFP developed for release in early January. RFP has been completed will go out end of this week early next. Have pulled the RFP for planning services. We have a contract that runs the life of the building code. Will be able to review in two years.</p> | CM, PD | Medium | 16-Feb | <p>It appears the Building Inspector already has a new contract? If true, should it have come to council per this item?</p> |
| Annual Attorney Contract Review | <p>Schedule review of Attorney contract and related contract performance for 2/17/2016</p> | Copuncil | | 17-Feb | |
| Transportation system Plan | <p>Waiting for completed plan from ODOT before joint meeting with Council and Planning Commission. Staff finally has plan and is reviewing it for comments. Will bring before joint meeting with planning commission in March.</p> | PD | Low | | |
| Strategic Planning Session | <p>Last had one February of 2015. Scheduled for the 5th and 6th of February.</p> | CM | Low | Jan-16 | <p>Deliverable must include a list of projects / goals by end on Saturday.</p> |

| Open Issue | Action | Responsibility | Priority | Estimated Completion Date | Needs Council Approval and/or Feedback |
|---|--|----------------|----------|---|--|
| Create low income subsidy for water bills | Staff put a draft copy of the ordinance in the September 24th meeting packet. First Reading will be November 9th. Second reading will be December 7th. Approved by Council on 12/7 meeting. On 12/9 water committee is developing recommendations to encourage giving. Staff has sent draft of program to water committee for their suggestions | CM FD | Low | 12/15/2015 Is this complete? Date is Middle of April to receive applications. Depending on recommendation of water committee. | Should this be moved to completed list or is there more to do? |
| Update Parks Master Plan | Have Grant Application into State/Four to six months after grant award. On Council Agenda for approval 11/09. Have received 3 replies to the RFP currently forming citizens group to review the RFP's. Citizens committee met 12/8 and made recommendation for 1/4/16 council meeting. Going for approval for on January 19th agenda. Contract is signed and work has been presented to the Parks and Greenways committee. Contractor has contract and should begin soon. | PWD, PD | Low | Dec-16 | The steps and status on the left need to be updated to reflect progress |
| Urban Growth Management Plan | Staff is developing. Public Open house Dec 7 4-6 at the library. Had a successful open house with 30+ people attending many adding comments. Received payment from partners for the economic study. Matt and I met with economic consultant to discuss study views of regional economy. Draft of Economic Opportunity Study has been disseminated to the group that paid for it for comment. City Council has been sent draft 1/22/16. Housing needs analysis draft should be coming by the middle of February. | a | Low | Dec-17 | |
| Swings at Culver Park | Investigating-waiting on results from Master Plan. Cost for purchase of swings sent to council 12/4. Will be reviewed by parks committee at January meeting. | PWD | Low | April/May 2016 | |

| Open Issue | Action | Responsibility | Priority | Estimated Completion Date | Needs Council Approval and/or Feedback |
|--|---|--------------------|------------|---------------------------|--|
| <p>First Street Sidewalk and Storm Drain</p> | <p>Designed and ready to bid will advertise in November. Have been pushed back, should be in front of council by Second meeting in February. RH2 has developed schedule will go out for bid on Jan 4 and will be reviewed on Feb 9th. Staff has moved back the schedule for this project because of budget concerns. The cost of the other project are higher than expected and staff would like to have the work split between two budget years. The new release of the plans will be in February for a June/July completion date. To better meet the budget bids for the project will not go out in February for a project completion day in July. Staff has reviewed plans and bid documents should be going out for bid with a June start date and July end date in the next week or so.</p> | <p>PWD, CM, PD</p> | <p>Low</p> | <p>Jun-16</p> | |
| <p>New TAP Line Agreement</p> | <p>Working with Talent and Ashland to create new agreement next meeting scheduled for November 19th. Second meeting was positive. Group will hire a financial expert to design a system where the percentage of water you use will be used for the cost percentage of what you have to pay to maintain the system.</p> | <p>CM</p> | <p>Low</p> | <p>Jul-16</p> | <p>Council should be briefed in detail re: substantial changes long before final document is presented.</p> |
| <p>Slurry sealing and stripping main street</p> | <p>Postponed until 2016 because a multitude of issues</p> | <p>CM, UR, PW</p> | <p>Low</p> | <p>16-Jul</p> | <p>This will necessitate restriping the lanes</p> |
| <p>3-5 year financial for budget</p> | <p>after goal setting</p> | <p>CM, FD</p> | | <p>01-Feb</p> | <p>Need to discuss at this week's session on Saturday.</p> |
| <p>SDC Rebate/Discount Program</p> | <p>Staff will develop two ideas for council review and direction</p> | <p>CM</p> | | <p>March/April 2016</p> | |
| <p>Bridge Medallions</p> | <p>Council has had one session on them. They have sent ideas to CM. Next Workshop will be Jan 4. Because of full agenda this has been postponed to the January 19th meeting. Postponed till March</p> | <p>CM, PW</p> | <p>Low</p> | <p>01-Jun</p> | |

| Open Issue | Action | Responsibility | Priority | Estimated Completion Date | Needs Council Approval and/or Feedback |
|--|--|---------------------|----------|--------------------------------|--|
| Recruitment for new Council Member | Open for citizen applications after discussion on February 1, 2016. Ad is on website and will run for a week in the Mail Tribune starting Feb. 10. | CM | High | | Discuss process to follow at the Feb 1, 2016 Council Meeting |
| List of study sessions needed for Council | List at this time for scheduling includes TSP, COUNCIL FILL IN THE REST WITH THE CM | CM | Medium | ONGOING | Discuss at the Feb 1, 2016 Council Meeting |
| PHURA to Present 2016 projects and costs to City Council | Was due first meeting in January 2016. Has been cancelled by UR Exec Director and is now scheduled for February 17th. | PHURA Exec Director | | | |
| Phoenix Urban Renewal | Couplet project 98% completed just need to get slurry sealing done next year | PHURA Exec Director | | | |
| Phoenix Urban Renewal | Working on the putting 20 foot trees in area-approval from Board on 11/10 agenda. Push off until spring. | PHURA Exec Director | | | Needs Council Approval per IGA |
| Phoenix Urban Renewal | Preparing RFQ to attract builders to Phoenix. Will go out for an RFP in Middle of January | PHURA Exec Director | | when are these due? | |
| Phoenix Urban Renewal | Design program to encourage businesses to come to Phoenix - will come to Board at Dec meeting. Has been pushed off indefinitely. | PHURA Exec Director | | | Not sure what this is? |
| Phoenix Urban Renewal | New concept for the façade of Plaza Building on 11/10 agenda for public meeting later. No time has been set public meeting most likely in January. Need to keep updates on milestones like putting out for bid, closing bids, projected date to break ground, etc. | PHURA Exec Director | | Need to keep this date updated | Council must approve change in location and façade |
| Phoenix Urban Renewal | Sidewalk on couplet area in the week of 11/13. Still working on it. | PHURA Exec Director | | Is this done? | Needs Council approval for plant areas in sidewalk per IGA |
| Phoenix Urban Renewal | Water and Sewer in Couplet week of 11/30. Moved to week of 12/07 | PHURA Exec Director | | Needs update as this is past | |
| Phoenix Urban Renewal | New Couplet Road by completed by 12/18 Moved to 2/01/16 | PHURA Exec Director | | Needs update as this is past | Needs new date |
| | Orange Added requests | | | | |

City of Phoenix
City Council Executive Session/Meeting
Public Works Office
1000 S. "B" Street
Monday, February 1, 2016

DRAFT

CALL TO ORDER

Mayor Jeff Bellah called the special meeting of the City Council to order on Monday, February 1, 2016 at 5:45 p.m. in the Public Works Office.

ROLL CALL

PRESENT: Bruce Sophie, Carolyn Bartell, Terry Helfrich, Chris Luz, Stan Bartell, Jeff Bellah

Staff Present: Steve Dahl, City Manager
Ryan Kirchoff, City Attorney

Mayor Bellah convened into executive session at 5:46 p.m. under ORS 192.660 (2)(i), to review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open meeting.

Discussion followed and no decisions were made. Mayor Bellah closed the executive session and convened into regular meeting at 6:30 p.m.

CALL TO ORDER

Mayor Jeff Bellah called the regular meeting of the City Council to order on Monday, February 1, 2016 at 6:30 p.m. in the Public Works Office.

ROLL CALL

PRESENT: Stan Bartell, Bruce Sophie, Carolyn Bartell, Terry Helfrich, Chris Luz, Jeff Bellah

Staff Present: Steve Dahl, City Manager
Janette Boothe, City Recorder
Derek Bowker, Chief of Police
Steve Weber, Finance Director
Matt Brinkley, Planning Director
J. Ryan Kirchoff, City Attorney

PLEDGE OF ALLEGIANCE

PRESENTATIONS:

- 1) 2015 Annual Fire District 5 Report by Fire Chief Darin Welburn. Fire Chief Welburn distributed a copy of the 2015 Annual Operations Report and pointed out highlights from 2015. Fire Chief Welburn noted there was an approximate 10% increase in calls over the prior year for service in the district. He encouraged everyone to visit the updated website for Fire District 5. Additionally, he reviewed some of the statistics displayed in the report as he took questions from Council.

UPDATES/REPORTS/APPOINTMENTS:

PHURA – Amy Weiser, Assistant Director, announced PHURA has a new and improved website and encouraged everyone to visit the site. She noted Jim Sharp is scheduled to provide a presentation regarding updating the 5 year plan at the upcoming Council meeting. She noted the survey that was sent out and available online, regarding suggestions for improving the City of Phoenix downtown area. She added some additional updates regarding the work that is currently being performed through PHURA.

MAYOR’S COMMENTS:

Mayor Bellah commented on the City Manager’s evaluation that took place in the executive session immediately preceding the meeting, noting the first session, held on January 20, 2016, was about gathering the evaluations from each of the individual councilors. He added that the second session held earlier in the evening was a summary of all the evaluations. He further noted a formal evaluation will be on the next agenda for Council approval.

Mayor Bellah announced the City has received a resignation from Karen Jones. He followed up with a request for advertising the position, noting this would be a 3 year term. Following discussion, Council’s consensus was to hold the position open for 60 days and review applications the first meeting in April.

UPDATES/REPORTS/APPOINTMENTS (continued):

Parks Commission – Councilor C. Bartell noted the upcoming Parks Commission meeting will be regarding prospective projects and the Bee City involvement.

Reappoint Lyla Heigl and Laura Bellah to the Parks Commission. Council’s consensus was to have the Mayor reappoint both members to the Parks Commission. Mayor Bellah requested the City require all volunteers provide an application for reappointment on their prospective committees in the future.

CONSENT CALENDAR:

- 1) Approval of Minutes from the January 19, 2016 Regular City Council Meeting.
- 2) Acknowledge Minutes from Parks Commission.
- 3) December 2015 Financial Report. Mayor Bellah requested the financial report be removed from the consent calendar for discussion. Councilor Luz requested an amendment to the January 19, 2016 minutes, noting that Councilor S. Bartell did not abstain, as he was not called in roll call. He explained he wanted the minutes to reflect that Councilor Jones was the only abstention. **MOVED BY SOPHIE, SECONDED BY C. BARTELL, TO**

APPROVE THE CONSENT CALENDAR WITH THE NOTED CORRECTION. There was no further discussion.

ROLL CALL VOTE AS FOLLOWS:

Ayes: Sophie, C. Bartell, S. Bartell, Luz, and Helfrich
MOTION APPROVED WITH FIVE AYES

PRESENTATIONS (continued):

2) New Website Design by Steffen Roennfeldt. Mr. Roennfeldt distributed a mockup of the new website design and a list of the menu items. He presented a PowerPoint displaying all of the new features of the new website and noted the site is not ready for viewing purposes as of yet. He explained that staff would like Council feedback regarding any additions and/or corrections noted once the site is ready. Councilor Luz inquired about who to send these modifications to. Mr. Dahl replied he would like everyone to send them to Janette Boothe and copy him on the emails. Council also inquired about the estimated time frame for the website to be complete. Mrs. Boothe replied the site should be ready for review by the end of February.

ORDINANCES:

Second Reading and Public Hearing on an Ordinance Repealing the Moratorium Placed on Recreational Commercial Cannabis Cultivation. Mayor Bellah noted Council had discussed this proposed ordinance in length at the prior meeting. Mayor Bellah opened the public hearing at 7:26 p.m.

THOSE IN FAVOR OF THE ORDINANCE:

No one spoke in favor of the ordinance.

THOSE IN OPPOSITION TO THE ORDINANCE:

No one spoke in opposition of the ordinance.

Mayor Bellah closed the public hearing at 7:27p.m.

COUNCIL DELIBERATION:

Councilor S. Bartell expressed further concerns about the strong, unpleasant odor that is emitted from marijuana plants. Councilor Sophie explained the City will have control over issues presented before, as the City now has the ability to remove their license to cultivate if they are not following expressed guidelines. He also noted he did not want to eliminate the possibility of revenue to the City. Continued discussion followed. **MOVED BY LUZ, SECONDED BY HELFRICH, TO ADOPT ORDINANCE NO. 973, REPEALING ORDINANCE NO. 965.** There was no further discussion.

ROLL CALL VOTE AS FOLLOWS:

Ayes: Sophie, Luz, and Helfrich

Nays: C. Bartell, S. Bartell

MOTION APPROVED WITH THREE AYES TO TWO NAYS

December 2015 Financial Report. Mr. Weber noted the General Fund is trending better than budgeted for this time of year as he reviewed the highlights of the fund. Discussion continued regarding personnel costs and the line items that need to be monitored closely, so as not to go too far over budget in those areas.

Mr. Weber reviewed his analysis of the Street Fund to date and noted the health of the fund is in good standing, despite the missing revenue from ODOT for the jurisdictional exchange and the SCA grant. Further discussion continued, as Mr. Weber took questions from Council.

He reviewed the highlights of the Water Fund. Continued discussion followed, as Councilor S. Bartell inquired about the fund balance carryover. Mr. Weber confirmed he would send out the amount of the current carryover via email before the next Council meeting. **MOVED BY SOPHIE, SECONDED BY C. BARTELL, TO APPROVE THE DECEMBER 2015 FINANCIAL REPORT.** There was no further discussion.

ROLL CALL VOTE AS FOLLOWS:

Ayes: Sophie, C. Bartell, S. Bartell, Luz, and Helfrich
MOTION APPROVED WITH FIVE AYES

NEW BUSINESS:

- 1) Resolution establishing City Officials for the purpose of signing on behalf of the City of Phoenix for City funds. Mayor Bellah explained this was a requirement, due to the enactment of the new City Council Vice President. **MOVED BY SOPHIE, SECONDED BY LUZ, TO ADOPT RESOLUTION NO. 950, ESTABLISHING CITY OFFICIALS FOR THE PURPOSE OF SIGNING ON BEHALF OF THE CITY OF PHOENIX FOR CITY FUNDS.** There was no further discussion.

ROLL CALL VOTE AS FOLLOWS:

Ayes: Sophie, C. Bartell, S. Bartell, Luz, and Helfrich
MOTION APPROVED WITH FIVE AYES

- 2) Resolution Authorizing the City Manager to Execute an Agreement for a Grant from the Jackson Soil and Water Conservation District. Mr. Brinkley noted all of the pertinent information is presented in his staff report in the agenda packet. Councilor C. Bartell expressed her gratitude to Mr. Brinkley, informing him he did a great job for going after the grant. **MOVED BY SOPHIE, SECONDED BY C. BARTELL, TO ADOPT RESOLUTION NO. 951, AUTHORIZING THE CITY MANAGER TO EXECUTE THE GRANT AGREEMENT WITH THE JACKSON SOIL AND WATER CONSERVATION DISTRICT.** There was no further discussion.

ROLL CALL VOTE AS FOLLOWS:

Ayes: Sophie, C. Bartell, S. Bartell, Luz, and Helfrich
MOTION APPROVED WITH FIVE AYES

- 3) Rose Street Waterline Project. Mr. Dahl explained there is a significant difference in the amount of distance for waterline connection than originally anticipated. He added that the decrease in distance would essentially decrease the cost estimate for the project. Mayor Bellah commended Matias Mendez for his initiative in locating a 6 inch pipe that will save the City money. Discussion continued regarding the transfer of funds from the street fund, as this is a water fund project. Mr. Weber explained the amount of the contract award that is over the amount budgeted will be allocated to the source of funding (i.e., water fund and street fund) as originally budgeted.
- 4) Discussion of How to Process Requests for Funding by Nonprofits. Mayor Bellah explained the City has been asked for funds from nonprofits, and the City needs to decide how to respond to these requests. Councilor Sophie suggested ear marking marijuana license revenue to fund these types of requests. Mr. Weber explained there is very little room to fund anything from the current resources and the only place it could come from is the General Fund. He added that this is the fund the City is looking at potential significant increases in the near future.

Mayor Bellah inquired whether the City would like to entertain requests for funds from nonprofits. Continued discussion followed, as Mr. Dahl was requested to look into what other cities are doing regarding this funding. Following further discussion, Council's consensus was to hold a study session and invite the nonprofits that have already requested funds to attend and present their requests formally. Council further requested Mr. Weber give an estimate for the amount of revenue that will be obtained from transient tax in the upcoming fiscal year.

STAFF REPORTS:

- 1) City Attorney's Report:
 - a) Attorney Kirchoff had nothing to report.
- 2) City Manager's Report:
 - a) Mr. Dahl announced it is the time of year to evaluate the City Attorney.
 - b) He noted the Goal Setting Facilitator is scheduled to come for individual meetings with Council members before the meeting on Friday.
 - c) He noted there is an updated Council Action Log.
 - d) He explained he was asked when he feels comfortable moving forward with spending funds and his response is that he is comfortable with funding certain items under his spending authority that have been approved by Council previously.
 - e) Councilor C. Bartell inquired about the Bee City Committee. Mr. Dahl replied the City is currently reviewing their request to discover if it is in line with the Bee City Agreement.

Discussion continued regarding the Council Action Log. Council's consensus was to discuss this item further at the next City Council meeting.

COUNCIL ITEMS, COMMENTS/REPORTS:

- 1) Councilor Luz noted he wanted to remind Council to approach County Commissioners regarding setbacks for marijuana growth. Discussion continued, as Council's consensus was to direct Mr. Dahl to draft a letter requesting a 500 foot setback from the City boundary.
- 2) Councilor Sophie noted the League of Oregon Cities has a letter regarding the impacts of property taxes.
- 3) Mayor Bellah mentioned the Regional Economics Opportunities Study and his concern for their statistical information regarding the demographics in the City.

The meeting adjourned at 8:56 p.m.

Respectfully submitted,

Janette Boothe
Assistant Finance Director/City Recorder

AGENDA BILL

AGENDA ITEM: 10a

AGENDA TITLE: Approval of City Manager Review and Creation of Performance Standards

DATE: 2/16/2016

ACTION REQUIRED:

ORDINANCE: _____

RESOLUTION: _____

MOTION: XX

INFORMATION: _____

EXPLANATION:

The City Council met in executive session with the City Manager on January 20, 2016 and February 1, 2016 to discuss his performance.

The Mayor has taken all the input from both the Council and City Manager and summarized the manager's performance.

The Mayor has developed also based on the review process a list of performance standards expected by the Council for the City Manager.

FISCAL IMPACT:

N/A

ALTERNATIVES:

N/A

STAFF RECOMMENDATION:

N/A

MOTION: "I MOVE TO APPROVE THE CITY MANAGER'S PERFORMANCE REVIEW FOR THE LAST YEAR AND THE CREATION OF THE PERFORMANCE STANDARDS."

PREPARED BY: Steve Dahl

REVIEWED BY: _____

**INTENTIONALLY LEFT BLACK THE MAYOR WILL BRING INFORMATION TO
MEETING**

AGENDA BILL

AGENDA ITEM: 106

AGENDA TITLE: Approval of Letter to Jackson County Commissioners Regarding Setbacks for Cannabis Cultivation

DATE: 2/16/2016

ACTION REQUIRED:

ORDINANCE: _____

RESOLUTION: _____

MOTION: XX

INFORMATION: _____

EXPLANATION:

At the February 1st Council meeting the Council asked staff to draft a letter to go to the Jackson County Commissioner encouraging them to extend the setback for cannabis cultivation to five hundred feet (500ft) from the nearest property line.

FISCAL IMPACT:

None at this time.

ALTERNATIVES:

N/A

STAFF RECOMMENDATION:

N/A

MOTION: I MOVE TO APPROVE THE SENDING OF THE LETTER TO THE JACKSON COUNTY COMMISSIONERS REGARDING SETBACKS FOR CANNABIS CULTIVATION

PREPARED BY: Steve Dahl **REVIEWED BY:** _____

Jackson County Commissioners

10 S. Oakdale Avenue

Medford, Oregon 97501

Dear Commissioners;

One of the issues that face all cities in Jackson County is how to handle the smell of marijuana that can easily infest a neighborhood and limit the interaction that people can have outside in their yards. This is especially true right before harvest time.

The City of Phoenix has dealt with this problem by only allowing medical marijuana grows in to a maximum 35 square foot cultivation area that must be at least 10 feet from any property line and 30 feet from the nearest residential structure. We do not allow outdoor grows from recreational marijuana. Since the City of Phoenix is surrounded by agriculturally zoned County land we are concerned that the proposed 250 foot setback for marijuana grows will not be enough to protect our citizens from the unwanted smell of growing marijuana.

While smell is the most common complaint we receive, we also hear from citizens about marijuana grows being an attractive nuisance to teenagers, potentially attracting a criminal element; and, lowering the property value of their residence. Depending on the size and closeness in proximity of the grows, we are concerned about all of these complaints. The situation in the county is different than the very limited lot sizes in the city. We were just told last week that someone has purchased 27 acres just south of our Public Works complex for the sole purpose of growing marijuana. If that were to happen for the full acreage, we are afraid even a 500 foot setback would not be enough.

We fully realize that simple speculation on worst case scenarios can be over kill, we are therefor, requesting that the Jackson County Commissioners make the setback no less than 500 feet but if possible consider 1000 feet as the standard.

Sincerely,

Jeff Bellah

Mayor

Bruce Sophie

Council President

Carolyn Bartell

Council Vice-President

Chris Luz

Councilor

Stan Bartell

Councilor

Terry Helfrich

Councilor

AGENDA BILL

AGENDA ITEM: 10c

AGENDA TITLE: Approval for City Manager to sign the Contract for the Rose Street Water Project

DATE: 2/16/2016

ACTION REQUIRED:

ORDINANCE: _____

RESOLUTION: XX

MOTION: _____

INFORMATION: _____

EXPLANATION:

At the February 1, 2016 Council Meeting the Council accepted the bid from Pilot Rock to complete the Rose Street Water Project. At that meeting the Council also noticed a change in the project to shorten the amount of pipe needed to complete the project. The Council did not feel this required a new bid process.

The price is the same as the bid price the council accepted at the last Council meeting. It is common practice to award and sign the contract at the bid price and then change the cost through a project change order. That is the process we are proposing in this case. If the new price is not to the City's liking it can always void the contract.

FISCAL IMPACT:

This project will cost \$92,326.00. The money for the project will come out of the Capital Improvement Budget that was approved by the Budget Committee.

ALTERNATIVES:

Council can go out again for new bids, decide not to do the project at this time, or not agree to sign the contract till the new cost is estimated.

STAFF RECOMMENDATION:

To approve the contract as presented.

MOTION: "I MOVE TO APPROVE RESOLUTION NO. _____, AUTHORIZING THE CITY MANAGER TO SIGN THE CONTRACT FOR THE ROSE STREET WATER PROJECT."

PREPARED BY: Steve Dahl

REVIEWED BY: _____

**CITY OF PHOENIX
PHOENIX, OREGON**

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN THE CONTRACT FOR THE ROSE STREET WATER PROJECT.

RECITAL:

WHEREAS, the City of Phoenix has an interest in improving its water system; and

WHEREAS, by rerouting the water up Rose Street the City will improve the efficiency of the water system;

NOW, THEREFORE, THE CITY OF PHOENIX RESOLVES AS FOLLOWS, AUTHORIZES THE CITY MANAGER TO SIGN THE CONTRACT FOR THE ROSE STREET WATER PROJECT.

PASSED AND APPROVED by the City Council of the City of Phoenix and signed in authentication thereof at a regular meeting on the __ day of February, 2016

Jeff Bellah, Mayor

ATTEST:

Janette Boothe, City Recorder

CERTIFICATE OF INSURANCE
PROTECTIVE, COMMERCIAL GENERAL LIABILITY, COMMERCIAL AUTOMOTIVE LIABILITY

Contractor to provide form from their insurance agency to insert here:

| ACORD™ CERTIFICATE OF LIABILITY INSURANCE | | Clear | Save | DATE (MM/DD/YYYY) | |
|---|---|---|---|-------------------------------------|--|
| PRODUCER | | THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. | | | |
| INSURED | | INSURERS AFFORDING COVERAGE | | NAIC # | |
| | | INSURER A | | | |
| | | INSURER B | | | |
| | | INSURER C | | | |
| | | INSURER D | | | |
| | | INSURER E | | | |
| COVERAGES | | | | | |
| THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. | | | | | |
| INSR ADD'L LTR. INSR | TYPE OF INSURANCE | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YYYY) | POLICY EXPIRATION DATE (MM/DD/YYYY) | LIMITS |
| | GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC | | | | EACH OCCURRENCE \$ DAMAGE TO RENTED PREM. SES. (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS-COMP/OP AGG \$ |
| | AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALLOWED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS | | | | COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ |
| | GARAGE LIABILITY <input type="checkbox"/> ANY AUTO | | | | AUTO ONLY EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY AGG \$ |
| | EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ RETENTION \$ | | | | EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ |
| | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Yes, describe under SPECIAL PROVISIONS below) | | | | WC STATU- TORY LIMITS <input type="checkbox"/> OFR- LER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ DISEASE - POLICY LIMIT \$ |
| | OTHER | | | | |
| DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS | | | | | |
| CERTIFICATE HOLDER | | | CANCELLATION | | |
| | | | SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL _____ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE | | |

**WORKER'S COMPENSATION
EMPLOYER'S LIABILITY ENDORSEMENT**

City of Phoenix Public Works Department
1000 B Street
Phoenix, OR 97535

A. Policy Information

1. Insurance Company _____
Policy Number _____
2. Effective Date of This Endorsement _____
3. Named Insured _____
4. Employer's Liability Limit (Coverage B) _____

B. Policy Amendments

In consideration of the policy premium and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any other endorsement attached thereto, it is agreed as follows:

1. **Cancellation Notice.** The insurance afforded by this policy shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice by Certified Mail Return Receipt Requested has been given to Owner. Such notice shall be sent to the address given in the heading of this endorsement.

C. Signature of Insurer or Authorized Representative of the Insurer

I, _____ (print/type), warrant that I have authority to bind the below listed insurance company and by my signature hereon do so bind this company.

Signature of Authorized Representative _____
(original signature required on endorsement furnished to the City of Phoenix)

Organization Pilot Rock Excavation, Inc. _____

Title _____

Address 5 South Stage Road, Medford OR 97501 _____

Telephone 541/779-4196 _____

PERFORMANCE AND PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS: THAT whereas City of Phoenix, Oregon, a municipal corporation has awarded to:

Pilot Rock Excavation, Inc.
(Contractor)

hereinafter designated as the "Principal" a contract for work items, which contract consists of the Proposal/Agreement, together with the Contract Documents, Specifications, Addenda and Plans, all as hereto attached and made a part hereof, and more particularly described as:

Rose Street Waterline

and whereas said principal is required under the terms of said contract to furnish a bond for the faithful performance of said contract:

NOW, THEREFORE, we the Principal and Pilot Rock Excavation, a corporation, organized and existing under and by virtue of the laws of the State of OR, and duly authorized to do business in the State of Oregon as surety, are firmly bound unto City of Phoenix in the sum of Ninety-Two Thousand Three Hundred Twenty-six dollars and no cents (\$92,326.00) lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bonded principal, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in said contract, and shall faithfully perform all the provisions of such contract, and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions and agreements of any and all duly authorized modifications of said contract that may hereafter be made, at the time and in the manner therein specified; and shall pay all laborers, mechanics, subcontractors, and material men, and all persons who shall supply such person or persons, or subcontractors, with provisions and supplies for the carrying on of such work on his or their parts; and shall indemnify, save harmless, and defend the Owner, the Project Engineer, and their officers, employees, and agents, from any loss or damage occasioned to any person or property by reason of any carelessness or negligence on the part of said principal, or any subcontractor, in the performance of said contract or any modifications thereof; and shall further indemnify, save harmless, and defend Owner, its officers and agents, from any damage or expense by reason of failure of performance as required by said contract, or any modifications thereof, or from defects appearing or developing in the material or workmanship provided or performed under said contract within a period of **one (1) year** after acceptance thereof by Owner, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

And the said surety, for value received, hereby further stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same shall in any way affect its obligation on this bond, and it does hereby waive notice of any change, extension of time, alternations or additions to the terms of the contract or the work or to the specifications. This Bond is provided pursuant to and shall be construed in accordance with ORS 279C.

IN WITNESS THEREOF, the said Principal and the said surety caused this bond and three (3) counterparts thereof to be signed and sealed by their duly authorized officers, this _____ day of _____, 2016.

Principal
By _____
Title _____

ATTEST (If Corporation)

WITNESSES (If Individual or Partnership)

CORPORATE SEAL

By _____
Title _____

APPROVED AS TO FORM

Surety _____
By _____ By _____
(Attorney for _____)

Address of local office and agent of Surety Company is:

AGENDA BILL

AGENDA ITEM: 11a

AGENDA TITLE: Discussion of putting on the November Ballot a 3% sales tax of recreational marijuana

DATE: 2/16/2016

ACTION REQUIRED:

ORDINANCE: _____

RESOLUTION: _____

MOTION: _____

INFORMATION: xx

EXPLANATION:

At the Council Workshop on February 5 & 6, 2016 the Council expressed interest in finding new revenue sources. A possible new source could be a 3% tax on recreational marijuana.

House Bill 3400 section 34a allows for cities to put on the ballot up to a 3% tax or fee on the sale of marijuana items.

Oregon Revised Statutes 250 lays out the process to put the fee on the ballot. An outline of the process follows:

Council begins process by requesting from the city attorney an official ballot title.

City attorney prepares and file ballot title that impartially summarizes the referral and its major effect.

City publishes receipt of ballot title in the next available edition of a newspaper of general circulation in the city along with having it on the website for a minimum of seven days.

Registered voter(s) who are dissatisfied with ballot title can petition circuit court for review and notifies city elections official of petition filing by 5 pm 1st business day after the petition is filed with the circuit court.

City files with the county elections official form containing the final ballot title and an explanatory statement.

County elections official assigns measure number.

The city must file for election before August 10, 2016.

The county elections officials would like cities to wait until after June 1st to time the petition.

FISCAL IMPACT:

None at this time.

ALTERNATIVES:

N/A

STAFF RECOMMENDATION:

N/A

MOTION:

PREPARED BY: Steve Dahl **REVIEWED BY:** _____

**CITY OF PHOENIX
PHOENIX, OREGON**

RESOLUTION NO. _____

**A RESOLUTION CALLING FOR AN ELECTION APPROVING REFERAL TO THE
ELECTORS OF THE CITY OF PHOENIX THE QUESTION OF IMPOSING A 3
PERCENT TAX ON THE SALE OF MARIJUANA ITEMS BY A MARIJUANA
RETAILER WITHIN THE CITY**

WHEREAS, section 34a of House Bill 3400 (2015) provides that a city council may adopt an ordinance to be referred to the voters that imposes up to a 3 percent tax or fee on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city;

WHEREAS, the city council adopted an ordinance which imposes a tax of 3 percent on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city;

WHEREAS, ORS 319.950 provides that a city, county or other local government may enact or amend any charter provision, ordinance, resolution or other provision taxing fuel for motor vehicles after submitting the proposed tax to the electors of the local government for their approval; and the Oregon Constitution, City Charter and ORS Chapter 250 authorize the City to submit a measure to the voters; and

WHEREAS, the City Council has determined that the enactment of such ordinance should be by a vote of the people of the City.

NOW, THEREFORE, THE CITY OF PHOENIX RESOLVES AS FOLLOWS:
MEASURE: A measure election is hereby called for the purpose of submitting to the electors of the city an ordinance imposing a 3 percent tax on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city, a copy of which is attached hereto as "Exhibit 1," and incorporated herein by reference. The City Manager is authorized and shall take such other actions to proceed with the election as provided in state law and is further authorized to act so as to carry out the purposes of this resolution.

ELECTION CONDUCTED BY MAIL. The measure election shall be held in the city of Phoenix on November 8, 2016 for the next general election. As required by ORS 254.465, the measure election shall be conducted by mail by the County Clerk of Jackson County, according to the procedures adopted by the Oregon Secretary of State.

DELEGATION. The city authorizes the City Manager, or the City Manager's designee, to act on behalf of the city and to take such further action as is necessary to carry out the intent and purposes set forth herein, in compliance with the applicable provisions of law.

PREPARATION OF BALLOT TITLE. The City Attorney is hereby directed to prepare the ballot title for the measure, and deposit the ballot title with the {city elections officer} within the times set forth by law.

NOTICE OF BALLOT TITLE AND RIGHT TO APPEAL. Upon receiving the ballot title for this measure, the city recorder shall publish in the next available edition of a newspaper of general circulation in the city a notice of receipt of the ballot title, including notice that an elector may file a petition for review of the ballot title.

EXPLANATORY STATEMENT. The explanatory statement for the measure, which is attached hereto as "Exhibit 2," and incorporated herein by reference, is hereby approved.

FILING WITH COUNTY ELECTIONS OFFICE. The city recorder shall deliver the Notice of Measure Election to the county clerk for Jackson County for inclusion on the ballot for the November 2016 election.

EFFECTIVE DATE. This resolution is effective upon adoption.

PASSED AND ADOPTED by the City Council and signed by me in authentication thereof on this _____ day of _____, 2016.

Mayor

ATTEST:

City Manager/Designee

EXHIBIT 1
CITY OF PHOENIX
PHOENIX, OREGON
ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF PHOENIX IMPOSING A 3 PERCENT TAX ON
THE SALE OF MARIJUANA ITEMS BY A MARIJUANA RETAILER AND
REFERRING ORDINANCE**

WHEREAS, section 34a of House Bill 3400 (2015) provides that a city council may adopt an ordinance to be referred to the voters that imposes up to a 3 percent tax or fee on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city;

WHEREAS, the city council wants to impose a tax on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city;

NOW THEREFORE, BASED ON THE FOREGOING, THE CITY OF PHOENIX ORDAINS AS FOLLOWS:

DEFINITIONS. Marijuana item has the meaning given that term in Oregon Laws 2015, chapter 614, section 1. Marijuana retailer means a person who sells marijuana items to a consumer in this state. Retail sale price means the price paid for a marijuana item, excluding tax, to a marijuana retailer by or on behalf of a consumer of the marijuana item.

TAX IMPOSED. As described in section 34a of House Bill 3400 (2015), the City of Phoenix hereby imposes a tax of 3 percent on the retail sale price of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city.

COLLECTION. The tax shall be collected at the point of sale of a marijuana item by a marijuana retailer at the time at which the retail sale occurs and remitted by each marijuana retailer that engages in the retail sale of marijuana items.

REFERRAL. This ordinance shall be referred to the electors of the city at the next statewide general election on Tuesday, November 8, 2016.

BALLOT TITLE

Imposes city tax on marijuana retailer's sale of marijuana items.

QUESTION

Shall the City of Phoenix impose a 3 tax on the sale in the City of marijuana items by a marijuana retailer?

SUMMARY

Under state law, a city council may adopt an ordinance to be referred to the voters of the city imposing up to a 3 percent tax or fee on the sale of marijuana items in the city by a licensed marijuana retailer. Approval of this measure would impose a 3 percent tax on the sale of marijuana items in the city by a licensed marijuana retailer. The tax would be collected at the point of sale and remitted by the marijuana retailer.

EXPLANATORY STATEMENT

Approval of this measure would impose a 3 percent tax on the sale of marijuana items by a marijuana retailer within the city. If approved, the revenues from this tax are estimated to be \$_____. There are no restrictions on how the city may use the revenues generated by this tax.

Under Measure 91, adopted by Oregon voters in November 2014 and amended by the Legislature in 2015, the Oregon Liquor Control Commission must license the retail sale of recreational marijuana. The 2015 Legislation provides that a city council may adopt an ordinance imposing up to a 3 percent tax on the sale of marijuana items by retail licensees in the city, but the council must refer that ordinance to the voters at a statewide general election. The city council has adopted an ordinance imposing a 3 percent tax on the sale of marijuana items by a retail licensee in the city, and, as a result, has referred this measure to the voters.