

MINUTES FOR THE REGULAR MEETING

ASHLAND CITY COUNCIL

June 16, 2015

Council Chambers

1175 E. Main Street

CALL TO ORDER

Mayor Stromberg called the meeting to order at 7:00 p.m. in the Civic Center Council Chambers.

ROLL CALL

Councilor Voisin, Morris, Lemhouse, Seffinger, Rosenthal, and Marsh were present.

MAYOR'S ANNOUNCEMENTS

Mayor Stromberg announced the City completed the annual appointment process for the various Commissions, Committees, and Boards but there were still vacancies on the following Commissions: Airport, Forest Lands, Housing & Human Services, Public Arts, Transportation, Tree, and Wildfire Mitigation.

APPROVAL OF MINUTES

The minutes of the Study Session of June 1, 2015 and Business Meeting of June 2, 2015 were approved as presented.

SPECIAL PRESENTATIONS & AWARDS

Conservation Commissioner Mark Weir presented the Earth Bowl award to John Muir Middle School students for winning a competition put on by the Conservation Commission regarding climate change and water conservation.

PUBLIC FORUM

Dr. Aaron Corbet/423 North Main Street/Explained he was a research bio-physicist who also evaluated green energy projects. There was a huge spectrum of green energy products and people locally knowledgeable in this field. He wanted the Council to provide start up money for locals with green business ideas.

Louise Shawkat/870 Cambridge/Announced that Southern Oregon Climate Action Now (SOCAN) would hold a summit October 13-14, 2015 titled Our Critical Climate at the Inn at the Commons in Medford. SOCAN invited everyone to contribute their concerns, expertise

and participate in developing solutions that would benefit the region.

CONSENT AGENDA

- 1. Approval of minutes of boards, commissions, and committees**
- 2. Liquor license application for Brian Denner dba Simple Machine**
- 3. Liquor license application for Will Volpert dba Rogue Creations, LLC**
- 4. Application for Oregon Watershed Enhancement Board grant**
- 5. Special procurement – Neilson Research, water quality testing**
- 6. Special procurement – polydyne (polymer) for Wastewater Treatment Plant**
- 7. Special procurement – aluminum sulfate for Water Treatment Plant**
- 8. Sole source procurement – Dry Creek Landfill**

Councilor Voisin pulled Consent Agenda #8 for discussion. Public Works Superintendent Mike Morrison clarified if Dry Creek Landfill raised their fee the City would incur a rate increase. Dry Creek Landfill could refuse to take City sludge but there was no reason to think they would. Engineering Services Manager Scott Fleury further explained last year when one of the centrifuges had an issue, the City signed an intergovernmental agreement to deposit City sludge in Medford as part of their drying bed operation. If Dry Creek Landfill chose not to accept City sludge, Medford would serve as a back up on an interim basis for a fee. The master plan assessed two options where the City could sell sludge to a co-compost facility or a thermal drier and recommended looking at that in the future. Both options would involve capital expenditures.

Councilor Rosenthal/Morris m/s to approve Consent Agenda items. Voice Vote: all AYES. Motion passed.

PUBLIC HEARINGS

- 1. Public hearing and approval of a resolutions titled, “A resolution adopting the 2015-17 Biennial Budget and making appropriations,” and, “A resolution certifying city provides sufficient municipal services to qualify for State subventions, “ and, “A resolution declaring the City’s election to receive State revenues,” and approval of first reading by title only of an ordinance titled, “An ordinance levying taxes for the period of July 1, 2015 to and including June 30, 2016, such taxes in the sum of \$10,728,511 upon all the real and personal property subject to assessment and levy within the corporate limits of the City of Ashland, Jackson County, Oregon.”**

Administrative Services Director Lee Tuneberg explained the third phase of the budget required a public hearing. The Citizen’s Budget Committee set the property tax rate at 4.1972 cents per \$1,000. This was consistent with prior years. A special meeting would

occur June 30, 2015 for Council to approve the second reading of the ordinance.

City Administrator Dave Kanner addressed the seismic study for City Hall and the Parks and Recreation building discussed the night before during the Study Session. The cost to update the seismic study for both buildings was \$9,800 leaving \$90,000 to research options to replace or remodel City Hall. He provided options for transferring the \$9,800 from contingency funds, the Public Works Facilities budget or out of insurance and into the Central Services Fund. The simplest route involved adopting the budget as proposed with a \$10,000 adjustment later.

He went on to explain the 17.4% increase in the current year's biennium was due to an increase in capital project spending in the Public Works Department primarily in water and wastewater. Projects included the new water treatment plant, piping the Talent Irrigation District (TID) canal, building a new oxidation ditch, and the effluent outfall relocation and shading project. This resulted in a \$3,000,000 increase to the General Fund. Even with this increase, the budget remained balanced.

The budget would absorb the costs if Council chose Option 2 or Option 3 regarding the Talent Ashland Phoenix (TAP) Intertie where the City would use TAP before TID to supplement water over the summer.

Mr. Tuneberg addressed the Total of all Funds Financial Summary explaining the City advertised the document in the local newspapers every budget process and presented it to Council. The Requirements and Full-Time Equivalent Employees (FTE) by Organizational Unit or Program portion increased for the Administration Department from \$7,367,471 in 2013-2015 to \$16,427,265 for 2015-2017 due to the Health Benefits Fund moving from the Administrative Services Department fund. He further explained increases under the Public Works Department included the capital expenditures Mr. Kanner relayed earlier. The Non-departmental portion was included in the Finance Department budget but separated on the table. It represented the movement of money between funds.

Public Hearing Open: 7:37 p.m.

Public Hearing Closed 7:37 p.m.

Councilor Rosenthal/Marsh m/s to approve Resolution #2015-19 adopting the 2015-2017 Biennial Budget. DISCUSSION: Councilor Rosenthal thanked staff and the Budget Committee members for their hard work. Councilor Seffinger was impressed with the transparency of the process. She appreciated how the Budget Committee worked together

and the preparation by staff. Councilor Voisin noted the Budget Committee's concern the discussion regarding the Public Works Department budget was only an hour and hoped the City would adopt the process suggestions the Committee had made.

Roll Call Vote: Councilor Voisin, Morris, Lemhouse, Seffinger, Rosenthal, and Marsh, YES. Motion passed.

Councilor Rosenthal/Morris m/s to approve Resolution 2015-18 certifying the City provides sufficient municipal services to qualify for State subventions. Roll Call Vote: Councilor Morris, Lemhouse, Seffinger, Rosenthal, Marsh, and Voisin, YES. Motion passed.

Councilor Marsh/Lemhouse m/s to approve Resolution #2015-17 declaring the City's Election to Receive State Revenues. Roll Call Vote: Councilor Lemhouse, Seffinger, Rosenthal, Marsh, Voisin, and Morris, YES. Motion passed.

Councilor Morris/Voisin m/s to approve First Reading by title only of an ordinance titled, "An Ordinance Levying Taxes for the Period of July 1, 2015 to and including June 30, 2016, Such Taxes in the Sum of \$10,728,511 Upon All the Real and Personal Property Subject to Assessment and Levy Within the Corporate Limits of the City of Ashland, Jackson County, Oregon" and move the ordinance to Second Reading. DISCUSSION: Councilor Lemhouse noted Ashland property taxes were lower than other cities and had not reached the ceiling. **Roll Call Vote: Councilor Seffinger, Rosenthal, Marsh, Voisin, Morris, and Lemhouse, YES. Motion passed.**

UNFINISHED BUSINESS (None)

NEW AND MISCELLANEOUS BUSINESS

1. 2016-2017 Social Service Grant Allocation recommendations review and decision
Housing Specialist Linda Reid explained in 2014 Council adopted the Strategic Plan regarding social service grant funds. The application review and recommendation process moved to the Housing and Human Services Commission (HHSC). The HHSC used the Strategic Plan as a framework for the allocation recommendations. Vice Chair of the Housing and Human Services Commission Coriann Matthews explained the process the Commission used to review and score the applications.

Councilor Seffinger expressed concern agencies that typically received funding did not this year including preventative agencies. Organizations to assist homelessness received larger allocations than agencies that focused on children, sexual abuse, or senior issues. Vice

Chair Matthews explained that the HHSC used implementation strategies to make their choices and allocated bigger grants to agencies that had a greater impact on the community. The HHSC considered how many Ashland residents benefited from the services provided and focused on Ashland based agencies. Ms. Reid added the Strategic Plan used a preference established by the HHSC and Council to award larger grants to fewer organizations rather than trying to give everyone a smaller amount. Since the inception of the social services grant program, the majority of grant awards had gone to healthcare organizations. The new grant period lasted four years. At the end, the HHSC, Council, and community would evaluate what agencies met community needs on a regular basis.

City Administrator Dave Kanner explained the overall program amount took the current year's amount and increased it 2% each year of the biennium. Councilor Voisin wanted a Study Session to discuss and possibly revise the process to determine the overall allocation. Mayor Stromberg noted the overall amount was a policy decision by Council on what level of resources they wanted to provide in the program.

The HHSC did not think financial audits needed to be on the application and suggested having the express funding request as a percent of the applicant's total budget instead. They were interested in profit and loss, where agencies used the money, and if the agency spent the funds in the grant period. The HHSC saw benefit meeting and developing targeted questions prior to agency presentations. Other areas of possible improvement were application review, the requests for proposals (RFP) process and incorporating more evaluation that tied back to the RFP and application.

Councilor Seffinger wanted to allocate funds to The Rose Circle Mentoring Network and the Foster Grandparents Program. Vice Chair Matthews commented the selection process was difficult. Smaller amounts would not produce a big impact. The HHSC also considered the affect on agencies who did not receive grant allocations.

Councilor Marsh served as the Council Liaison for the HHSC and had observed the process and noted the Commission did diligent work on the grant allocations. They developed a strategic plan, questioned the impact levels, and focused allocations on community needs. The process was difficult and some applicants did not receive funds. She thought the HHSC did what Council had asked of them. Grant awards reflected the strategic goals chosen by the Commission. In four years, there would be another opportunity to review priorities. These allocations reflected this year's strategic planning priorities.

Vice Chair Matthews addressed the 75% reduction in the Community Health Center's grant allocation and explained the Community Health Center was a difficult decision for the Commission. They allocated the amount because it was not a strategic priority at this time. Ms. Reid added some people could now receive services because of the Affordable Care Act, through the mobile health clinic, and clinic services offered by Community Health Center itself. Receiving less grant money did not create a major impact on the Community Health Center. However, it did affect the Rose Circle Mentoring Network.

Councilor Voisin/Marsh m/s to approve the 2016-2017 social service grant funding allocations recommended by the Housing and Human Services Commission at its regular meeting on May 28, 2015. DISCUSSION: Councilor Voisin thought it was a good decision by Council to have the HHSC review the grant applications and make recommendations. Councilor Marsh thought the process would be much better in future years. It was difficult to make changes and adhere to a strategic plan. The HHSC made the process as effective as possible.

Councilor Seffinger/Lemhouse m/s to amend the motion by lowering the allocation for Options for Homeless Residents of Ashland by \$3,000 and award \$3,000 to the The Rose Circle Mentoring Network, Inc. DISCUSSION: Councilor Seffinger thought the organization was important to the health of young women. The Rose Circle Mentoring Network had a significant impact on youth. Councilor Lemhouse added Options for Homeless Residents of Ashland had received hundreds of thousands from the City. There were organizations that could use funding as well. Councilor Voisin would not support the amendment. She needed more information on the application, how it related to the criteria in the request for proposal. Councilor Marsh agreed with Councilor Voisin. The HHSC discussed The Rose Circle Mentoring Network in detail. Making changes to the work of a Commission would invalidate what Council was asking from them. Councilor Lemhouse agreed with Councilor Marsh regarding honoring the decisions City Commissions made. Alternately, Council should be able to make adjustments.

Roll Call Vote: Councilor Lemhouse, Morris, Rosenthal, and Seffinger, YES; Marsh and Voisin, NO. Motion passed 4-2.

Councilor Lemhouse/Seffinger m/s to amend the motion and reduce the allocation to Options for Homeless Residents of Ashland by \$7,000 and the allocation to St. Vincent de Paul by \$5,000 and award the total of \$12,000 to the Community Health Center for a total of \$20,000.

DISCUSSION: Councilor Lemhouse commented the working poor relied on the Community Health Center. The Affordable Healthcare Act took care of many issues but

there were still a large number of people unemployed and unable to afford basic healthcare. Cutting the allocation from \$31,000 to \$8,000 was steep. Granting them a \$20,000 allocation was a significant reduction but more reasonable. Councilor Seffinger thought decreasing the amount they received would hurt the working poor of Ashland. Councilor Voisin would not support the amendment. The Affordable Care Act was working and La Clinica had a van in Ashland once a week. Options for Homeless Residents of Ashland (OHRA) did not just work for the homeless and often assisted the working poor. **Roll Call Vote: Councilor Lemhouse, Morris, and Seffinger, YES. Councilor Marsh, Voisin, and Rosenthal, NO. Mayor Stromberg broke the tie with a NO vote. Motion failed 4-3.**

Continued Discussion on amended main motion: Councilor Lemhouse supported the process and the Commission. It was important the Council had oversight over the commissions. He addressed the assumption his proposal would take money away from OHRA and reiterated the City had given OHRA hundreds of thousands of dollars. He would support the motion. Councilor Morris supported the motion and the work the Commission did. HHSC had only moved 2% of the funds. Councilor Voisin thought Council needed to look at the possibility of increasing the amount of money designated for social services grants. She clarified that OHRA had not received hundreds of thousands of dollars and in fact had only received a \$100,000 grant and a Community Development Block Grant. Councilor Marsh noted Ashland was the only city in the area with social service grants. **Roll Call Vote on main motion as amended: Councilor Marsh, Voisin, Lemhouse, Morris, Rosenthal, and Seffinger, YES. Motion approved.**

2. Discussion and Council direction regarding use of TID water for potable water purposes

Engineering Services Manager Scott Fleury provided a reservoir update and explained Reeder Reservoir was 98.4% full. Inflow from the east and west forks was 6.37 million gallons per day (mgd) and production at the treatment plant was 4.2 million gallons. Last year on the same date, the inflow was 4.1 mgd and production was 3.77 million gallons. The overall drought strategy was keeping the reservoir as full as possible. When the east and west forks stop producing enough water to meet daily domestic needs, the City would use Talent Irrigation District (TID) water. In order to pump the maximum TID amount of 2 mgd, the City would shut off the backside of the system affecting approximately 86 users. The front side consisted of all users between Starlight Place and Terrace Street. The backside users consisted of everything past Terrace Street to the end where the TID water left the system into Wrights Creek.

The TID water right for Ashland was 759-acre feet or approximately 250 million gallons for domestic use. The City offered a seasonal irrigation service to canal customers that ordinance 2188 defined as an interruptible service for domestic need if the City chose. This year the City had the Talent Ashland Phoenix (TAP) Intertie line installed. This prompted a citizen suggestion of keeping the backside of the TID open for that customer base and use TAP instead. Public Works developed three options for Council to consider. Option 1 would continue to use TID to supplement the water supply first. Option 2 would use TAP first. Option 3 would split the difference, pumping 1 mgd of TID and 1 mgd of TAP possibly increasing TAP if needed.

Providing the 86 residents' access to TID would involve pushing 3.75 to 1 mgd through the backside. The remaining 1 mgd would go to the treatment plant. Steve Walker, the water distribution services supervisor further explained that half of the water for backend users' would flow into Wrights Creek. Shutting down the backside consisted of turning off a valve. It would take 6-12 hours for water to flow to the back of the ditch. City Administrator Dave Kanner noted on September 30, 2014 the reservoir was almost 100% full. Once the rains came, staff had to draw the water down to create additional storage space. Mr. Fleury confirmed the least expensive costs for water per gallon was using TID. It was also the most cost efficient way to supplement the water supply. Staff met with some of the citizens affected by the shut off and they expressed concerns for the health of the trees and vegetation. Mr. Walker added shutting the valve off was not hard on the system. Major fluctuations in the ditch stirred up debris resulting in readjustments every few days. Additionally, reducing the flow to 1 mgd would overrun the wet well.

Mr. Fleury explained the costs associated with each option. The \$14,190 in Option 1 was the \$175 TID water service for the 86 residents. Council recommended waiving the fees. This created a \$14,190 loss in revenue. The City would pump TAP for one month to ensure it was solid and functioning correctly.

In Option 2, using TID later in the season was not viable due to the potential for algae blooms as water levels diminished in the reservoirs. Algae blooms were toxic to humans. Option 3 would use 1 mgd of TID and 1 mgd of TAP and would cost approximately \$21,380 more than using TID first.

Mayor Stromberg read from Ordinance 2188 Section 1.6.5 Priority of Use that the primary uses of TID water was for domestic purposes in water short years and Section 1.6.7 regarding interruptible service and the City's right to restrict water.

Sabra Hoffman/345 Scenic Drive/Explained the investment they made to acquire access

to TID and subsequent irrigation system. Last year when the water was shut off, they lost their vineyard but were able to save their trees. She wanted Council to see the face of one the property owners.

David Hoffman/345 Scenic Drive/Thought the addition of TAP changed things and provided another combination. He supported Option 3 and thought it was the most appropriate and fair to the 86 property owners and was an equitable distribution of costs.

Cindy Barnard/128 Wimer Street/Described her home and the investment of trees and shrubs that cost several hundred thousand dollars to enhance the property. Last year she had to decide what would live. Currently she was hauling buckets of water from her shower and bath to her garden. It would be ideal to use the TAP water for drinking water and TID for irrigation. She supported Option 3.

Donna Rhee/338 Scenic Drive/Sat on the Ashland Water Advisory ad-hoc Committee that discussed using water for appropriate uses and not using potable water to irrigate plants. It was disappointing to see the discussion on money and allocation on what the City would save. It did not make sense. They were starting to lose plant life at her end of town. It was not fair that the other end of town got TID.

Daniel Maymar/115 Scenic Drive/Not having access to TID put a burden on the 86 properties that used the service. It was inequitable. He urged Council to support Option 3.

Val Dutson/725 Prim Street/Supported Option 3 and wanted everyone to stop watering their lawns. His property lost many trees last summer and would lose more this year if they experienced the same conditions.

Mayor Stromberg noted he had talked to Council and staff on protecting legacy trees during severe water shortages and providing water for people growing food.

Councilor Marsh/Voisin m/s to direct staff to use TID water to supplement the water supply before using TAP water by following Option 1. DISCUSSION: Councilor Marsh commented these were difficult times regarding drought and trying to keep important trees and plants alive. She appreciated the comments from the people who came forward. In order to allow 86 residents out of 11,000 water users in the city access to the TID would potentially dump 10% or 400,000 gallons of the daily water supply into Wrights Creek. It would also require water users to pay for the opportunity for 86 users to access TID at an additional subsidy of \$21,000 a year.

Councilor Voisin opposed the motion. She questioned using TID when the reservoir was full and thought the City should use the reservoir, TID, and then TAP for emergency purposes only. TAP was not intended for irrigation. She wanted to look at more ways to conserve. Councilor Rosenthal raised a point of clarification regarding the priority and confirmed use would consist of the reservoir water first, TID then TAP. Councilor Voisin further clarified the City could use the reservoir exclusively until it reached a certain level before introducing TID. When TID shut off for the season, the City would use TAP only in an emergency. Councilor Seffinger would not support the motion explaining the City needed to look at the needs of the entire environment, the trees, and pollinators. It was unfair for the people on the backside that had a lot of money invested in their landscapes that were important for insects, animals and other creatures that relied on the trees. Councilor Lemhouse opposed the motion as well. Allowing irrigation would lessen the fire danger. There was a fairness issue involved and there was a way to keep that from happening. This was a worthwhile balance. He would endorse Option 3.

Councilor Rosenthal noted the issues and burdens the 86 property owners experienced and would encounter. This was a community wide water shortage during a drought year. The cost of using TAP was the most expensive the City could obtain. There was also a citywide cost efficiency consideration and a resource maximization question. Allowing large amounts of drinking water to flow into Wrights Creek would be wasteful and incongruent to the message on conservation. In the absence of an alternative or variant of Option 3, it would be nice to have something that would work for everyone. Option 1 was the best decision for the community. It pained him because he understood the needs of the property owners.

Councilor Morris would support the motion. The City was limited to their water rights from TID and to put half of it into Wrights Creek did not make sense. The City kept the reservoir full for a reason. The biggest reason was avoiding algae bloom if the water level was low. No one knew when the rains would start. To drain the reservoir down did not make sense. Councilor Voisin explained Wrights Creek was a major creek that supported an eco system that needed water. If the City continued not to provide the water for that creek, it would have a negative impact.

Councilor Lemhouse noted Option 1 would force 86 homes to use city water for irrigation. It was a complex issue. No one was completely wrong or right. He thought it was safer allowing people to keep their vegetation alive. TAP was for an emergency but could be used to prevent one.

Mayor Stromberg explained the ordinance he read from earlier put every use of TID on notice that the primary purpose was to contribute to the domestic potable water supply in times of water shortage. As painful as it was, this was the legal basis of the water rights. The reservoirs at Hyatt Lake were 1/3 full at this time of year. This was where the water for TID came from. There was a possibility if the drought continued TID would shut off earlier in the year. Many properties had large trees that were suffering and no TID access. There was also a possibility of algae bloom occurring in the lakes the TID drew down. The City had professionals running the water system and it was set up for the good of the community as a whole. Reluctantly he would support the motion to break a possible tie vote.

Councilor Voisin raised a point of clarification and asked why the Mayor was hesitant not to include the reservoir as a source of water early in the summer. Mayor Stromberg responded there were professionals who decided that was the best way to maintain water security for 45 days as a backup in case something went wrong with TAP or the Medford water supply.

Councilor Seffinger wanted to know the actual potential that algae blooms could form. Mr. Fleury explained the City had an environmental scientist who worked with the Water Treatment Plant staff in the analysis of algae. Currently the reservoir was not at 100% because staff had to lower the reservoir in order to treat a current algae bloom based on the recommendation of the consultant. All water sources had algae blooms. It was a matter of determining whether they were toxic or not. Mayor Stromberg clarified his concern was algae blooms occurring in the lakes that supplied TID water. Mr. Fleury confirmed they could occur in Hyatt Lake or Howard Prairie Lake as easily as they could in the City reservoir. The lower the reservoir level, the more prone it was to a potential toxic algae bloom. None of the three options was dangerous in terms of algae blooms. The City tested TID water coming into the water systems on a regular basis. However, there was a risk of toxic algae water from TID if the City introduced it into the water system later in the summer.

Councilor Voisin wanted to know how often a toxic algae bloom occurred in the reservoir and TID over the past ten years. City Administrator Dave Kanner responded in the last ten years for the reservoir there were zero. He was not sure how many occurred in the Hyatt and Howard Prairie Lakes. Algae occurred yearly, toxic algae blooms were rare. As a rule, the City tried to keep reservoirs over 40% full. Having the level at 40% heated the water making it more conducive for an algae bloom.

Public Works Superintendent Mike Morrison explained the City started testing Howard Prairie Lake and Hyatt Lake last year. Prior to that, the City was not using TID water enough to require testing. They had not found toxic algae blooms in either lake when tested but Lost Creek Lake had experienced toxic algae. A toxic algae bloom was a real possibility in the area. Mr. Fleury confirmed the City would not lower the reservoir below the 35% mark.

Councilor Marsh noted the area had experienced emergency drought conditions for a second year. Next year would provide additional data that would help determine how the City maintained water supplies and how to adjust long-term community expectations.

Councilor Voisin motioned to amend the motion that staff schedules a meeting with the 86 TID water users to explain the reasons and offer water conservation and irrigation audits and tips to conserve water during the drought. Mayor Stromberg explained Councilor Voisin' motion was not a legitimate amendment to the main motion.

Roll Call Vote: Councilor Morris, Rosenthal, Marsh, and Seffinger, YES. Councilor Voisin and Lemhouse, NO. Motion passed 4-2.

Councilor Voisin/Seffinger m/s that staff schedule a meeting with the 86 TID water users to explain the reasons for the non-use of TID and to offer water conservation and irrigation audits and tips on how to conserve water during the drought.

Mr. Fleury explained when staff sent the initial letter advising the 86 users of the three options Council would discuss at this meeting they also offered to hold another public meeting with them at a future time based on the outcome of Council's decision. Water Conservation Specialist Julie Smitherman would attend to discuss special programs and potential audits of properties to assist them.

Councilor Voisin withdrew the motion with consent from Councilor Seffinger.

ORDINANCES, RESOLUTIONS AND CONTRACTS

1. Approval of a resolution titled, "A resolution endorsing Cascade-Siskiyou National Monument expansion"

City Administrator Dave Kanner explained the resolution was the outcome from the June 1, 2015 Study Session that discussed expanding the monument range. Staff slightly edited the original resolution with the author's approval.

Councilor Rosenthal/Seffinger m/s to approve Resolution #2015-

22. DISCUSSION: Councilor Rosenthal noted the resolution made sense for the community. Councilor Seffinger added the biological diversity in the area was very important to sustain. Councilor Voisin thought it was essential Council endorse the Cascade-Siskiyou National Monument expansion. Councilor Morris agreed. Most of the area's water came from the monument. If Measure 37 had passed, it would have allowed residential development in a lot of the area within the monument. A similar measure could come back in the future. **Voice Vote: all AYES. Motion approved.**

2. Approval of a resolution titled, "A resolution adopting a supplemental budget increasing appropriations within the 2013-2015 biennium budget"

Administrative Services Director Lee Tuneberg explained the resolution was the fourth phase of Budget 2013-2015 and would increase the appropriations in the General Fund and Water Fund for the Fire Department and Forest Lands Management Division.

Councilor Lemhouse/Rosenthal m/s to approve Resolution #2015-

20. DISCUSSION: Councilor Rosenthal was impressed there were so few items for the biennium. Councilor Marsh noted it was nice to adopt a supplemental budget when it was bringing good things to the community.

Roll Call Vote: Councilor Rosenthal, Lemhouse, Seffinger, Marsh, Voisin, and Morris, YES. Motion approved.

3. Approval of a resolution titled, "A resolution transferring appropriations within the 2013-2015 biennium budget"

Administrative Services Director Lee Tuneberg explained the resolution showed where the appropriations were transferring from and what funds they were going into. The transfers assured the City did not encounter budget violations. Moving money from contingency would result in higher Ending Fund Balances but that was not an absolute. They were transferring funds from a contingency to areas where there was a potential for a budgetary violation. There were other areas with under expenditures so the net may show no difference on the Ending Fund Balance.

Councilor Voisin asked about the \$300,000 for the interest and expense of the Talent Ashland Phoenix (TAP) waterline. Mr. Tuneberg explained the City shifted \$300,000 from other projects in order to do the TAP project over a 24-month period. The money came through appropriations. Public Works produced a report several months back that indicated the total cost for TAP was approximately \$7,000,000 excluding the pump station.

Councilor Marsh raised a point of order regarding the TAP inquiry. It was not relevant to the question at hand and a different discussion. Mayor Stromberg ruled the inquiry was not germane. Councilor Voisin appealed the ruling.

Roll Call Vote on Ruling the Inquiry was not Germane: Councilor Marsh, Rosenthal, Seffinger, Lemhouse, and Morris, YES; Councilor Voisin, NO. Ruling Stood 5-1.

Councilor Rosenthal/Lemhouse m/s to approved Resolution #2015-21.

DISCUSSION: Councilor Rosenthal clarified his previous comments on increasing appropriations were actually intended for this topic. It was a small amount of transfers for the first biennium.

Roll Call Vote: Councilor Seffinger, Marsh, Rosenthal, Morris, and Lemhouse, YES; Councilor Voisin, NO. Motion approved 5-1.

OTHER BUSINESS FROM COUNCIL MEMBERS/REPORTS FROM COUNCIL LIAISONS

1. Discussion of compensation for non-represented employees

City Administrator Dave Kanner reversed a statement made during the budget process on no cost of living adjustments (COLA) for non-represented employees in the next fiscal year. He recommended a small pay adjustment of 1% for supervisory managers including department heads and 1.5% for non-supervisory and confidential non-represented employees. The original Consumer Price Index (CPI) indicated a negative number January to January. A tentative agreement with the IBEW Clerical Technical group called for a 2.5% COLA the first year of the biennium and 1.5% in the second year. Many of these positions were similar to non-represented positions. It did not seem fair that people doing the same job would not get some form of pay adjustment.

For the supervisory manager group there were two issues. One, the majority of neighboring jurisdictions would provide pay increases for most of their managers. Two, the City had a compression problem throughout the organization that needed to be mitigated over time. He proposed 40 hours of additional administrative leave to department heads and 8 hours of paid leave to exempt non-representative employees. The paid time off did not accrue from year to year. Currently all exempt managers received 40 hours of administrative leave.

Councilor Marsh/Morris m/s to approve the salary adjustments as proposed in the Council Communication. DISCUSSION: Councilor Marsh thought these were reasonable COLA increases. She did not include the additional 40 hours of administrative

leave and wanted to see more data regarding leave. Councilor Rosenthal supported the motion. The compensation of public employees may seem incomprehensible to many in the private sector. The year before he analyzed the compensation and benefits of the City of Ashland department heads, Ashland was not above average. If the City was serious about attracting the most competent people and best governance and management this is what needed to happen. Councilor Voisin would vote against the motion. The department heads had received a sizeable increase in their salary already and should not be included in the COLA. Councilor Lemhouse agreed with Councilor Rosenthal. Ashland was small but complex. He cautioned on adding to compaction, and eroding succession planning. Councilor Seffinger agreed with everything said with the exception of Councilor Voisin comments. Equitability and hiring the best possible employees was important.

Roll Call Vote: Councilor Marsh, Lemhouse, Voisin, Morris, Rosenthal, and Seffinger, YES. Motion passed.

Councilor Voisin announced the US Women defeated Nigeria in the World Cup play. She reported that Southern Oregon University attended the Tree Commission meeting regarding the McNeal Pavilion renovation and requested the removal of several trees. One of the arborists on the Commission inspected the area and they were able to save three trees. The Tree Commission also unanimously voted not to recommend removing the Fremont Cottonwood tree located on Clay Street.

ADJOURNMENT OF BUSINESS MEETING

Meeting adjourned at 10:13 p.m.

Barbara Christensen, City Recorder
John Stromberg, Mayor