



CITY COUNCIL MEETING

Special Meeting

June 25th, 2018 @ 4:00 PM

AGENDA

- 1) Open Floor
- 2) Discussion Regarding Property Purchase Proposal
- 3) Review of Submitted Shirttail Creek Subdivision Proposals.
- 4) Bills Before Council

**** COUNCIL EXECUTIVE SESSION:** If necessary an Executive Session may be held at the end of the Council Meeting in accordance with: ORS 192.660(2) (a) to consider the employment of a public officer, employee, staff member or individual agent, (e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions, and (f) To consider information or records that are exempt by law from public inspection.



**CITY COUNCIL
SPECIAL MEETING
June 25th, 2018**

Council Present:

Brad Smith
Sue Holliday
Barbara Northington

Public in Attendance

Judy Chapman
Patty Davidson

**City Manager/Recorder Raamin Burrell
Minutes taken and recorded by Raamin Burrell
Public Works Director Josh Walker**

Meeting called to order by Mayor Smith at 4:00 p.m.

Open Floor: Mayor Smith read the agenda item aloud. There were no open floor items.

Discussion of Property Purchase Proposal: Mayor Smith read the agenda item aloud and confirmed that the Council had read the information included in their packets. Judy Chapman asked if there was any more information about the lots. City Manager Burrell confirmed that she'd been in contact with the DEQ (Department of Environmental Quality) and had been able to find out more of the City history with the lots in Block 1. In speaking with the DEQ, City Manager Burrell was attempting to gain a more definite understanding of the requirements and restrictions placed and to have the contaminated part of the site redefined as confined to Lot 8 as opposed to applying to the entirety of Block 1. She'd spoken with Katie Robinson at the Oregon DEQ and after review, has agreed that this is appropriate and has emailed the City a draft copy of the changes which requires a release of the old one and the new one placed. She is waiting for her boss to return to work so that he may review, sign and notarize the documents. The discussion then turned to what exactly was going on with the contamination and how does that effect the lot in the future. Included in the packets for the Council was the short version of this story:

In 1999, via Mr. Schwartz who was the head of the planning committee at the time, the City initiated the purchase and clean up of the site known as the old Seneca Shops and gas station in Block 1 of Grant County tax map 16E31S35CC. At the time, the Oregon DEQ was notified that the previous building had burned down in 1981 and that it was likely the fuel tanks for the gas station were still in the ground and leaking. The DEQ initiated testing and inspection of the site, determining that there were 3 tanks still



in the ground and had some level of fuel and were leaking. All of the requirements were fulfilled over the next 2 years to do the basic decontamination of the site which included draining and removing the tanks, excavating many tons of contaminated soils, and retesting the site. During excavation a 4th tank was discovered and drained, but as it was still whole and significantly newer than the rest of the tanks, it was left in the ground. The site was backfilled with clean soil and the City has retained ownership since. In 2013, as is required, the DEQ came back out and retested the site for any additional contaminants or damage to the surrounding areas. The levels of contamination had all gone down, but not near enough to remove the designated restrictions. At that time, a copy of the designation was supposed to be attached to the deed but wasn't.

Mrs. Chapman asked what the designations meant and how that would apply to them if they bought it. City Manager Burrell explained that a sale of the lot will prompt test of the site. At that time, it would be up to the buyer how they wanted to proceed. Any construction on the site would prompt testing by the DEQ so that a current report could be handed to the buyer. Construction of any building would also prompt the requirement of excavating all contaminated soils from the site at the buyers' expense. The only means by which the property could be sold and not have to completely excavate would be if it were left as a natural park site. It could not be used for agriculture, either. Anything planted for produce could not have its roots in the soil and would have to be tested before sold or used. Mayor Smith confirmed that they already have a lease for the lots and that the City had no intention of selling the lots while the lease was in effect. Councilor Northington stated that we needed a better idea as to what the actual value of these lots was going to be once the DEQ designation was officially assigned to Lot 8. The most recent valuation of the lots was done in 1981. There was a question as to if the City could legally resell the lot in this condition. City Manager Burrell explained that the level of designation does allow for resale of the lot. The only time there would be any issue is if someone decided to build on it.

Councilor Northington asked if the verbiage could be changed to give a longer than 30-day option to give notice to terminate the lease? Absolutely. The 30-day clause is in there to legally give either side a way out of the lease for whatever reasons. The same clause is included in all of the leases with the City. Councilor Holliday asked why we didn't just give them a longer lease. The answer is because the City Code states the length for any lease is one year unless agreed upon by the Council. As has been discussed in previous meeting over the last couple of years, the leases were never originally intended to apply for anything other than pasture land. Over the years an "other use" lease was added in to the mix, but there was never any adjustment to the City Code. That being said, City Manager Burrell stated that she'd worked with the City Attorney to update the verbiage for the non-pasture leases to be more practical and legal. The "30-day notice" clause can be changed to any length the Council deems it's willing to accept. Mrs. Chapman is mostly concerned with the 30-day notice and is looking for more security. The lease is a two-way contract. The City has no intention of terminating the lease. Even if there was some reason on either side, then both parties would have to agree. If the City initiates the option to terminate, then the option would be to follow the however many days' notice or to renegotiate the lease when the fiscal



year is up. The Council all agreed that they had no intention of kicking them off the lot. They're committed to the community and new businesses is exactly what the City wants and needs. There was a discussion about the history of the site and an update on the City finishing the connections to the lot. It was concluded that the City just needed more information to make an appropriate decision.

Review of Submitted Shirttail Creek Subdivision Proposals: Mayor Smith read the agenda item. At this time Mayor Smith placed the meeting into Executive Session at 4:25 pm for the purpose of reviewing a proposal for the purchase of real property. The single received proposal was reviewed and graded according to the included grading criteria. The scores from each Councilor present will be signed, tallied, averaged, and recorded for legal documentation. Mayor Smith recalled the Council from executive session at 4:45 pm. As his was the only received proposal it was determined by the attending Council to go ahead and announce that Matt Wenick has won his proposal for Lot 1 in the Shirttail Creek Subdivision.

Bills Before Council: Mayor Smith read the agenda item aloud and called for a motion to pay the bills.

-Councilor Holliday made the motion, Councilor Northington seconded it. All in favor, motion passed, bills signed.

Meeting Adjourned at 4:50 p.m.

Attest: Brook Smith
Mayor