

**CITY OF CENTRAL POINT
City Council Meeting Agenda
August 24, 2017**

Next Res. 1515
Next Ord. 2038

**Central Point
City Hall
541-664-3321**

City Council

Mayor
Hank Williams

Ward I
Bruce Dinger

Ward II
Michael Quilty

Ward III
Brandon Thueson

Ward IV
Tanea Browning

At Large
Rob Hernandez
Allen Broderick

Administration
Chris Clayton, City
Manager
Deanna Casey, City
Recorder

**Community
Development**
Tom Humphrey,
Director

Finance
Steven Weber,
Director

Human Resources
Elizabeth Simas,
Director

**Parks and Public
Works**
Matt Samitore,
Director

Police
Kris Allison Chief

I. REGULAR MEETING CALLED TO ORDER – 7:00 P.M.

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

IV. PUBLIC APPEARANCES – *Comments will be limited to 3 minutes per individual or 5 minutes if representing a group or organization.*

V. CONSENT AGENDA

Page 2 - 6 A. Approval of July 27, 2017 City Council Minutes
7 -8 B. Approval of change of Ownership OLCC Application for
7-Eleven

VII. ITEMS REMOVED FROM CONSENT AGENDA

VIII. PUBLIC HEARING, ORDINANCES, AND RESOLUTIONS

10 - 17 A. Resolution No. _____, Approving an Intergovernmental Agreement for a Facility Lease between the City of Central Point and the Douglas Education Service District (Samitore)

19 - 20 B. Resolution No. _____, A Resolution Authorizing the Finance Director to Represent the City of Central Point as a Bidder at the Foreclosure Sale of 466 South First Street in a Range of \$27,000 to \$50,000 (Weber)

22 - 27 C. Public Hearing/First Reading – An Ordinance Amending CPMC Chapter 15.04, Building Code to Comply with Updates and References to New State Code (Humphrey)

IX. BUSINESS

- 29 A. Planning Commission Report (Humphrey)
- 31 B. Community Center Ad Hoc Committee Appointments (Williams)
- 33 - 56 C. Discussion on the use of Municipal Water for Agricultural Purposes (Clayton)

X. MAYOR'S REPORT

XI. CITY MANAGER'S REPORT

XII. COUNCIL REPORTS

XIII. DEPARTMENT REPORTS

XIV. EXECUTIVE SESSION

The City Council may adjourn to executive session under the provisions of ORS 192.660. Under the provisions of the Oregon Public Meetings Law, the proceedings of an executive session are not for publication or broadcast.

XV. ADJOURNMENT

Individuals needing special accommodations such as sign language, foreign language interpreters or equipment for the hearing impaired must request such services at least 72 hours prior to the City Council meeting. To make your request, please contact the City Recorder at 541-423-1026 (voice), or by e-mail at: Deanna.casey@centralpointoregon.gov.

Si necesita traductor en español o servicios de discapacidades (ADA) para asistir a una junta publica de la ciudad por favor llame con 72 horas de anticipación al 541-664-3321 ext. 201

Consent Agenda

**CITY OF CENTRAL POINT
City Council Meeting Minutes
July 27, 2017**

I. REGULAR MEETING CALLED TO ORDER

Mike Quilty called the meeting to order at 7:00 p.m.

II. PLEDGE OF ALLEGIANCE

- III. ROLL CALL:** Mayor Williams was excused.
Council Members: Allen Broderick, Bruce Dingler, Tanea Browning and Mike Quilty were present. Brandon Thueson joined the meeting by conference call.

City Manager Chris Clayton; City Attorney Sydnee Dreyer; Police Chief Kris Allison; Community Development Director Tom Humphrey; Parks and Public Works Director Matt Samitore, Finance Director Steven Weber, Police Captain Dave Croft, Police Lieutenant Brian Day, and Public Works Office Assistant Cyndi Weeks were also present.

IV. PUBLIC APPEARANCES - None

V. SPECIAL PRESENTATIONS - None

VI. CONSENT AGENDA

- A. Approval of June 29, 2017 City Council Minutes**
- B. Approval of meeting cancelation for August 10, 2017**
- C. Acceptance of 2016/17 Fiscal Year Financial Statement**

Allen Broderick made a motion to approve the consent agenda as presented. Tanea Browning seconded. Roll call: Allen Broderick, yes; Bruce Dingler, yes; Brandon Thueson, yes; Mike Quilty, yes; and Tanea Browning, yes. Motion approved.

VII. ITEMS REMOVED FROM CONSENT AGENDA - None

VIII. PUBLIC HEARINGS, ORDINANCES AND RESOLUTIONS

- A. Resolution No. 1514, Granting a Non-Exclusive Franchise to Mobilitie, LLC, a Nevada Limited Liability Company for Purposes of the Construction and Operation of a Telecommunications System (Clayton/Dreyer)**

City Attorney Sydnee Dreyer discussed the merits of allowing Mobilitie to install a new tower-mounted antenna on E. Pine and S. 9th Streets for mobile telecommunications. The City would receive a franchise fee of 7% of gross revenue.

Allen Broderick made a motion to approve Resolution No. 1514, Granting a Non-Exclusive Franchise to Mobilitie, LLC, a Nevada Limited Liability Company for Purposes of the Construction and Operation of a Telecommunications System. Bruce Dingler seconded. Roll call: Bruce Dingler, yes; Mike Quilty, yes; Brandon Thueson, yes; Tanea Browning, yes; and Allen Broderick, yes. Motion approved.

IX. BUSINESS

A. Planning Commission Report

Community Development Director Tom Humphrey announced that the commission discussed the Smith Crossing apartments at Twin Creeks and how four members of the commission unanimously passed the motion to approve the site plan and architectural review for the 245 unit multifamily development within the Medium Mix Residential zone in the TOD Master Plan area.

B. Park Commission Report

Parks and Public Works Director Matt Samitore reported that residents of Whispering Pines subdivision have had issues with the sound of basketballs at Don Jones Memorial Park. With the resurfacing of the courts in the next 2-4 years, the sound will be softened. The commission will also look into options of different backboards and nets as well as possibly adding more trees.

Jump houses in the parks can become problematic. Insurance is required but expensive and keeping them clean of germs can be an issue. Staff recommended that jump houses only be allowed for large events with special event permits, \$2 million liability waiver, and security deposit.

C. Pine Street Project Bid Award

Parks and Public Works Director Matt Samitore reported that the City received two bids for the East Pine Street Streetscape and Waterline Project with Pilot Rock Excavation bidding lower than Knife River. The project bid came to \$5,138,627, which is about \$100,000 over our estimated budget. The difference will come from various sources, including the water fund if necessary. Work can't begin until after Labor Day and will run through 2018.

Allen Broderick made a motion to approve the low bid for the East Pine Streetscape and Waterline Project. Tanea Browning seconded. Roll call: Bruce Dingler, yes; Mike Quilty, yes; Brandon Thueson, yes; Tanea Browning, yes; and Allen Broderick, yes. Motion approved.

D. Run 4 Freedom Accounting Report

Parks and Public Works Director Matt Samitore reported that Crater Cross Country team controlled the run and should be rewarded with the revenue of \$1,135.49 for fundraiser purposes.

Tanea Browning made a motion to approve donating revenue from the Freedom Run to Crater Cross Country for Fundraising Purposes. Allen Broderick seconded. Roll call: Bruce Dingler, yes; Mike Quilty, yes; Brandon Thueson, yes; Tanea Browning, yes; and Allen Broderick, yes. Motion approved.

X. CITY MANAGER'S REPORT

City Manager Chris Clayton reported that:

- Medford is considering reducing the SDC fees for apartment complexes to encourage development.
- Smith Crossing mailing information and SDC estimate will be included in the informational update email.
- After visiting Country Crossing several times, he felt happy with the logistics and organization of the festival. He feels the bulk of the complaints will be about noise.
- Changes to marijuana taxations in the state will be in his informational update.
- Looking into the foreclosure on Bush Street, it looks to be in the City's best interest to just purchase the property and immediately clean it up. The property can't be sold for a period of one year. Sydnee is looking into the legalities.

XI. COUNCIL REPORTS

Council Member Allen Broderick reported that:

- He attended the 4th of July parade and festival and thought it was run smoothly.
- He also attended Red, White and Boom, Study Session, and Greeters at the RV Park.

Council Member Tanea Browning reported that:

- The 4th of July festivities had a great attendance.
- She attended the Study Session, Art in the Park, Fire District 3 meeting, Greeters at RV Park, and Country Crossings.
- The Chamber has finished map brochures highlighting places of interest in the city.

Council Member Bruce Dingler had nothing to report.

Council Member Mike Quilty reported that:

- He watched the parade and attended a Rogue Valley Transportation meeting.

Council Member Brandon Thueson reported that:

- He attended the Study Session, Munch N Movies, and the 4th of July festivities.
- He attended Art in the Park, and was disappointed in the attendance.

XII. DEPARTMENT REPORTS

Parks and Public Works Director Matt Samitore reported that:

- Country Crossing Traffic is moving well now, but adjustments will need to be made on Upton. There will be staff at hand throughout the event, but crew may be scaled down if necessary.
- Twin Creeks Crossing will go out to bid on August 24th and construction will begin early in 2018.

Community Development Director Tom Humphrey reported that:

- Next month will be getting the housing element that allows us to work on the UGB.
- There will be a Citizen Advisory Committee meeting in August.

Police Chief Kris Allison reported that:

- The Police Department is adding extra staff during the Country Crossing weekend. Three overtime shifts dealing with traffic and extra staff during the late evening hours. So far it is going more smoothly than anticipated. There are several Facebook posts for public concerns.

Finance Director Steve Weber reported that:

- The 2016-17 audit is about to begin and we have received notification that 15/16 fiscal year report was awarded a certificate of excellence for the 26th year.

City Attorney Sydnee Dreyer reported that:

- The current council review provisions are a bit unusual. The concern is that provision in the code says a review can be done at any time of the project. Council needs to consider not continuing the review or only have a review very early in the process. This will be discussed further at the next Study Session Meeting.

XIII. EXECUTIVE SESSION – ORS 192.660 (2)(h) Legal Counsel

Mike Quilty moved to adjourn to Executive Session under ORS 192.660 (2)(h) and receive legal counsel. Tanea Browning seconded. All said “aye” and the meeting was adjourned into executive session.

Council returned to regular session at 8:26 p.m.

XIV. ADJOURNMENT

Allen Broderick moved to adjourn, all said “aye” and the Council Meeting was adjourned at 8:27 p.m.

The foregoing minutes of the July 27, 2017, Council meeting were approved by the City Council at its meeting of August 24, 2017.

Dated:

Mayor Hank Williams

ATTEST:

City Recorder



155 South Second Street • Central Point, OR 97502

Kristine Allison

Ph: (541) 664-5578 • Fax: (541) 664-2705 • www.centralpointoregon.gov

Chief

Date: 08/11/2017

From: Chief Kristine Allison
To: Honorable Mayor Williams
Subject: Request for OLCC License

RE: 7-Eleven #18155E / Persons associated therewith

Files of the Central Point Police Department contain no information pertinent to the request.

Respectfully,

A handwritten signature in cursive script that reads "Kristine Allison". The signature is written in black ink and is positioned above the printed name and title.

Chief Kristine Allison
Central Point Police Department



OREGON LIQUOR CONTROL COMMISSION
LIQUOR LICENSE APPLICATION

Application is being made for: LICENSE TYPES <input type="checkbox"/> Full On-Premises Sales (\$402.60/yr) <input type="checkbox"/> Commercial Establishment <input type="checkbox"/> Caterer <input type="checkbox"/> Passenger Carrier <input type="checkbox"/> Other Public Location <input type="checkbox"/> Private Club <input type="checkbox"/> Limited On-Premises Sales (\$202.60/yr) <input checked="" type="checkbox"/> Off-Premises Sales (\$100/yr) <input type="checkbox"/> with Fuel Pumps <input type="checkbox"/> Brewery Public House (\$252.60) <input type="checkbox"/> Winery (\$250/yr) <input type="checkbox"/> Other: _____		ACTIONS <input checked="" type="checkbox"/> Change Ownership <input type="checkbox"/> New Outlet <input type="checkbox"/> Greater Privilege <input type="checkbox"/> Additional Prvilege <input checked="" type="checkbox"/> Other <u>CITN</u>	CITY AND COUNTY USE ONLY Date application received: <u>8/1/17</u> The City Council or County Commission: <u>Central Point</u> (name of city or county) recommends that this license be: <input type="checkbox"/> Granted <input type="checkbox"/> Denied By: _____ (signature) (date) Name: <u>Hank Williams</u> Title: <u>Mayor</u>
90-DAY AUTHORITY <input checked="" type="checkbox"/> Check here if you are applying for a change of ownership at a business that has a current liquor license, or if you are applying for an Off-Premises Sales license and are requesting a 90-Day Temporary Authority APPLYING AS: <input type="checkbox"/> Limited Partnership <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Individuals		OLCC USE ONLY Application Rec'd by: <u>[Signature]</u> Date: <u>7/20/17</u> 90-day authority: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

1. Entity or Individuals applying for the license: [See SECTION 1 of the Guide]
 ① Mernagoleigh Corporation ③ _____
 ② _____ ④ _____

2. Trade Name (dba): 7-Eleven #18155E

3. Business Location: 345 S. Front Street Central Point Jackson OR 97502
 (number, street, rural route) (city) (county) (state) (ZIP code)

4. Business Mailing Address: Atnn Licensing, P.O. Box 219088, Dallas, TX 75221
 (PO box, number, street, rural route) (city) (state) (ZIP code)

5. Business Numbers: (541) 664-2211
 (phone) (fax)

6. Is the business at this location currently licensed by OLCC? Yes No

7. If yes to whom: 7-Eleven, Inc. Type of License: Beer and Wine Off Premises

8. Former Business Name: 7-Eleven #18155K

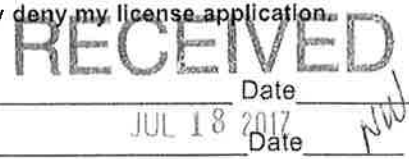
9. Will you have a manager? Yes No Name: Marnce Willund
 (manager must fill out an Individual History form)

10. What is the local governing body where your business is located? Central Point
 (name of city or county)

11. Contact person for this application: Alyssa Brooks (850) 577-6962
 (name) (phone number(s))
301 S. Bronough Street, Suite 600, Tallahassee, FL 32301 alyssa.brooks@gray-robinson.com
 (address) (fax number) (e-mail address)

I understand that if my answers are not true and complete, the OLCC may deny my license application.

Applicant(s) Signature(s) and Date:
 ① [Signature] Date 7/19/17 ③ _____ Date _____
 ② _____ Date _____ ④ _____ Date _____



Resolution

IGA for Facility Lease to Douglas Education Service District



STAFF REPORT

August 24, 2017

AGENDA ITEM: Intergovernmental Agreement with the Douglas Education Service District for the purpose of leasing a city facility for the use of a special needs preschool program.

Consideration of Resolution No. _____ A Resolution Approving an Intergovernmental Agreement for a Facility Lease Between the City of Central Point and the Douglas Education Service District.

STAFF SOURCE:

Matt Samitore, Parks and Public Works Director
Sydney Dreyer, City Attorney

BACKGROUND/SYNOPSIS:

ORS 190.010 provides that units of local government may enter into agreements for the performance of any and all functions and activities that any party to the agreement, its officers, or agents have the authority to perform. By acceptance of the agreement, the parties agree that provision of facilities for operation of a preschool will mutually benefit the parties.

The Douglas Educational Service District (DESD) intends to utilize the facility located at 405 S. 4th Street to operate a preschool classroom for Jackson County Early Intervention/Early Childhood Special Education Program (EI/ECSE). DESD is the administrative agency for the EI/ECSE program.

The preschool will be in operation from August 1 through June 30 each year - Monday through Friday from 8:00 am to 4:00 pm. The lease agreement is for five years in order to provide the preschool program with a consistent location for the period. The program will serve a maximum of twelve special needs students who will be primarily from the Central Point area. Using the facility for a preschool will not conflict with any parks and recreation programs and the facility will still be available for evening, weekend, and holiday recreation classes. The DESD has been informed that future plans may include the use of this site as a community center in which case the agreement may be terminated with six months' notice provided.

FISCAL IMPACT:

In order to ensure no negative fiscal impact on the City of Central Point, all monthly costs i.e. electricity, gas, internet connection, water, etc. were reviewed. The average monthly cost of these items is \$400 which will be the monthly lease amount for the facility. The IGA provides for a yearly review of costs with an allowed 10% maximum lease increase annually if needed. The

DESD will be responsible for weekly cleaning of the facility and repairs related to negligence and maintenance of the interior of the building and the heating/cooling system. The City of Central Point will be responsible for overall building maintenance and repairs resulting from normal use.

ATTACHMENTS:

1. Resolution Approving an Intergovernmental Agreement for a Facility Lease Between the City of Central Point and the Douglas Education Service District
2. Intergovernmental agreement between the City of Central Point and the Douglas Education Service District

RECOMMENDATIONS:

Approve Resolution No. _____ A Resolution Approving an Intergovernmental Agreement for a Facility Lease Between the City of Central Point and the Douglas Education Service District.

RESOLUTION NO. _____

A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT FOR A FACILITY LEASE BETWEEN THE CITY OF CENTRAL POINT AND THE DOUGLAS EDUCATION SERVICE DISTRICT

RECITALS:

- A. ORS 190.010 provides that units of local government may enter into agreements for the performance of any and all functions and activities that any party to the agreement, its officers, or agents have the authority to perform.
- B. The City of Central Point and the Douglas Education Service District deem it to be to their mutual advantage and to be in the best interest of their respective constituencies to enter into an intergovernmental agreement for the lease of a city facility to be used for a special education preschool program.

The City of Central Point resolves:

Section 1. The attached agreement between the City of Central Point and the Douglas Education Service District for the lease of a facility is approved.

Section 2. Upon approval of this agreement the City Manager is authorized to execute the facility lease agreement.

Section 3. Upon approval of this agreement by the Douglas Education Service District, the attached agreement shall govern contract services between the two agencies from August 1, 2017 through June 30, 2022.

The City Manager of Central Point is authorized to sign the attached agreement on behalf of the City of Central Point.

Passed by the Council and signed by me in authentication of its passage this _____ day of _____, 2017

Mayor Hank Williams

ATTEST:

City Recorder

**INTERGOVERNMENTAL AGREEMENT
FOR
FACILITY LEASE
BETWEEN DOUGLAS EDUCATION SERVICE DISTRICT (ESD),
and CITY OF CENTRAL POINT (CITY)
July 6, 2017**

RECITALS

- A. The parties to this agreement are the Douglas Education Service District (ESD) and the City of Central Point, OR (CITY).
- B. ESD contracts with Jackson County for its Early Intervention/Early Childhood Special Education (EI/ECSE).
- C. ORS 190.010 provides that units of local government may enter into agreements for the performance of any and all functions and activities that any party to the agreement, its officers, or agents have the authority to perform.
- D. The parties agree that provision of facilities for Operation of a preschool and/or community center will mutually benefit the parties.

AGREEMENT

1. **PURPOSE:** ESD intends utilize the facility at 405 S. 4th St., Central Point, OR 97502 to operate a preschool classroom for the Jackson County EI/ECSE program. ESD is the responsible agency for the EI/ECSE program. The classroom will be in operation from August 1 through June 30 each year. CITY has informed ESD that future plans may include the use of this site as a community center in which case this Agreement may be terminated as provided herein below.
2. **TERM:** The term of this Agreement is August 1, 2017 through June 30, 2022.
3. **COMPENSATION TO CITY:** ESD shall pay City four-hundred (\$400.00) per month. This amount will pay for all utilities and no further financial responsibility will be assessed to ESD for use of the facility, except as otherwise provided herein.
- 3.1 Each year the monthly compensation will be reviewed and may be adjusted to meet increased costs of utilities for the site. CITY will notify ESD of any increase and show documentation for the increase. The maximum increase per year, for the EI/ESCE program is ten (10) percent.

4. REPAIRS/MAINTENANCE:

4.1 The following shall be the responsibility of CITY:

- a. Repairs and maintenance of the roof and gutters, exterior walls (including painting), bearing walls, structural members, floor slabs, and foundation.
- b. Repair and maintenance of exterior water, sewage, gas, and electrical services up to the point of entry to the leased Facility and wiring and plumbing from the point of entry to the Facility.
- c. Repair and replacement of the heating and air conditioning system other than ordinary maintenance.

Repairs and maintenance performed by CITY shall comply with all applicable laws and regulations.

4.2 The following shall be the responsibility of ESD:

- a. ESD will be responsible for the custodial/cleaning of the facility at its sole cost.
- b. Interior walls, ceilings, doors, windows, and related hardware, light fixtures and switches within the Facility.
- c. Any repairs, maintenance and replacements necessitated by the negligence of ESD and/or its agents, employees, and invitees, including repairs that would otherwise be the responsibility of CITY under Section 4.1.
- d. Ordinary maintenance of the heating and air conditioning system and any repairs necessary because of improper maintenance. Ordinary maintenance shall be deemed to mean maintenance performed by a reliable heating and air conditioning service company under a maintenance service contract which provides for regularly scheduled maintenance typically provided by such companies in Jackson County, Oregon. At all times during the term of this lease, ESD shall contract with a heating and air conditioning service company for such a maintenance service contract and shall provide CITY evidence of such contract.
- e. Any repairs or alterations required under ESD's obligation to comply with laws and regulations as set forth herein.

- f. All other repairs to the Facility, which CITY is not required to make under Section 4.1.

4.3 Reimbursement for Repairs Assumed. If either party fails or refuses to make repairs that are required by this Section 4, the other party may make the repairs and charge the actual costs of repairs to the first party. Such expenditures shall be reimbursed by the first party on demand together with interest at the rate of twelve percent (12%) per annum from the date of expenditure. Such expenditures by ESD may not be deducted from rent and other payments subsequently becoming due. Except in an emergency creating an immediate risk of personal injury or property damage, neither party may perform repairs which are the obligation of the other party and charge the other party for the resulting expense unless at least 15 days before work is commenced, the defaulting party is given notice in writing outlining with reasonable particularity the repairs required, and such party fails within that time to initiate such repairs in good faith.

4.4 Inspection of Facility. CITY shall have the right to inspect the Facility at any reasonable time or times, upon reasonable notice, to determine the necessity of repair. Whether or not such inspection is made, the duty of CITY to make repairs shall not mature until a reasonable time after CITY has received from ESD written notice of the repairs that are required.

5. TERMINATION: Any party may terminate this agreement for any reason, upon six (6) months prior written notice, to the other party.

6. FACILITY PREPARATION: CITY shall, at its sole cost prepare the following improvements to the Facility: carpet/floor cleaning, necessary painting, HVAC filters and cleaning, plumbing/sewer issues, site safety issues. ESD will be responsible for damage to the site caused by normal use as provided in Section 4 herein.

7. INSURANCE: ESD shall maintain general liability insurance and employee worker's comp insurance through PACE, Oregon School Board Association and shall name CITY as an additional insured.

8. SHARED USE: ESD will provide to CITY an annual use calendar for the EI/ESCE program. This calendar will provide EI/ECSE dates of operation. ESD agrees that CITY may have access to the facility for evening and weekend recreation classes. CITY will provide a recreational use schedule to ESD in September, January and May of each year. CITY will be responsible for any damage to the site or equipment as a result of CITY classes.

9. INDEMNIFICATION: To the extent allowed by the Oregon Constitution and the Oregon Revised Statutes, each of the parties hereto agrees to indemnify, defend and save the other harmless from any claims, liability or damages including attorney fees, at trial and on

appeal, arising out of any error, omission or act of negligence on the part of the indemnifying party, its officers, agents or employees in the performance of this agreement.

10. LIENS:

10.1 Except with respect to activities for which CITY is responsible, ESD shall pay as due all claims for work done on and for services rendered or material furnished to the Facility, and shall keep the Facility free from any liens. If ESD fails to pay any such claims or to discharge any lien, CITY may do so and collect the cost as additional rent. Any amount so added shall bear interest at the rate of twelve percent (12%) per annum from the date expended by CITY and shall be payable on demand. Such action by CITY shall not constitute a waiver of any right or remedy which CITY may have on account of ESD's default.

10.2 ESD may withhold payment of any claim in connection with a good-faith dispute over the obligation to pay, as long as CITY's property interests are not jeopardized. If a lien is filed as a result of nonpayment, ESD shall, within 10 days after knowledge of the filing, secure the discharge of the lien or deposit with CITY cash or sufficient corporate surety bond or other surety satisfactory to CITY in an amount sufficient to discharge the lien plus any costs, attorney fees, and other charges that could accrue as a result of a foreclosure or sale under the lien.

11. ASSIGNMENT AND SUBLETTING: No part of the Facility may be assigned, mortgaged, or subleased, nor may a right of use of any portion of the property be conferred on any third person by any other means, without the prior written consent of CITY, which consent shall not be unreasonably delayed or withheld. This provision shall apply to all transfers by operation of law. No consent in one instance shall prevent the provision from applying to a subsequent instance. CITY shall consent to a transaction covered by this provision when withholding such consent would be unreasonable in the circumstances.

12. DISPUTE RESOLUTION: The parties shall exert every effort to cooperatively resolve any disagreements they may have under this Agreement. In the event that the parties alone are unable to resolve any conflict under this Agreement, they agree to present their disagreements to a mutually agreeable mediator for mediation. This mediation procedure shall be followed to its conclusion prior to either party seeking relief from the court, except in the case of an emergency.

If the dispute remains unresolved through mediation, the parties may agree in writing to submit the dispute to arbitration, using such arbitration process as they may choose at the time and which includes the following conditions.

- a. The location of the arbitration shall be in Medford, Oregon;

b. Each party shall bear its own costs (except arbitration filing costs), witness fees and attorney fees;

c. Arbitration filing costs and any arbitrator's fees will be divided equally between the parties; and

d. Judgment upon the award rendered by the arbitrator may be entered in the Circuit Court in Jackson County, Oregon

13. COMPLIANCE WITH LAWS: The parties shall comply with all applicable federal, state and local laws, rules, ordinances, and regulations at all times and in the performance of the Work, including all applicable State and local public contacting provision.

14. NOTICES: Any notices permitted or required by this agreement shall be deemed given when personally delivered or upon deposit in the United States mail, postage fully prepaid, certified, return receipt requested, addressed to the representative designated in paragraph 6. Either party may change its address by notice given to the other in accordance with this paragraph.

15. INTEGRATION: This agreement embodies the entire agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein. This agreement shall supersede all prior communications, representations or agreements, either oral or written, between parties.

16. INTERPRETATION: This agreement shall be governed by and interpreted in accordance with the laws of the State of Oregon.

City of Central Point

Douglas ESD

By:

By:

Date: _____

Date: _____

Resolution

Authority to purchase foreclosure



To: Honorable Mayor and City Council
From: Steve Weber, Finance Director
Date: August 24, 2017
Subject: Authority to Purchase Property through Foreclosure Sale

Purpose:

Adopt a resolution authorizing the purchase of property through foreclosure proceedings.

Summary

The residential property at 466 South First Street and related commercial business at 75 Bush Street has a long history of criminal activity as well as being a chronic nuisance for the accumulation of junk. The Central Point Police Department has responded to numerous calls over the years. Attempts were made to work with the property owners and/or occupants but the activity would just return. The Police Department began issuing citations for the accumulation of junk which were first heard through the City's Municipal Court and later through the Jackson County Circuit Court, acting as the City's municipal court, when the City contracted with Jackson County to perform municipal court services. The Jackson County Circuit Court has issued multiple judgments against the property owner and/or occupants for the outstanding citations which remain unpaid.

At the April 20th City Council meeting, Council approved Resolution No. 1496 to commence the foreclosure process on the property. However, while working through the process of getting the City's notice of foreclosure lien sale published it was discovered that the priority lien holder on the property had already set a foreclosure sale for September 6th, 2017 at 10:00AM.

After discussions with the City Manager and City Attorney it was determined that it would be in the City's best interest to participate as a bidder to ensure a change in ownership of the property, should there be no other bidders that will lead to the property being cleaned up. Further, assuming the City is able to purchase the property at a low bid, it is likely it would be reimbursed for some or all of its costs in dealing with the property upon subsequent conveyance by the City.

Recommended Action:

Adopt the resolution authorizing the Finance Director to represent the City as a bidder at the foreclosure sale of 466 South First Street.

RESOLUTION NO. ____

A RESOLUTION AUTHORIZING THE FINANCE DIRECTOR TO REPRESENT THE CITY OF CENTRAL POINT AS A BIDDER AT THE FORECLOSURE SALE OF 466 SOUTH FIRST STREET IN A RANGE OF \$27,000 TO \$50,000

RECITALS:

1. The Central Point Police Department has issued multiple citations for the accumulation of junk to the owner/occupant(s) of the property described more particularly as follows:

<u>Name of Owner</u>	<u>Street Address</u>	<u>Map No.</u>	<u>Tax Lot</u>
Joyce P. Carrell	466 S. First Street	372W11BC	3800
Bud R. Taylor	Central Point, OR 97502		

2. Multiple default judgments have been issued against the subject property for civil penalties arising from code violations.
3. The City adopted Resolution No. 1496 to commence foreclosure proceedings on the property.
4. During the City's due diligence process for noticing its impending foreclosure sale it was discovered that a first priority lien holder had established a foreclosure sale date for September 6th, 2017.
5. It is in the best interest of the City and to ensure that property is sold to new owners and cleaned up, and potentially to recover some of its enforcement costs. As such, the City should participate as a bidder at the foreclosure sale.

THE CITY OF CENTRAL POINT RESOLVES AS FOLLOWS:

The Finance Director of the City of Central Point is hereby directed to participate as a bidder at the foreclosure sale of 466 South First Street in a range of \$27,000 to \$50,000.

Passed by the Council and signed by me in authentication of its passage this 24th day of August, 2017.

Mayor Hank Williams

ATTEST:

City Recorder

Ordinance

Chapter 15.04 Updates



STAFF REPORT

August 24, 2017

AGENDA ITEM:

Municipal Code Amendments to Title 15 Buildings and Construction Code to Conform to State Building Code Revisions and Updates. **Applicant:** City of Central Point

STAFF SOURCE:

Tom Humphrey, Community Development Director

BACKGROUND:

The Community Development Department periodically updates sections of the Municipal Code Titles for which it is responsible. Title 15, Buildings and Construction is one such code section that should be updated based on changes and revisions at the state and national level.

In this case, all of the changes update and correct numerical code references to the Residential Specialty Code, the Electrical Specialty Code and the Plumbing Specialty Code.

ISSUES:

The proposed changes are being advocated by the City's Building Official, Derek Zwagerman who compared the City's Code with the latest updates to the Oregon Building Code. The City Building program will be evaluated and graded for current references to the Oregon State Codes.

EXHIBITS/ATTACHMENTS:

Attachment "A" – Ordinance No. ____ An Ordinance Amending CPMC Chapter 15.04, Building Code to comply with updates and reference to new state code.

ACTION:

Consider proposed amendments and 1) forward the ordinance to a second reading, 2) make revisions and forward the ordinance to a second reading or 3) deny the ordinance.

RECOMMENDATION:

Discuss ordinance proposal and forward ordinance and amendments to a second reading.

ORDINANCE NO. _____

AN ORDINANCE AMENDING CPMC CHAPTER 15.04, BUILDING CODE TO COMPLY WITH UPDATES AND REFERENCES TO NEW STATE CODE

RECITALS:

- A.** Pursuant to CPMC, Chapter 1.01.040, the City Council, may from time to time make revisions to its municipal code which shall become part of the overall document and citation.
- B.** On August 24, 2017, the Central Point Community Development Department initiated and recommended approval of a code amendment to CPMC Chapter 15.04 bringing the City's municipal code into conformance with State Building Code Revisions and Updates.
- C.** On August 24, 2017, the City of Central Point City Council held a properly advertised public hearing; reviewed the Staff Report; heard testimony and comments, and deliberated on approval of the Municipal Code Amendment.
- D.** Words ~~lined through~~ are to be deleted and words in **bold** are added.

THE PEOPLE OF CENTRAL POINT DO ORDAIN AS FOLLOWS:

SECTION 1. Amendments to CPMC Chapter 15.04, revises language in the City's Building and Construction Code to conform with the State Building Code.

**Chapter 15.04
BUILDING CODE**

Sections:

15.04.010 Standards applicable to building.

15.04.020 City code administration.

15.04.030 Local interpretation.

15.04.040 Board of appeals.

15.04.050 Certificate of occupancy.

15.04.060 Change of occupancy.

15.04.070 Re-inspection fee.

15.04.080 Violations and penalties.

15.04.010 Standards applicable to building.

All construction, building, and related activities within the city shall comply with all ordinances of the city and with the following specialty codes, which by this reference are expressly adopted and incorporated into this code:

A. The 2014 Oregon Structural Specialty Code based on the International Building Code, 2012 Edition, as published by the International Code Council and amended by the Building Codes Division; specifically adopting and including Section 109, Fees; permit and plan review fees shall be as per the building fee schedule as adopted by the city of Central Point; Section 112, Service Utilities; Section 116, Unsafe Structures and Equipment; Appendix G, Flood-Resistant Construction; Appendix H, Signs; Appendix I, Patio Covers; and Appendix J, Grading.

B. The 2014 Oregon Mechanical Specialty Code based on the 2012 International Mechanical Code and the 2012 International Fuel Gas Code, as published by the International Code Council, Inc., amended by the Oregon Building Codes Division, with fees as per the mechanical fee schedule adopted by the city of Central Point.

C. The ~~2017~~ 2014 Oregon Residential Specialty Code. ~~based on the 2009 Edition of the International Residential Code, as published by the International Code Council, Inc., specifically adopting Section R104.8, Liability.~~

D. The ~~2017~~ 2014 Oregon Electrical Specialty Code. ~~based on the 2014 Edition of the National Electrical Code as published by the National Fire Protection Association, Inc.~~

E. The ~~2017~~ 2014 Oregon Plumbing Specialty Code. ~~based on the 2009 Edition of the Uniform Plumbing Code as published by the International Association of Plumbing and Mechanical Officials.~~

F. 1994 Edition of the Uniform Abatement of Dangerous Buildings as published by the International Conference of Building Officials.

G. The 2010 Edition Oregon Manufactured Dwelling Installation Specialty Code.

H. The 2014 Oregon Fire Code based on the 2012 International Fire Code with Oregon amendments.

I. 2014 Oregon Energy Efficiency Specialty Code based on 2012 International Energy Conservation Code. (Ord. 1991 §1(part), 2014; Ord. 1953 §1, 2011; Ord. 1938 §1,

Ordinance No. _____ (091417) Page 2

2010; Ord. 1904, 2007; Ord. 1857, 2005; Ord. 1853 §1, 2004; Ord. 1832 §1, 2003; Ord. 1807 §1, 2000; Ord. 1798 §1, 1998; Ord. 1781 §1(part), 1997; Ord. 1764 §1, 1997; Ord. 1749 §3, 1996; Ord. 1686 §1, 1993; Ord. 1683 §1, 1993; Ord. 1640 §1, 1990; Ord. 1630 §1, 1990; Ord. 1573 §1, 1986; Ord. 1520 §1, 1984; Ord. 1497 §1, 1983; Ord. 1482 §1, 1982; Ord. 1409 §1(part), 1980; Ord. 1167 §2, 1974).

15.04.020 City code administration.

A. The city shall provide for the administration of a department of building safety, which shall include plan checking, issuance of permits and inspection programs for structural, mechanical, plumbing and electrical work. This city program is applicable to public buildings, including state buildings as well as private buildings.

B. The city shall perform fire and life safety plans examinations in such cases where a partial exemption for such purposes has been granted to the city by the State Fire Marshal's office. (Ord. 1991 §1(part), 2014; Ord. 1853 §2, 2004; Ord. 1807 §2, 2000; Ord. 1781 §1(part), 1997; Ord. 1497 §2, 1983; Ord. 1409 §1(part), 1980; Ord. 1370 §1, 1980; Ord. 1167 §3, 1974).

15.04.030 Local interpretation.

In addition to the provisions of Section 104.11 of the Structural Specialty Code and similar provisions of other specialty codes, the building official may approve a material or a method of construction not specifically prescribed by the ordinance codified herein, provided he finds that the proposed design is satisfactory and that the material, method or work offered is for the purpose intended at least the equivalent of that specifically prescribed by the ordinance codified herein, in quality, effectiveness, fire resistance, durability, safety and energy conservation, and that the Director of the Building Codes Division has not issued a report disapproving the material or method for the purpose. (Ord. 1991 §1(part), 2014; Ord. 1853 §3, 2004; Ord. 1781 §1(part), 1997; Ord. 1409 §1(part), 1980; Ord. 1167 §7, 1974).

15.04.040 Board of appeals.

A person aggrieved by a decision made by a building official under authority established pursuant to ORS [455.148](#), [455.150](#) or [455.467](#) may appeal the decision following the rules as outlined in ORS [455.475](#). (Ord. 1991 §1(part), 2014; Ord. 1853 §4, 2004; Ord. 1807 §3, 2000; Ord. 1781 §1(part), 1997; Ord. 1520 §2, 1984; Ord. 1409 §1(part), 1980; Ord. 1167 §8, 1974).

15.04.050 Certificate of occupancy.

No building or structure including residential shall be used or occupied and no change in the existing occupancy classification of a building or structure or portion thereof shall be made until all public works improvements are complete and approved by the public works director, or his designee and the building official has issued a certificate of occupancy. (Ord. 1991 §1(part), 2014; Ord. 1781 §1(part), 1997).

15.04.060 Change of occupancy.

No change shall be made in the character of occupancies or use of any building which would place the building in a different division of the same group of occupancy or in a different group of occupancies, unless such building is made to comply with the requirements of the adopted codes for such division or group of occupancy. No change of occupancy shall be granted by the building official unless a change of occupancy inspection is conducted. The change of occupancy fee shall be in accordance with the fee schedule established by this jurisdiction. The payment of this fee shall not exempt any person from compliance with all other provisions of the codes adopted herein nor from any penalty prescribed by law. (Ord. 1991 §1(part), 2014; Ord. 1781 §1(part), 1997).

15.04.070 Re-inspection fee.

A re-inspection fee may be assessed for each inspection or re-inspection when such portion of work for which inspection is called is not complete or when corrections called for are not made. To obtain a re-inspection, the applicant shall file an application therefor in writing on a form furnished for that purpose and pay a re-inspection fee in accordance with the fee schedule established by this jurisdiction. (Ord. 1991 §1(part), 2014; Ord. 1807 §4, 2000; Ord. 1781 §1(part), 1997).

15.04.080 Violations and penalties.

It is unlawful for any person, firm or corporation to erect, construct, enlarge, alter, repair, move, improve, convert or demolish, equip, use, occupy or maintain any building or structure in the city, or cause the same to be done, contrary to or in violation of any of the provisions of the ordinance codified in this chapter. Whenever any work for which a permit is required by this code has been commenced without first obtaining said permit, a special investigation shall be made before a permit may be issued for such work. An investigation fee, in addition to the permit fee, shall be collected whether or not a permit

is then or subsequently issued. The minimum investigation fee shall be in accordance with the fee schedule established by this jurisdiction. The payment of this fee shall not exempt any person from compliance with all other provisions of the codes adopted herein nor from any penalty prescribed by law. (Ord. 1991 §1(part), 2014; Ord. 1781 §1(part), 1997; Ord. 1409 §1(part), 1980; Ord. 1167 §9, 1974).

SECTION 2. Codification. Provisions of this Ordinance shall be incorporated in the City Code and the word Ordinance may be changed to “code”, “article”, “section”, “chapter”, or other word, and the sections of this Ordinance may be renumbered, or re-lettered, provided however that any Whereas clauses and boilerplate provisions need not be codified and the City Recorder is authorized to correct any cross references and any typographical errors.

SECTION 3. Effective Date. The Central Point City Charter states that an ordinance enacted by the council shall take effect on the thirtieth day after its enactment. The effective date of this ordinance will be the thirtieth day after the second reading.

PASSED by the Council and signed by me in authentication of its passage this ____ day of September 2017.

Mayor Hank Williams

ATTEST:

City Recorder

Business

Planning Commission Report

PLANNING DEPARTMENT MEMORANDUM

Date: August 24, 2017
To: Honorable Mayor & Central Point City Council
From: Tom Humphrey AICP, Community Development Director
Subject: Planning Commission Report

The following item was presented by staff and discussed by the Planning Commission at its meeting on August 1, 2017.

- A. Public hearing to consider a Conditional Use Permit application to operate a preschool called “Imagination Station” in a residential neighborhood. The applicant proposes to use an existing 400 square foot accessory structure in the Residential Single-Family (R-1-10) zoning district. The project site is located at 917 Mendolia Way, and is identified on the Jackson County Assessor’s map as 37S 2W 10BB, Tax Lot 807. Owner: Jeanne Quigley, Applicant: Kendra Marineau. Preschools are designated Conditional Uses in the R-1, R-2 and R-3 zoning districts, and require special consideration with respect to the objectives in the zoning district and their effect on surrounding properties. The Commission considered the impact that a group of preschool children would have in this neighborhood for three hours a day, three days a week. In response to neighbor concerns, the proposal was limited to a maximum of six students; 9 hours of operation per week, State Child Care Division authorization, a business license and building code compliance. The Planning Commission voted 4 to 1 to approve the Conditional Use Permit with seven (7) conditions.

MISCELLANEOUS

- Planning Commissioner Training/Planning in Oregon: Building Successful Communities - Rogue Valley COG Office on October 7 - 9:00-4:00
- <http://www.thechinookinstitute.org/shop/copy-of-planning-in-oregon-building-successful-communities-medford>
- Invitation to attend the City Council Study Session on August 14, 2017.

Business

Ad Hoc Committee Appointment



ADMINISTRATION DEPARTMENT

140 South 3rd Street · Central Point, OR 97502 · (541) 664-3321 · www.centralpointoregon.gov

STAFF REPORT

August 24, 2017

AGENDA ITEM: Appointment of Ad Hoc Community Center Committee

STAFF SOURCE:

Mayor, Hank Williams
City Manager, Chris Clayton

BACKGROUND/SYNOPSIS:

On July 13, 2017, the City Council held a Study Session to discuss options for the Central Point Community Center. The cost estimate for the current design is close to 22 Million.

Following the council discussion on the current conceptual design, it was recommended that an Ad Hoc Committee be created to discuss the design priorities for a future Community Center.

Staff will assist the Ad Hoc Committee with information from previous community surveys and the current facility design.

FISCAL IMPACT:

There is no financial impact to the City at this time.

RECOMMENDATION:

Mayor Williams will present his Ad Hoc committee member recommendations to the Council.

SUGGESTED MOTION:

I move to appoint _____, _____, and _____ to the Community Center Ad Hoc Committee.

Discussion

Municipal Water for Agricultural Purposes



STAFF REPORT

August 24, 2017

AGENDA ITEM: Discussion and possible direction on future city policy governing the resale of municipal water—via commercial water haulers—in non-urbanized areas for purposes of agriculture.

Briefing and discussion on the above-described issue. Presentation/discussion will include: requirements per the city’s water service agreement with the Medford Water Commission, Oregon water rights law, future financial implications, source demand, and infrastructure cost recovery concerns.

STAFF SOURCE:

Chris Clayton, City Manager

BACKGROUND INFORMATION:

Issue

In recent months both the Medford Water Commission and Jackson County Board of Commissioners have raised the issue of whether municipal water should be sold in bulk to commercial water haulers for the purposes of agriculture. Dramatic expansion of the marijuana industry—within Jackson County—has propelled this issue to the forefront. To that end, customer agencies “other cities” of the Medford Water Commission are being encouraged to discuss future policy surrounding agricultural use of municipal water.

Water Service Agreement (Medford Water Commission)

In our water service agreement with the Medford Water Commission, the City of Central Point agrees to provide water and services to customers within Central Point city limits, or as otherwise approved by MWC in MWC Resolution No. 1058 (urbanization policy resolution). Via the terms of this agreement/resolution, Central Point may provide water and services outside of city limits, but within its urban growth boundary, if the property requesting service has signed an irrevocable consent to annex to Central Point. The boundary map describing Central Point’s current water service agreement are is included in informational item #1.

Similar to the water rights questions raised in the following paragraphs, Whether Central Point has the legal right to sell bulk municipal water inside our service area, while knowing a portion of that water is being used beyond our current water service area boundary, is debatable.

Water Rights

All water rights issued in Oregon are mandated to have a beneficial use, which includes three distinctive requirements, the rate the water is used (volume/duty), point of diversion (the water source and exact location water is diverted of that source) and application point (service area where the water is being used). Municipal water rights are held/issued to cities

either as certified rights or "under permit". Certified rights have established service areas where in the service area for rights held "under permit" can be modified as needed to accommodate normal city growth.

A strong case could be made that the use of the filling stations/hydrant meters is compatible with the city's water rights due to the simple fact that the filling stations are located within our normal service area. Moreover, once the water is sold/supplied to a commercial water hauler, the city has no control of where it might be applied, and in fact, many of the final use locations are likely within our legally described service area (construction sites, etc.). In instances where water is supplied beyond our legally described water service area, the likely scenario would be no different from someone obtaining water from a normal residence or business and then transporting that water outside of our established service area. Additionally, it is nearly impossible for Central Point, or any other city, to monitor and control such activities. On a related note, one of the primary reasons the Medford Water Commission developed regional filling stations was to mitigate some of the outrage it saw from county residents who could not receive normal water service due to its "outside" water service policy.

I am not currently aware of any case law or Oregon Water Resources Department (OWRD) ruling in which this type of activity has been legally challenged; however, this issue certainly has the potential to be litigated at a future date. It is also important to understand that most water right conflicts and rulings are "complaint based" where someone is "harmed" by the activity of another party. Inasmuch, and in an attempt to be proactive, we may want to request that the Jackson County Water Master or a water rights attorney provide us with a legal opinion on the matter.

Source Demand

Attached as reference item #3, is the 50-year source demand projections graph (2015). As the graph depicts, regional summer time demand is projected to reach nearly 90 million gallons per day (MGD) in approximately 2026. In order to meet this projected demand, the Duff Water Treatment Plant will need to be expanded (Duff II, phase I). The cost of this expansion was estimated in 2008 at 70 million dollars; however, inflationary factors related to the construction industry will likely drive the actual construction cost well over 100 million. The cost of future treatment plant expansion will be divided amongst the following funding silos: system development fees and rates—and although the MWC has already begun collecting a portion of these projected costs, financing/bonding will likely be required on some level.

Ultimately, the cost of future water system expansion will be borne by regional ratepayers and developers (system development fee payers). Given that future plant expansion will be predicated on actual summer-time demands, regional water providers are emphasizing the need for conservation in an effort to delay future expansion costs. Although not currently a significant percentage of overall water sales, the current amount of water being used for agricultural purposes, via bulk sales to commercial water haulers, is adding to the need for the next phase of Duff Water Treatment Plant to be constructed.

Infrastructure Cost Recovery

Currently, when a developer "pulls" a building permit with an agency supplied by the Medford Water Commission, the permit issuing agency collects a water system development charge for

their jurisdiction, as well as the Medford Water Commission. In collecting these SDC's, the MWC and "other" customer cities are acting responsibly for the future expansion of regional water facilities (including the Duff Water Treatment Plant).

When water is used for agricultural purposes outside of a Medford Water Commission approved service area, no water SDC is being collected. More specifically, properties owned/conveyed outside the water service area of an "other cities" city limits are subject to Jackson County fees/charges, which do not include water SDC's. Unfortunately, these agricultural properties—when irrigated with municipal water—are placing demand on regional infrastructure without contributing to the cost of future system expansion.

FISCAL IMPACTS:

The following Table illustrates the previous 12 months of "bulk" water sales. It should be noted that total "bulk" water sales equated to \$34,006.93 with total annual water sales revenues, for past 12 months, equaling 2.7 million.

Marie's Water	Base Fees		513.15
	Cons		27525.76
	Total		28038.91
SO Water	Base Fees		513.15
	Cons		611.29
	Total		1124.44
Jeremy Pratt	Base Fees		418.07
	Cons		4425.51
	Total		4843.58
	Base Fees		1444.37
	Cons		32562.56
	Total		34006.93

INFORMATIONAL/BACKGROUND ITEMS:

1. Water Service Agreement (Medford Water Commission).
2. Medford Water Commission Resolution 1058.
3. Source Demand Project Graph.
4. Issue related photos.
5. Central Point "Bulk" Water Sales Revenue Report.
6. Capital Press Article.

RECOMMENDATION:

Provide feedback/input to staff prior to upcoming policy discussions with the Medford Water Commission and other regional water providers.

WHOLESALE WATER SERVICE AGREEMENT

THIS WATER SERVICE AGREEMENT (Agreement), made and entered in duplicate to commence on the first day of October, 2016, between the City of Central Point, a municipal corporation of the State of Oregon, acting as purchaser (Central Point), and the City of Medford, a municipal corporation of the State of Oregon, acting by and through its Board of Water Commissioners, acting as vendor (MWC), together referred to as the Parties.

RECITALS:

- 1) MWC is an entity established under the Home Rule Charter (Charter) adopted by the citizens of the City of Medford, comprised of five citizens appointed by the Mayor and confirmed by the City Council, to manage the Water Fund for the purpose of supplying inhabitants of the City of Medford with water; and
- 2) Under Section 19 of the Charter, the MWC is authorized to sell water and/or supply facilities outside the legal boundaries of the City of Medford, only if said water and/or supply facilities are surplus to the needs of the inhabitants of the City of Medford, and meet certain conditions of MWC Resolution No. 1058; and
- 3) Under the Charter, the MWC is authorized to set rates for City of Medford inhabitants, and to make all necessary rules and regulations for the sale, disposition and use of water and water service from the City of Medford water system, and the MWC has adopted such rules and regulations; and
- 4) Per the MWC's projections, reports and plans, the MWC finds it has surplus water and supply facilities capacity available in its system to serve Central Point; and
- 5) Central Point desires to purchase surplus treated and transported water from MWC from October through April, and purchase surplus supply facilities treatment and transport services for Central Point's own water appropriated under Central Point's own state-issued water rights from May through September;

NOW, THEREFORE, for and in consideration of the foregoing and of the mutual promises herein, the Parties mutually agree as follows:

AGREEMENT:

ARTICLE 1. SCOPE OF SURPLUS WATER SUPPLY AND SERVICE

Subject to Article 3 of this Agreement, MWC agrees to supply surplus water up to a combined (from all connections) maximum of **1833** gallons per minute (GPM) for the months of October through April, and surplus facilities capacity to treat and transport water up to a combined (from all connections) maximum of **4958** GPM for the months of May through September. Central Point agrees to provide sufficient water storage as part of its water system to assure that the maximum rate of withdrawal in GPM by Central Point is not exceeded with the following exceptions.

During the 5 year term of this agreement the following conditions will be complied with: The above flow rates will not be exceeded between the hours of 5 am and 11 am. During all other hours the maximum flow rate will not exceed 5700 gallons per minute (GPM) in the summer and 3255 gallons per minute (GPM) in the winter. Notwithstanding the foregoing, in the event this agreement is renewed in October 2021, the maximum flow rates specified in this article may be recalculated by MWC based on future total source supply and future 2020 maximum month demand percentages, and such flow rates will be required over an entire 24 hour period.

Upon written request by Central Point, this Agreement may be amended to provide supplemental supply and service to Central Point if MWC determines that it has surplus capacity for Central Point's use, and Central Point agrees to reimburse MWC the reasonable cost of providing such supplemental supply and service.

ARTICLE 2. CENTRAL POINT DISTRIBUTION SYSTEM EMERGENCY

Upon notice to MWC by Central Point of a distribution system emergency, MWC will use its best efforts to provide supplemental water supply or services during the emergency.

For purpose of this agreement, "distribution system emergency" means: Any human or natural caused event that disables or impairs the distribution system such that its use constitutes an immediate threat to human life or health.

ARTICLE 3. MWC CONNECTIONS

MWC owns and is responsible for the construction, extension, maintenance, and operation of the MWC system up to the point of and including the master Central Point meter(s). Central Point shall pay all costs of connections to the MWC system including initial metering, initial and ongoing backflow protection, and annual testing of the backflow device, all in accordance with MWC standards. MWC shall monthly read and annually test the master meter(s) and provide readings and test results to Central Point.

Central Point's water supply is provided by the following master meter(s) with backflow connections to MWC:

- 10" Turbine Meter on Beall Lane, Central Point, Oregon
- 10" Turbine Meter on Hopkins Road, Central Point, Oregon
- 10" Compact Fireline Meter on Vilas Road, Central Point, Oregon

Temporary emergency connections to MWC with prior approval can be provided at the following location(s):

N/A

The following special conditions concerning connections to MWC apply:

- MWC agrees Central Point may serve the Seven Oaks Interchange "Area of Mutual Planning Concern".

ARTICLE 4. MWC REGULATIONS

Water service under this Agreement shall be in accordance with Section 30 SURPLUS WATER and Section 31 PROVISIONS RELATING TO UTILITY AND MUNICIPAL CUSTOMERS of the MWC Regulations Governing Water Service (Regulations), as now in effect or as may be amended. If there is any inconsistency between this Agreement and the Regulations, the Regulations control. Notwithstanding the foregoing, nothing herein is intended to relieve MWC of its obligation to supply surplus water in accordance with the terms of this Agreement, except as dictated by Federal/State regulations outside the control of MWC. The Parties acknowledge that implementation of this Agreement and the Regulations are subject to federal or state directives.

MWC shall promptly provide Central Point a copy of any amendments to the Regulations.

ARTICLE 5. URBANIZATION POLICY

Central Point agrees to provide water and services to customers within Central Point city limits, or as otherwise approved by MWC in MWC Resolution No. 1058, as may be amended. Central Point may provide water and services outside of city limits, but within its urban growth boundary, provided that the property requesting service has signed an irrevocable consent to annex to Central Point, or as otherwise approved in writing by MWC. The current general water service map covering city limits and urban growth boundaries for Central Point is

attached to this Agreement as Exhibit A. Central Point shall promptly notify MWC and provide a revised map as city limits and urban growth boundaries are modified.

ARTICLE 6. MEETING FUTURE WATER DEMANDS

Water and water services provided by MWC under this Agreement are pursuant to water rights held by the MWC and Central Point. Nothing in this Agreement shall be construed to confer upon either party a legal or beneficial interest in each other's water rights, or to prevent either party from seeking additions or alterations to their water rights as deemed necessary.

Central Point shall acquire and maintain such water rights as needed to meet the demand within its service area during the months of May through September. Central Point may use the MWC intake facility, located at the intersection of Table Rock Road and the Rogue River in White City, as the designated point of diversion for Central Point water rights. MWC shall cooperate in the perfection of any Central Point water rights. Central Point currently holds water rights with a diversion point on the Rogue River at the MWC Intake Facility site at the rate of **4.176** cubic feet per second and/or volume of **1113.6** acre feet. Delivery of such Central Point water through MWC facilities shall be subject to the same terms and conditions as delivery of surplus MWC water. MWC shall measure and record at its Robert A. Duff Water Treatment Plant the amount of water withdrawn from the Rogue River by MWC and its municipal water service customers under each of their respective water rights. In its monthly water service invoice, MWC shall provide water use data for Central Point. Central Point shall provide MWC updated demand projections.

ARTICLE 7. SYSTEM DEVELOPMENT CHARGES

Pursuant to Resolution No. 774, MWC has established Water System Development Charges (SDCs) and supporting methodology to finance future MWC transmission and treatment facilities expansions. SDCs apply to all new customers, including customers of municipal wholesale customers served by MWC. Central Point shall collect SDCs set by MWC from new Central Point customers. MWC reviews the SDCs annually and reserves the right, in its sole discretion, to modify or replace the SDCs with a different financing mechanism for system improvements.

All SDCs collected by Central Point will be held in a separate account and forwarded to MWC along with an accounting of the number and sizes of the services installed. Central Point shall provide MWC with a copy of the section within the annual Central Point audit that shows accounting of MWC SDCs collected during the audited year. MWC shall, in turn, provide Central Point an annual accounting of all SDCs collected.

MWC utilizes a utility basis for determining the water usage rate it charges Central Point. Under this rate analysis, Central Point is required to pay a return on investment for its share of the facilities paid for by MWC. Facilities funded by SDCs shall not be included in the return on investment portion of the rate analysis.

MWC shall render technical assistance to Central Point in determining SDCs. MWC shall defend Central Point against any legal action or appeals which may arise over the development, methodology, or implementation of the SDCs. Central Point shall cooperate and support MWC in the defense, but shall not be obligated to incur any monetary obligation in such defense.

Upon termination of this Agreement, the following refund policy shall apply:

- (a) MWC shall return to Central Point its prorated share of the unexpended balance of the SDCs fund. This prorated share shall be based upon the actual unexpended SDCs collected by Central Point for the specific facilities funded by the SDCs, plus the interest earned.
- (b) MWC shall return to Central Point a prorated share of the depreciated plant value of the specific MWC facilities funded by the SDCs and already installed. The prorated share shall be a percentage based upon the total amount of SDCs paid by Central Point divided by the total SDCs collected and used to fund the facility, not including interest earned during the years in which the SDCs were collected.
- (c) In order to avoid a financial hardship, MWC shall develop a reasonable schedule of up to five (5) years for repayment of the depreciated value of the specific MWC facilities funded by the SDCs.
- (d) At the request of Central Point, the MWC shall provide an accounting of the refunds made pursuant to this section.

ARTICLE 8. PAYMENTS TO MWC

Central Point shall pay monthly for all water and services provided by MWC at MWC's scheduled wholesale rates then in place. Payment shall be made within ten (10) days after the meeting of the Central Point's Council following receipt by Central Point of a statement of charges from MWC.

MWC reserves the right, in its sole discretion, to change (with prior written notification of a rate study review) said rate at any time upon sixty (60) days written notice to Central Point, following rate procedures and protocols in the MWC Regulations.

ARTICLE 9. TERM OF AGREEMENT

This term of this Agreement shall be five (5) years from its commencement. Central Point may, at its option, extend the term for three additional five-year periods, which periods would run through October of 2026, 2031, and 2036 respectively. Extensions shall be subject to the same terms and conditions as this Agreement. Written notice of the election to exercise a five-year extension of this Agreement must be given to MWC not later than January 1st of the year in which the Agreement would otherwise expire. If Central Point fails to provide MWC such notice, this Agreement shall be deemed canceled at the end of the term then in effect. MWC shall continue service for a reasonable period, determined in MWC's sole discretion, to allow Central Point to secure other sources of water. Provided, however, Section 19 of the Charter of the City of Medford limits the term of water service contracts to 20 years and, therefore, the obligations of MWC under this Agreement, including renewal periods, shall not exceed that period of time.

ARTICLE 10. ASSIGNMENTS

Central Point shall make no assignment of this Agreement without written permission from MWC. Any approved assignee or successor shall agree to be bound by the terms and conditions of this Agreement.

ARTICLE 11. WATER CURTAILMENT PLAN

During periods of drought or emergency, Central Point shall be subject to the MWC Water Curtailment Plan, per MWC Resolution No. 1345, unless Central Point has in effect a state-approved and adopted Water Curtailment Plan at least as stringent as that of MWC. In the event of a conflict between the Central Point plan and the MWC plan, the MWC plan shall control. The MWC shall give Central Point as much advance warning as possible prior to curtailment of water supplies. The level of curtailment shall be determined by MWC based on the severity of the anticipated shortage. Central Point shall be responsible for enforcing the MWC curtailment plan or the above mentioned Central Point plan in its service area.

MWC will require and apply emergency curtailment of water use in an equitable, fair, and consistent manner consistent with Resolution 1345. Continued service during periods of emergency shall neither be construed as a waiver nor limitation of any kind on any water rights held by MWC, or a waiver or curtailment of any water rights held by Central Point, nor as affecting any other terms in this Agreement.

ARTICLE 12. ANNUAL WATER QUALITY REPORTING

MWC will gather annual water quality data and prepare informational reports as required under state Consumer Confidence Reporting (CCR) rules. These CCR reports will include water

quality information for MWC and all participating municipal water customers. Annual costs involved will be proportionally shared among participating municipal water customers and billed separately to each.

Statistical data necessary to create the CCR report for the prior year must be provided by Central Point to MWC no later than April 1st of each year. If bulk mailing is the primary distribution method utilized, Central Point shall also provide MWC with postal routes covering their respective service areas by April 1st of the delivery year. MWC reserves the right to utilize other approved delivery methods (e.g.; electronic), which may impact responsibilities for Central Point.

In the event that Central Point receives water into its system that is supplied by an entity other than MWC, the composite MWC report for that year will not include data for Central Point. Central Point shall be responsible for preparation of its own annual CCR, and MWC will provide MWC data by April 1st of the delivery year.

MWC maintains water quality test points throughout the MWC system and one specifically at the master meter location(s) of Central Point. These test points are used to collect water samples for meeting required state water quality parameters on a weekly, monthly, and annual basis. All information collected is of public record and is accessible through state or MWC databases. Responsibility for water quality is transferred to Central Point at the point of the master meter location(s), except where water quality problems are attributable to MWC.

ARTICLE 13. MUTUAL INDEMNITY

To the extent allowed by law, Central Point and MWC shall each defend, indemnify and hold the other, and their officers, employees, and agents harmless from any and all claims, suits, actions, or losses arising solely out of the acts and omissions of the Party's own officers, employees, or agents while acting under this agreement.

ARTICLE 14. PARTIAL INVALIDITY

If any term, covenant, condition, or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in force and effect, and shall in no way be affected, impaired, or invalidated thereby.

ARTICLE 15. INTEGRATION

This Agreement represents the entire understanding of MWC and Central Point as to those matters contained herein. No prior oral or written understanding shall be of any force or effect

with respect to those matters covered herein. This Agreement may not be modified or altered except in writing signed by both parties.

ARTICLE 16. DEFAULT

For purposes of this Agreement “default” means failure to comply with any of the terms of this Agreement. If either party determines that a default has occurred, it shall provide the other party written notice of the default, which such party shall have thirty days in which (a) to cure the default, (b) show that the default is of such a nature that it cannot be reasonably cured within thirty days, or (c) show that no default occurred.

MWC and Central Point will work in good faith to amicably resolve the default. If after thirty days of the notice of default, MWC determines, in its sole discretion, that Central Point is unable or unwilling to cure the default within a reasonable time, MWC may impose escalating penalties as follows: (a) ten percent surcharge for a period of thirty days; (b) twenty percent surcharge for the next thirty days; and (c) termination of this Agreement. Such penalties are in addition to any other remedies at law or equity that may be available to MWC. Failure to issue notice of default or to enforce its remedies under this Article 16 shall not preclude MWC from taking such action for future defaults.

If after thirty days, Central Point determines, in its sole discretion, that MWC is unable or unwilling to cure the default within a reasonable time, Central Point may terminate this Agreement and pursue any other remedies at law or in equity that may be available to Central Point.

ARTICLE 17. FORCE MAJEURE

Neither party hereto shall be liable for delays in performance under this Agreement by reason of fires, floods, earthquakes, acts of God, wars, strikes, embargoes, necessary plant repairs or replacement of equipment, of any other cause whatsoever beyond the control of such party, whether similar or dissimilar to the causes herein enumerated. This clause does not include causes related to water supply and demand planning or failure to engage in such planning.

ARTICLE 18. DISPUTE RESOLUTION

If a dispute arises out of or relates to this contract, and if the dispute cannot be settled through negotiation, the parties agree first to try to settle the dispute by non-binding mediation before

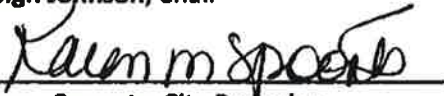
resorting to litigation or other process. The parties agree to share equally the costs of mediation.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their proper officers on the dates noted below.

THE CITY OF MEDFORD
BY AND THROUGH ITS
BOARD OF WATER COMMISSIONERS



Leigh Johnson, Chair



Karen Spoons, City Recorder

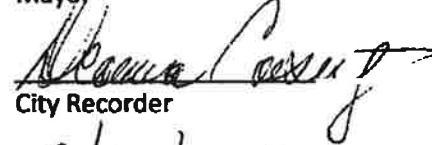
October 5, 2014

Date

THE CITY OF CENTRAL POINT



Mayor

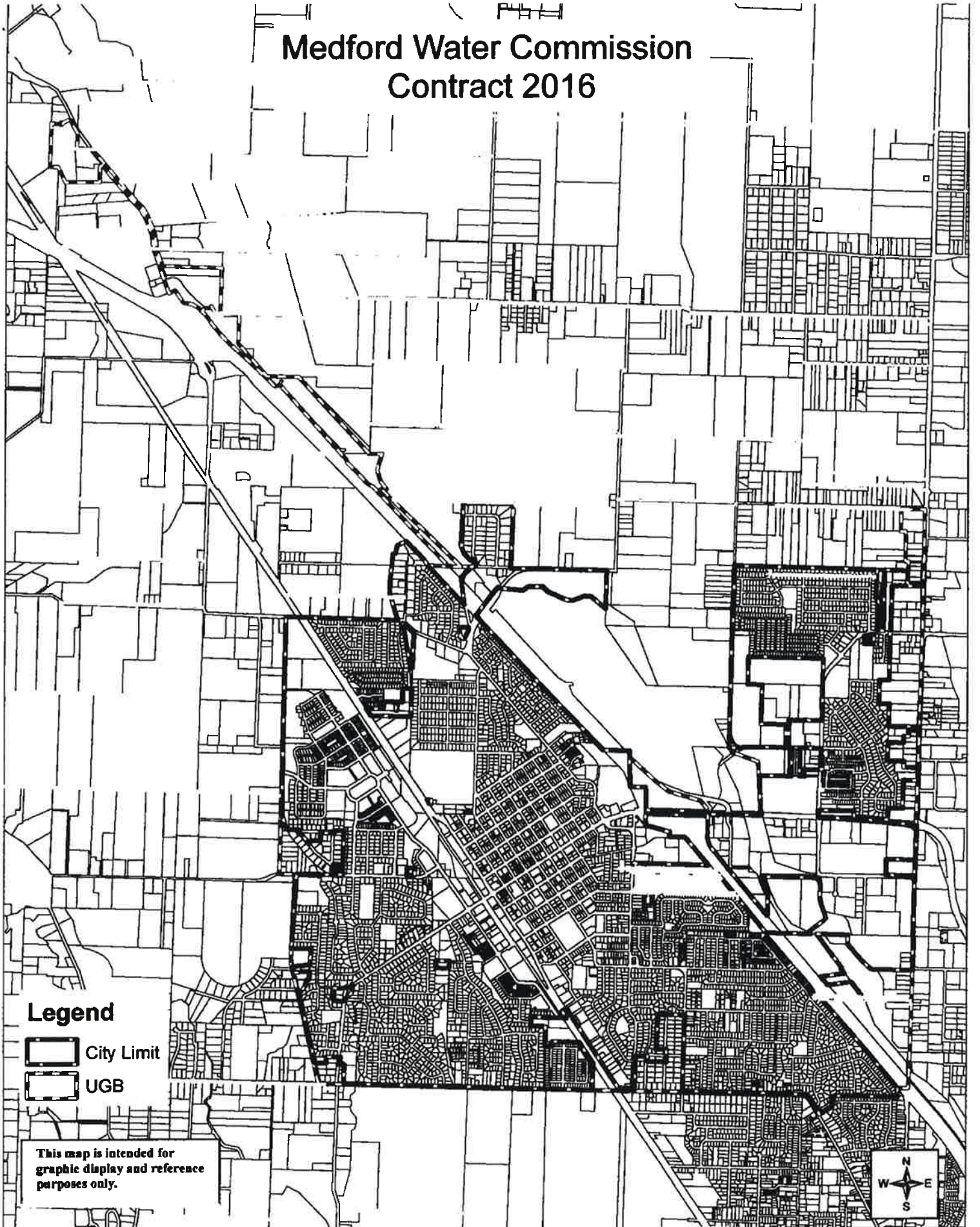


City Recorder

9/28/2016

Date

Medford Water Commission Contract 2016



Legend

-  City Limit
-  UGB

This map is intended for graphic display and reference purposes only.



RESOLUTION NO. 1058

A RESOLUTION of the City of Medford, Board of Water Commissioners revising Resolution No. 992 regarding the extension of water service outside of city boundaries.

WHEREAS, the Board has determined that Resolution No. 992 which limits the extension of water service outside city boundaries, needs to be revised; and,

WHEREAS, the Board, pursuant to Section 21 of the Medford Charter of 1976 and Chapter 225, Oregon Revised Statutes, is empowered to construct facilities and extend water service outside the corporate limits of the City of Medford; and,

WHEREAS, the Board periodically receives requests to extend facilities and services outside the corporate limits of the city and in responding to such requests finds it useful and desirable to promulgate written policies regarding such extension; and,

WHEREAS, the Board finds there is a need to coordinate actions on such requests with statewide land use planning goals and guidelines, comprehensive plans, cooperative agreements, urban growth boundary policies and annexation policies of the public bodies affected by such requests in order to ensure the planned and orderly provision of all necessary public services, including water; and,

WHEREAS, it is the intention of the Board to observe existing statutory and contractual obligations as well as the policies of affected bodies; and,

WHEREAS, the Board has determined that water is an urban service, and has acquired sufficient water supplies to adequately meet the requirements of the areas within urban growth and urban reserve boundaries of the cities and existing water districts which the Board is presently committed to serve. Such water supplies are not adequate to serve additional areas;

WHEREAS, the Commission desires to clarify that the Commission will not expand water service to any new or existing water districts which are not currently under contract with the Commission,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF WATER COMMISSIONERS OF THE CITY OF MEDFORD, OREGON, AS FOLLOWS:

SECTION 1. That water districts purchasing water from the Medford water system will be permitted to extend their water system facilities within their boundaries subject to the other provisions contained herein. Such extension of districts' water mains shall be done only with prior written approval of the Water Commission and that such approval shall be based on findings of the Commission that there are provisions for the coordinated development of all other urban facilities and services appropriate for the area to be served by the extension and that such extension is in accordance with the comprehensive plan of the City of Medford as it applies to the area to be served. All extension of water service shall be installed to full "urban" standards as determined by the Water Commission.

SECTION 2. That water districts and similar agencies will not be permitted to annex additional areas beyond their present boundaries without written permission of the Commission. Permission will be granted if all of the conditions of Section 4 or Section 7 of this Resolution have been met and the Commission has no water facilities available to supply service to the

area requesting service. Permission will also be granted if the water districts wish to annex the remaining portion of existing tax lots which are split by the water district's legally described boundary at the time of the adoption date of this resolution provided that the annexations are finalized by March 3, 2001. The Commission will not expand water service to any new or existing water districts which are not currently under contract with the Commission.

SECTION 3. That water service is supplied to other cities in the region by contract. These contracts define those geographic areas where water service maybe supplied based upon the type of water supply contracts ("surplus water" or "treat and transport") and the individual planning processes of each of these cities. The intent of the urbanization standards contained in these contracts is to follow the same general urbanization policies as is defined in this resolution. These standards must not be contrary to the "public interest" of the Medford Water Commission and City of Medford. Granting of any water service outside of the corporate boundaries of any city must be done in accordance to provisions of Chapters 195 and 197 of the Oregon Revised Statutes and Jackson County Comprehensive Plan.

SECTION 4. That water service may be granted to property within the Medford urban growth boundary of the City of Medford providing all of the following conditions have been met:

a) Undeveloped property that is in the urban growth boundary shall not receive water service unless the property is annexed into the City.

b) Developed property that is in the urban growth boundary may receive water service provided the property owners are not proceeding with any land use permits, as follows:

1) Contiguous property owners – are contractually obligated to annex to the City of Medford and have started the annexation process.

2) Non-contiguous property owners – have demonstrated to the City's planning department that they do not have a reasonable chance of successfully completing the annexation process (i.e., due to the location of property, refusal by intervening property to agree to annex, etc.). The property's owners must sign an irrevocable consent binding present and future owners to annex to the City, which will be recorded before water service is provided.

c) The property owner must pay a systems development charge for its proportional share of the cost of treatment and transmission facilities.

d) The water facilities which are needed to supply this property shall be installed to full "urban" standards as determined by the Commission. This shall include minimum main sizes of six inches (6"), fire hydrants spaced according to City of Medford Fire Department standards, high level facilities, etc. as if the property were being developed in an urban area.

e) Water service to property outside city boundaries which is supplied directly by the Commission shall be by special contract. A water rate differential which would provide for a higher rate of return on investment and pay for source water from Lost Creek Reservoir will be charged these customers. Upon change of ownership of the property, a new contract must be signed before water service will be restored. The contract shall also contain the same irrevocable consent to annex provision as was recorded with the property.

SECTION 5. That the Board will grant water service to property within the boundaries of dissolved water districts whose assets have been given to the Commission provided that the property owner signs an irrevocable consent to annex or annexes to the appropriate city, that there are adequate water facilities available to serve the property, and that the property meets all other Regulations Governing Water Service as now exist or may be modified in the future.

SECTION 6. That any proposed extension of water service be in conformance with the Jackson County Comprehensive Plan and will in no way be detrimental to the residents of Medford or the present or future operation, maintenance or construction procedures or requirements of the Commission. New connections to the Big Butte Springs transmission mains above the Coal Mine Pressure Control Station, except to meet contractual obligations, are prohibited under any circumstances. All water service is granted in accordance with the Regulations Governing Water Service as now exist or may be modified in the future.

SECTION 7. Regardless of location, water service will be granted to parties where the Commission has incurred contractual obligations for the extension of service as a part of the consideration for the purchase of rights-of-way, provided such extensions granted these parties meet all standards and regulations as now exist or may be modified in the future. Also, the Board, where it would be in the general public interest, may extend water service for property owned and operated by the United States Government, the State of Oregon, Jackson County, school districts, and the cities of Medford, Central Point, Eagle Point, Jacksonville, Phoenix and Talent.

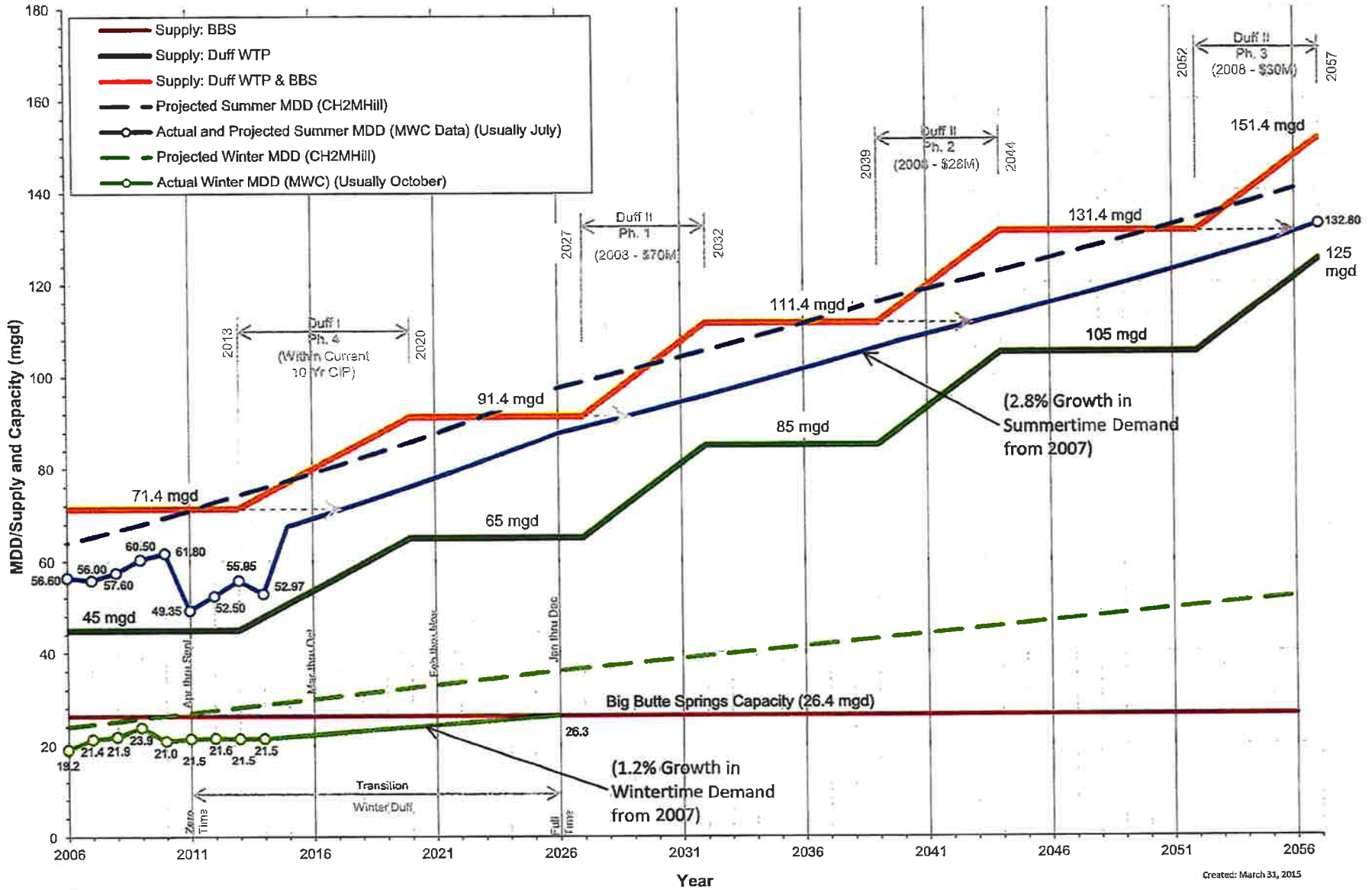
SECTION 8. That Resolution No. 944 is hereby repealed and that the policy of said Board of Water Commissioners as regards the extension of water service outside of city boundaries is now as stated in this resolution.

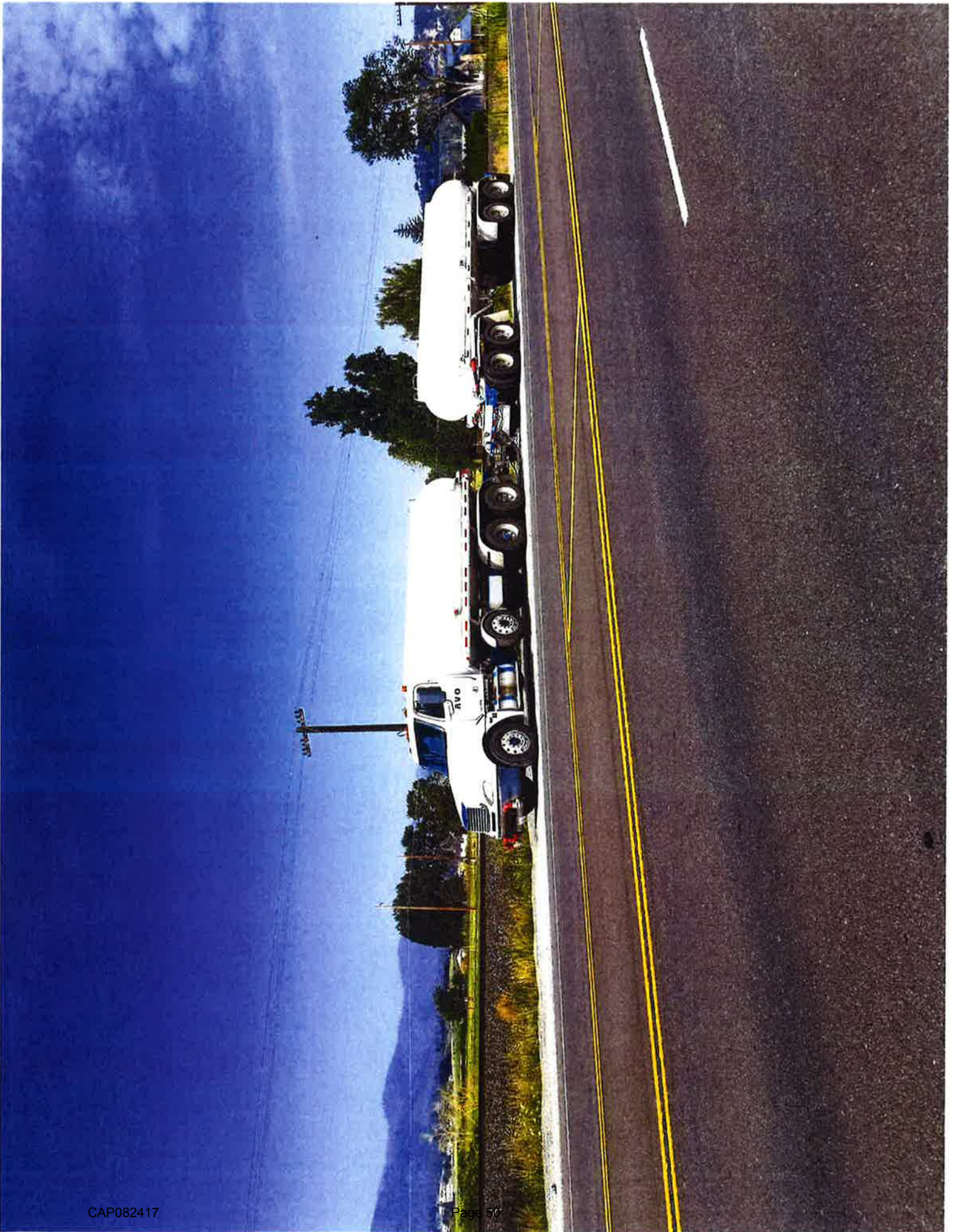
PASSED at a regular meeting of the Board of Water Commissioners of the City of Medford, Oregon, and signed by me in authentication thereof this 2nd day of January 2002.

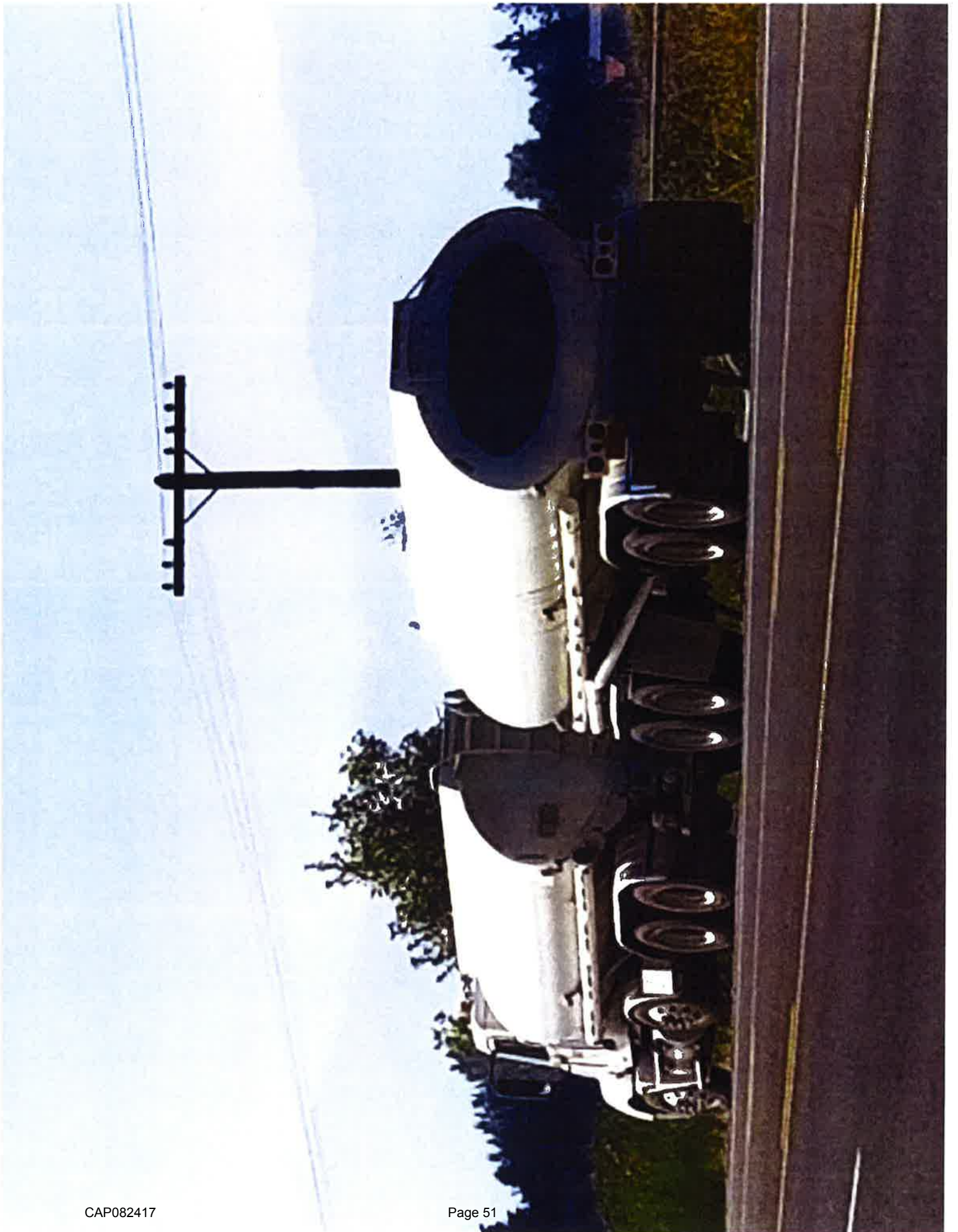
ATTEST: Beverly Sandblast
City Recorder

[Signature]
Chair

50 Year Long Term Source Needs













Water complaints over marijuana spike

Recreational marijuana growers must prove to the Oregon Liquor Control Commission that they can lawfully irrigate the crop, but not all producers are licensed under the system. Medical growers must be registered and receive cards from the Oregon Health Authority.

Mateusz Perkowski Capital Press
Published on August 3, 2017 8:19AM

With marijuana legalization spurring a “green rush” in Oregon, some newly arriving cannabis entrepreneurs have drawn the ire of deep-rooted rural residents.

The accusations often center on behaviors such as speeding in all-terrain vehicles, late-night partying and otherwise pestering neighbors.

“None of that is inherent to growing this plant,” said Katie Kulla, who grows marijuana and vegetables near McMinnville, Ore. “The culture clash is the issue, not the crop.”

For farmers, the culture clash is worrisome due to suspicions that some marijuana growers illegally irrigate their crop — either out of ignorance or disrespect for the Western system of “prior appropriations” water law.

“What concerns me is people stealing water from rivers,” said Gordon Lyford, a certified water rights examiner in Southern Oregon.

In the West, water rights are based on a “first in time, first in right” system in which properties with the earliest “senior” claims to water have priority over “junior” users.

Recreational marijuana growers must prove to the Oregon Liquor Control Commission that they have water rights or can otherwise lawfully irrigate the crop, but not all producers are licensed under the system. Medical growers must be registered and receive cards from the Oregon Health Authority. Under a law going into effect next year, they will be able to sell up to 20 pounds into the recreational system under certain conditions.

Some medical marijuana growers are coming from the Eastern U.S., where water law is different, leading them to believe they can irrigate from a stream simply because it flows through their property, Lyford said.

Domestic wells aren't supposed to irrigate commercially grown cannabis or any other crop, but medical marijuana farmers can use them as long as they're not growing for profit.

In reality, though, it's well known that medical marijuana is diverted onto the black market, Lyford said.

In those cases, producers can simply lie to water masters, who enforce water rights for the Oregon Water Resources Department, he said. "They've got a story to tell Water Resources."

Since recreational marijuana became legal, the department has seen a spike in complaints about cannabis. In some cases, they're legitimate, in other cases, people simply don't like marijuana, said Racquel Rancier, the agency's senior policy coordinator.

The question of whether medical growers are diverting their crop for profit, and thus illegally irrigating with domestic wells, is tough for the agency to answer, she said.

"That continues to be a challenge for us," Rancier said. "It's not always an easy process to demonstrate they're using it illegally."

Since the agency isn't equipped to run sting operations or in-depth investigations, it must effectively take medical marijuana growers at their word that no profits are being earned.

"We don't have the tools or the training or the authority to run some sort of fiscal audit," said Ivan Gall, administrator of the department's field services division.

However, there's no evidence that illegal use of domestic wells by medical growers has reduced available water for legitimate irrigators, since the marijuana plots use fairly modest amounts of water, he said.

"I've yet to document any well-to-well interference that would injure other users in the area," Gall said.

The agency stops illegal irrigation regardless of whether it's affecting senior water rights, and roughly 99 percent of unlawful users comply voluntarily without the department issuing an enforcement order, he said.

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