

**MINUTES FOR THE STUDY SESSION  
ASHLAND CITY COUNCIL  
Monday, October 20, 2014  
Siskiyou Room, 51 Winburn Way**

Mayor Stromberg called the meeting to order at 5:34 p.m. in the Siskiyou Room.

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

**1. Public Input**

**John Ames/818 Palmer/**Proposed an amendment to the sign code that created a new subsection 18.96.020.27(a) Decoration and read it aloud from a document he submitted into the record.

**Roy Laird/419 Willow/**Supported Mr. Ames' testimony and the proposed amendment as it would provide a practical and viable solution to the small wall graphic at the Ashland Book Exchange. He did not think it was the government's job to regulate artistic expression. The public was strongly against removing the mural and did not understand why the City required its removal.

**Jacque Milikien/609 Oak Knoll Drive/**Spoke on the decline of Monarch butterflies. Experts estimated a 90% decline in Monarch butterflies on the west coast over the past decade due to the loss of milkweed habitat through development and removal. She planted milkweed successfully and recently the last of 22 Monarch butterflies flew south. It proved that individuals could make a difference. Designating Ashland as a Bee City USA would help preserve these creatures.

**Peter Schroeder/572 Ray Lane/**Urged Council to support Bee City USA. Becoming a Bee City USA would join place Ashland in the forefront of modern and responsible movement and send a message that Ashland was devoted to preserving the integrity of the environment for humans and bees. As an Entomologist at Southern Oregon University, he noticed firsthand the decline of bumblebees in the region, particularly the western bumblebee, and the very likely extinction of Franklin's bumblebee. Ashland becoming a Bee City USA would not reverse the decline but would help address the awareness and resolve of future Bee City USA cities across the nation to address the real problems bees and pollinators faced.

**Nancy Appling/684 Liberty Street/**Explained her background as a master gardener, volunteer at North Mountain Park and described the pollinator gardens at the park and her experience with her own garden the yielded little due to pollination issues. She suggested a pollinator corridor that started with Ashland and went through the Rogue Valley.

**Dolly Warden/255 Colvert Road/**Explained she was a beekeeper and member of Together for Talent as well as the Pollinator Project of Rogue Valley. She encouraged Council to join Bee City USA and help create a pollinator corridor from city to city so children would have the food they needed in the future. Every third bite taken was due to a pollinator. China currently had people brushing pollination dust onto fruit tree blossoms because of pollinator decline.

**Laura Ferguson/2253 Hwy 99 North/**Explained she was an educator and had a business called the College of Melissa, Center for Sacred Beekeeping and studied bees from historical and scientific perspectives as well as the mythological and spiritual aspects of bees. Pollinators existed in the world for 200,000,000 years and created the world through co-evolution with flowers. Pollinators were the keystone and lynchpin species, everything above and below them will fail if removed. All pollinators needed support and protection.

**Kristine LeFever/2359 Blue Sky Lane**/Looked forward to working with the City and Parks as a Bee City USA. Ashland was more than half way there with the parks system, lists of native drought tolerant, and pollinator friendly plants on the City website, the bee ordinance, and committed citizens. She was excited that Ashland would be the next Bee City USA.

**Sharon Schmidt/601 South Pacific, Phoenix**/Explained she was organizing the Oregon Honey Festival that would occur November 15, 2014 at the Ashland Springs Hotel. She supported previous testimony and hoped Ashland would adopt the Bee City USA status.

## **2. Look Ahead review**

City Administrator Dave Kanner reviewed items on the Look Ahead.

## **3. Discussion regarding Bee City USA Proposal**

City Administrator Dave Kanner explained Bee City USA consideration involved Council adopting a resolution, designating a committee to oversee Bee City activities, hosting an annual celebration, and hanging a Bee City USA sign. The people interested in Bee City USA also approached the Parks Commission about overseeing the committee and were meeting with the Parks Commission following the Study Session. Council could wait and see if the Parks Commission was willing to take on the requirements of Bee City USA and support them by adopting the resolution. The group also reached out to the Conservation Commission and the Commission did see themselves as the appropriate body to head up the Bee City USA committee.

If the Parks Commission agreed to serve in this capacity, Council would support them by adopting the resolution. Mayor Stromberg added Council could take further steps in terms of ordinances to protect and encourage pollinators.

## **4. Review and discussion of self-insurance for health benefits**

City Administrator Dave Kanner introduced Jeff Jones and Nancy Louris, health benefit consultants from J.L. Jones & Associates who were available to answer questions. Mr. Kanner explained how self-insurance worked administratively. It started with a budget for health benefits and a plan that matched available dollars. The City adopted a plan document that detailed benefits, deductibles, out of pocket expenses and coverage. The City then paid claims directly through a third party administrator (TPA) that had access to a separate account the City used to pay claims. Self-insurance eliminated profit from the plan. The City purchased two types of stop loss insurance, individual stop loss, and aggregate stop loss. They based the plan on the last plan from Pacific Source. The City set up an Employee Health Benefits Advisory Committee (EHBAC) composed of representatives from each bargaining unit that met every other month to look at trends, and discuss issues employees may have with the TPA. This year EHBAC reviewed suggestions from employees but ended up rejecting them all due to expense making only one change required by the Affordable Care Act.

Council's role in self-insurance was establishing the budget for the insurance. Additionally Council was not personally liable.

The first year the plan encountered a severe loss ratio of 89% while the first 3 months of this year the loss ratio was 60%. Claims were unpredictable and it was typical to have bad years. If the City did not finish this fiscal year with enough money to repay the loan, they would have to raise the premiums. Mr. Kanner addressed a claim denied twice that resulted in revising the claims appeal process. The second step for appeals was now the City Administrator. If an employee felt uncomfortable discussing the appeal with the City Administrator, the City would hire a hearings officer. By law, an Independent Review Officer (IRO) made the final decision regarding an appeal.

The City needed a three-five year track record before exploring traditional lines outside the healthcare industry or joining other local self-insured organizations.

Councilor Voisin suggested a Council committee that would oversee EHBAC.

Mr. Kanner noted the City had saved \$1,000,000 from moving to self-insurance. At the start of fiscal year 2014, staff budgeted \$4,000,000 for health benefits that stayed flat for the current fiscal year. Staff was unsure what would have happened if the City stayed with Pacific Source but the average increase for CIS customers 13.5%. That would have made the City's premium \$5,000,000 and instead it was \$4,000,000.

Council majority did not support forming an oversight committee for EHBAC.

## **5. Discussion of wall graphics**

Community Developer Director Bill Molnar provided background on the wall graphics that was set in the early 1980s creating the foundation for the current sign code. He noted the limited enforcement regarding murals on buildings. In 2008, artistic expression came into question and the Public Arts Commission created a venue for that. The sign code contained a wall sign category that allowed a mounted sign instead of painting the building itself.

Public Arts Commissioner Dana Bussell explained the revised sign code in 2008 classified content as speech, in accordance with the first amendment whether it was imagery or verbiage. She addressed historic buildings and confirmed if a building was on the national register the Public Arts Commission could not paint on the building.

City Administrator Dave Kanner commented the original intent of the code was to prevent owners of buildings from turning blank walls into advertisement. Ashland prohibited images unless declared as public art through the public art process. Questioning mounting a sign instead of painting a wall could be up for discussion. The City had a legitimate public interest in regulating the size of signs allowed on buildings and the treatment of building walls to maintain the integrity of the downtown area.

Mr. Molnar explained a provision in the code that addressed a timeline for coming into compliance regarding signs. Another part of the code that considered prohibited signs a nuisance, including wall graphics and required removal were also subject to grandfathering. An historic sign inventory provision saved certain signs. A prohibited sign was nonconformity until the time of a building permit or something that involved a land use action either brought the sign into compliance or added it to the historic register.

City Attorney Dave Lohman further explained grandfathering referred to the enactment of a new ordinance that allowed things already in place to remain. Passing an ordinance that retroactively allowed things the prior ordinance prohibited went against the first amendment. Removing the prohibition on wall graphics from the current ordinance would apply to past and future and create first amendment issues if the City decided to reinstate the prohibition later.

The five-year easement requirement for murals gave the City control and responsibility of that part of the property in case the owner let it deteriorate. At the end of the five years, either the owner went through the Public Art process again or the mural was no longer public art because the public no longer had ownership.

Mr. Molnar was aware of one community that allowed wall graphics as a type of sign but did not allow them on building facades included in the national register or contributing.

Commissioner Bussell responded to a question on what the Public Arts Commission might have decided had the building owner gone through the process to make the small mural at the Ashland Book Exchange public art. She would not speak for the Commission and shared her personal opinion. The owner had drilled through part of the graphic to install an awning and that had created some damage. It was several years old and she was not aware of the condition. The composition was different because it was painted two different times. Her idea was cut out that section of the wall, display the mural in another place, and patch the wall.

Mr. Lohman explained changing the definition of decoration and adding language to the prohibition section of the ordinance that no wall graphic was permitted except for decorations exempted under the definition of decorations would allow decorations in the signage area. Council could also allow a percentage of the signage area for decorations. He distributed a possible definition of decoration proposed by Mr. Laird that both Mr. Lohman and Mr. Molnar altered. He submitted the document into the record.

Mr. Molnar commented staff generally had a chronology of attempts at enforcement so at the time the business changed, the City required the owner to meet the code.

Council noted the Public Arts Commission had draft mural guidelines and suggested having them bring it to Council for review. Other suggestions would amend the sign ordinance to allow painting signs on walls and include decorations with the signage while retaining historic considerations.

Council supported the Public Arts Commission bringing their draft mural guidelines to a future Council meeting. Council would review an ordinance that allowed painting signs on building walls for possible consideration. Council directed staff to bring a definition of decoration within the current limitations of the signage code.

Council comment did not want historic building policy to change due to the change in the ordinance. Other comments did not want to restrict sign size while opposing comment wanted to retain size limitations. Staff clarified the City had a local historic building inventory that included contributing buildings with high historic value in addition to the national registry. Additional Council comment supported further review of small wall graphics but did not think the issue demanded the attention it was receiving.

Council directed staff not to undertake enforcement on any existing graphics until the issue was resolved.

Meeting adjourned at 7:14 p.m.

Respectfully submitted,  
Dana Smith  
Assistant to the City Recorder