

ASHLAND CITY COUNCIL  
REGULAR BUSINESS MEETING DRAFT MINUTES  
Tuesday, May 3, 2022

HELD HYBRID; View on Channel 9 or Channels 180 and 181 (Charter Communications) or live stream via [rvtv.sou.edu](http://rvtv.sou.edu) select RVTV Prime.

**HELD HYBRID - Council and some City Staff will be live in the Council Chambers, 1175 E. Main Street. Citizens and presenters will be joining via zoom**

Written and oral testimony will be accepted for public input. For written testimony, email [public-testimony@ashland.or.us](mailto:public-testimony@ashland.or.us) using the subject line: Ashland City Council Public Testimony.

For oral testimony, fill out a Speaker Request Form at [ashland.or.us/speakerrequest](http://ashland.or.us/speakerrequest) and return to the City Recorder. The deadline for submitting written testimony or speaker request forms will be on Monday, May 2<sup>nd</sup> at 10 a.m. and must comply with Council Rules to be accepted.

**MAYOR AKINS CALLED THE MEETING TO ORDER AT 6:00 PM REGULAR BUSINESS MEETING\***

**I. CALL TO ORDER**

**II. PLEDGE OF ALLEGIANCE**

Councilor Jensen led the Pledge of Allegiance.

**III. ROLL CALL**

Councilors' Hyatt, Graham, Moran, Seffinger, DuQuenne and Jensen were present.

**IV. MAYOR'S ANNOUNCEMENTS**

Land Acknowledgement\*\*

Graham read the Land Acknowledgement.

President of the Amigo Club Mina Turner and Founder Senora Chela gave a presentation regarding the Guanajuato program.

Council thanked the Amigo Club.

**Graham/Hyatt moved to add to the Agenda a discussion regarding the Department of Energy Grant Funding for Community and Renewable and Resilience Project. Discussion: None. Voice vote. All Ayes. Motion Passed Unanimously.**

**V. APPROVAL OF MINUTES**

1. Business Meeting of April 19, 2022

**Hyatt/Seffinger moved to approve the Minutes. Discussion: None. Voice Vote: All Ayes. Motion Passed Unanimously.**

Minutes of Boards, Commissions and Committees\*\*\*

## **VI. SPECIAL PRESENTATIONS & AWARDS**

## **VII. PUBLIC FORUM**

Chris Luz Written Testimony (*see attached*)

Janet Belle – Ashland – Spoke regarding the cell towers and to update the Ordinances regarding this issue. She spoke to the importance of a safe environment for everyone.

Kelly Marcotulli – Ashland – Spoke regarding “Collaboration, Transparency and Trust”. She quoted “Love where you live protect what you love!” She thanked all for their service. She requested that Council approve a moratorium on any new telecommunication applications.

Linda Peterson Adams – Ashland – Spoke regarding 2 comprehensive plans that reference equity. She spoke regarding the Transportation System Plan. She spoke that we need to reach zero emissions.

Leda Shapiro – Ashland – Read letter into the record (*see attached*).

Miriam Reed – Ashland – Spoke regarding requests to update ordinances regarding placement to wireless cell towers.

## **VIII. CITY MANAGER REPORT**

City Manager Joe Lessard gave the City Manager Report. Items discussed were:

- Thanked IT Staff and RVTV for the work they did on the Hybrid Meetings
- Look Ahead

## **IX. CONSENT AGENDA**

1. Liquor License approval for Bar Juillet
2. Re-Appointment of Doug Knauer to the Planning Commission

**Moran/Graham moved to approve the Consent Agenda. Discussion: None. Voice Vote: All Ayes. Motion passed unanimously.**

## **X. PUBLIC HEARINGS**

1. Vacation of a Public Right of Way-A Portion of Otis Street  
**Mayor opened the Public Hearing at 6:38 PM.**

Public Works Director Scott Fleury gave a Staff Report.

Jensen recused himself from this Item due to living 3 doors down from this location. Council unanimously agreed to recuse Jensen from this Item.

### **Mayor Akins Closed the Public Hearing at 6:46 PM**

**Graham/Hyatt moved to approve the Right of Way Vacation of Otis Street as defined in Ordinance 3208. Discussion:** Graham spoke that it is important to have clean-up work and this is a smart move. Hyatt spoke in appreciation to the Planning Department and their work.. **Roll Call Vote. Councilor DuQuenne, Seffinger, Hyatt, Graham, Jensen and Moran: YES. Motion passed unanimously.**

### **XI. UNFINISHED BUSINESS**

### **XII. NEW AND MISCELLANEOUS BUSINESS**

Graham gave a brief Staff report regarding the Department of Energy Grant Funding for Community Renewable and Resilience Project.

**Graham/Hyatt directed Staff to investigate the grant opportunity for Department of Energy Grant Funding for Community and Renewable and for projects and come back to Council at the May 17<sup>th</sup> Business Meeting with the report and Staff Recommendation. Roll Discussion:** Hyatt spoke in support of the motion and the sustainability goals. **Roll Call Vote: Councilor Moran, Seffinger, Hyatt, Graham, Jensen and DuQuenne: YES. Motion passed unanimously.**

#### 1. Quarterly Financial Report

Interim Finance Director Alison Chan gave a Staff report.

### **XIII. ORDINANCES, RESOLUTIONS AND CONTRACTS**

#### 1. A Resolution Authorizing and Approving an Amendment to the loan ceiling for Clean Water State Revolving Fund Loan R11755

Public Works Director Scott Fleury introduced Kaylea Kathol and gave a Staff Report.

Council discussed options and funding.

**Jensen/Graham moved to approve “A Resolution Authorizing and Approving an Amendment to Clean Water State Revolving Fund Loan Agreement No. R11755,” and further authorize the City Manager to sign the loan documents for the new loan amount. Discussion:** Graham spoke that this is a long-term process. She spoke that things can change, such as technology, cost of construction and inflation. She spoke in appreciation of the Public Works Department. She spoke that it is never fun to raise rates but have to do so if necessary. Seffinger spoke in support of the motion the importance for our fish and wildlife to approve this motion. Hyatt spoke in support of this motion. She spoke that this will be an action of stewardship.. **Roll Call Vote: Seffinger, Jensen, Hyatt and Graham: YES. DuQuenne and Moran: NO. Motion passed 4-2.**

2. Resolution of Recology Cost of Service Increase Request  
City Attorney Katrina Brown gave a Staff Report.

Gary Blake gave a Staff Report.

Council and Staff discussed the Franchise Agreement.

It was explained form Legal that if the Resolution does not go through the City would be in default.

Jensen spoke in appreciation of Recology that they have been a great community partner.

**Jensen/Hyatt moved to approve Resolution No. 2022-08 relating to the 2022 Recology Ashland Solid Waste and Recycling Service Rate Adjustment and repealing Resolution No. 2020-04. Discussion:** Jensen spoke that Recology is a monopoly. He spoke that the City should not break the contract. He spoke in support of the motion. Hyatt spoke that Recology does an excellent job with the City’s recycling program. She spoke in support of the contract. Graham thanked Mr. Blake and Recology. She spoke that she is looking forward to continuing a partnership. **Roll Call Vote: Seffinger, Hyatt, Jensen and Graham: YES. DuQuenne and Moran: NO. Motion passed 4-2.**

**XIV. OTHER BUSINESS FROM COUNCIL MEMBERS/REPORTS FROM COUNCIL LIAISONS**

Seffinger spoke that the there is a Pantry in honor of Mike Hersh at the Senior Center. Graham announced that Sunday will be the Green Debris Drop off.

**XV. ADJOURNMENT OF BUSINESS MEETING**

**Gina/Graham moved to adjourn the Business Meeting**

**The Council Business Meeting was adjourned at 8:01 PM**

**Respectfully submitted by:**

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**City Recorder Melissa Huhtala**

**Attest:**

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**Mayor Akins**

\*Items on the Agenda not considered due to time constraints are automatically continued to the next regularly scheduled Council meeting [AMC 2.04.030.(D)(3)]

**\*\*LAND ACKNOWLEDGEMENT**

We acknowledge and honor the aboriginal people on whose ancestral homelands we work—the Ikirakutsum Band of the Shasta Nation, as well as the diverse and vibrant Native communities who make their home here today. We honor the first stewards in the Rogue Valley and the lands we love and depend on: Tribes with ancestral lands in and surrounding the geography of the Ashland Watershed include the original past, present and future indigenous inhabitants of the Shasta, Takelma, and Athabaskan people. We also recognize and acknowledge the Shasta village of K'wakhakha—"Where the Crow lights"—that is now the Ashland City Plaza.

\*\*\*Agendas and minutes for City of Ashland's Boards and Commissions meetings may be found at the City's website, <https://www.ashland.or.us/Agendas.asp> . Use the View By box to select the Board or Commission information you are seeking.

*In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Manager's office at (541) 488-6002 (TTY phone number 1-800-735-2900). Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting (28 CFR 35.102-35.104 ADA Title I).*

Open letter to the Ashland City Council and Ashland resident/business water bill payers.

“Why buy the cow when the milk is free?”

The City of Ashland City Council will be considering an Intergovernmental Agreement (IGA) that deals with letting cities in the Rogue Valley use Ashland’s water rights as part of a Water Rights Sharing Agreement between Rogue Valley cities. Most parts of the Water Rights Sharing Agreement (IGA) are appropriate but the reimbursement to Ashland’s water bill payers is unfair. Ashland’s water bill payers have invested and will continue to invest large sums of money in order to accumulate adequate amounts of water rights. The IGA’s payment formula for reimbursing Ashland water bill payers for another city “borrowing” Ashland’s water rights must be modified so that Ashland water bill payers are fairly compensated.

**Questions and points for the City Council to consider:**

- 1) How much money have Ashland’s water bill payers invested into adequate water rights, how much is spent on water rights each year and how much will be paid for water rights over the next five and 10 years.
- 2) IGA Section VII outlines the “Method of Cost Allocation”. The IGA attachment 7 Table 3 displays an example reimbursement total amount of \$445.03 to be paid to Ashland on behalf of all water bill payers for another city to borrow Ashland’s valuable water rights. Is this a fair reimbursement? Of course not.
- 3) If a city has not invested in adequate and valuable water rights and every year in the future they could “borrow” water rights at “pennies on the dollar” from another city that has made the proper investment in water rights why would the “borrowing city” ever invest in their own valuable water rights? Just keep borrowing water rights at “pennies on the dollar”.  
“Why buy the cow when the milk is free?”
- 4) Is it fair to Ashland water bill payers who have invested and will continue to invest into valuable water rights to start subsidizing another city’s water right needs?
- 5) Fairly compensating Ashland’s water bill payers for “borrowed” water rights can coexist within a spirit of good will and mutual cooperation to achieve the IGA’s goals of strategically managing and sharing water rights, meeting the water supply needs of the Rogue Valley and, coordinating a water rights certification strategy for water rights.

**Solution:**

Have GSI Water Solutions, Inc. (the company that wrote the agreement) revise the portion of the water rights sharing agreement that pertains to the amount charged to a city that “borrows” water rights so that the reimbursement rate is fair to Ashland’s water bill payers.

- 1) What is the full value of water rights that Ashland’s and other city’s water bill payers have invested in?
- 2) A goal of the IGA is to not have Rogue Valley cities collectively purchase more water rights because most of the cities have unused water rights. Collectively, the Rogue valley cities have invested into more water rights than they will need for many decades.

- 3) The solution is to not have a city that needs water rights to purchase new water rights but to borrow water rights at a fair price.
- 4) A fair borrowing price might be 50%, 60%, 70% ... of the cost of buying new water rights. This fair borrowing price would be considered a fair reimbursement to Ashland's water bill payers.
- 5) Consider transferring water rights to cities that have not purchased adequate water rights.

The proposed Water Sharing IGA reimbursement rate is completely inadequate and not fair to Ashland's water bill payers as exemplified by the \$445.03 compensation example given in the IGA attachment 7, table 3.

Would the Ashland City Council pass a resolution that would have each Ashland citizens buy a new car, pay for the gas to power the car and then loan the car forever to Central Point residents in exchange for Central Point citizens paying the car registration fee every two years. Of course not. Why would the Council "loan" the water rights that Ashland water bill payers paid over one million dollars for and continue to pay yearly storage fees in exchange for a few hundred dollars.

I encourage the Ashland City Council to ask the tough questions and get solid answers before committing water bill payers to a long term Water Rights Sharing Agreement.

Chris Luz

Phoenix Oregon

At the last Council meeting, I found myself sitting there literally with my mouth open – my response to the Budget Resolution which passed unanimously. It was a long meeting with many citizens coming before the Council ... and there had already been a long discussion about Rogue Retreat funding. Perhaps because of this, there was insufficient attention paid to this Resolution. Therefore I give everyone the benefit of the doubt, and hope this matter can be reconsidered.

In a nutshell, this Resolution would reclassify the Unfunded PERS Liability for retired employees from PERS and move it to Materials and Supplies. I couldn't believe I had heard correctly...and said to my husband, "Did you hear that?". Apparently neither he nor the Council heard it, or misunderstood the meaning. Councilor Graham in an impassioned speech claimed that it was the perfect solution to misunderstandings about this Liability, and how it would make everything more transparent.

It will, in fact, do the opposite! By moving this to Materials & Supplies, it will effectively hide it.

In the short discussion by Council, the argument for the reclassification was so that this expense would not be confused with costs of current employees, but UAL has always been listed as a separate line item, clearly shown as separate from other PERS expenses. It has never been lumped in with PERS for current employees, so this is a spurious argument. If this reclassification is allowed, the financial reports will become less transparent, since it will not show up in the Personnel expense category at all.

It was also stated that we have no control over the Liability. Not true. Please read Dean Silver's article in the Ashland Chronicle explaining how this expense is calculated. <https://theashlandchronicle.com/the-supplemental-budget-resolution/> As the article shows, the amount owed is calculated as a percentage of current salaries, clearly offering some control there. While some aspects of Accounting may be complicated, this is easily understood.

In addition, there is also some control accomplished by not allowing the Pension Fund to be "raided" when the market is up. This is a common way that Pension Funds become underfunded. The actuarial contributions to the Fund are calculated to include fluctuations in the market, so if you take money out (as the City of Ashland has) and then the market goes down, it can cause an increase in this Liability. It would be a good idea to have a policy that did not allow withdrawals from the Fund. By not having it included in the PERS expenses, there is a risk of no one paying attention, and allowing it to increase further.

I hope the Council will reconsider this reclassification and leave it the way it is currently reported, as a part of PERS expenses. I argue that moving it to Materials & Supplies will not produce a transparent financial picture, but will obfuscate instead. I hope that with more discussion this will become apparent to you all, and the Resolution will be retracted.



Leda Shapiro