



SHERWOOD CITY COUNCIL MEETING MINUTES
22560 SW Pine St., Sherwood, Or
October 7, 2014

WORK SESSION

1. **CALL TO ORDER:** Council President Henderson called the meeting to order at 6:43 pm.
2. **COUNCIL PRESENT:** Council President Linda Henderson, Councilors Dave Grant, Bill Butterfield, Krisanna Clark and Matt Langer. Mayor Middleton was absent.
3. **STAFF AND LEGAL COUNSEL PRESENT:** City Manager Joseph Gall, Assistant City Manager Tom Pessemier, Community Development Director Julie Hajduk, Police Chief Jeff Groth, Administrative Assistant Colleen Resch and City Recorder Sylvia Murphy. City Attorney Chris Crean.

4. TOPICS:

A. Discussion Establishing Marijuana Tax

City Manager Gall explained that legislation around the region and state is being considered with the recreational marijuana issue on the November ballot. He said cities are establishing the ability to tax marijuana at the local level prior to the election. He stated the ordinance the Council will consider tonight is similar to the ordinance adopted by Happy Valley. He stated many cities are debating the taxing of recreation only or medical as well and the Council will also be considering this.

Councilor Grant asked if by adopting the ordinance we are maintaining the ability to tax later. City Attorney Chris Crean referred to page 75 of the Council meeting packet, Section 3.25.030(B), Levy of Tax subsections 1 and 2 and explained the taxing of medical marijuana is noted as a zero tax and recreational marijuana is taxed at 10%. He said a subsequent Council can change the language to reflect a different amount. Mr. Crean stated the language originated in Ashland and is similar to what has been adopted in Hillsboro and Happy Valley.

Councilor Butterfield stated the Council is talking about this because it is being forced on us and coming to the City sometime in the future. Mr. Crean replied it's in anticipation of November Ballot Measure 91. He reminded the Council that the City currently has a prohibition on medical dispensaries through he believes, May 2015.

Council President Henderson commented that the City needs to consider this now before the measure takes effect. Mr. Crean referred to the staff report and information regarding a prohibition in Measure 91 against local regulations affecting the sale of marijuana and marijuana products. He said it's an open question whether that would pre-empt this and this is why we are getting this in place on the theory that it could be grandfathered in. He said the question is whether Measure 91 is intended to apply retroactively,

therefore we are adopting this now to preserve the City's authority in the event we can convince the court it does not apply retroactively.

Discussion followed regarding the taxing percentage and what other cities have done. Discussion occurred regarding what the legislation does as far as if marijuana is sold in the City, it can be taxed. Mr. Crean commented regarding exposing the City to any liability under federal law and explained under the Controlled Substances Act, it prohibits the delivery of a controlled substance. He said nothing in this authorizes the City to deliver marijuana, but if it is sold in the City you can tax the sale.

Ms. Henderson confirmed the tax revenue would be applied to the City's general fund. General discussion followed regarding the Ballot Measure and effective date and the effective date of the ordinance if adopted tonight.

5. ADJOURN:

Council President Henderson adjourned the Work Session at 6:55 pm and convened to a Regular Session.

REGULAR SESSION

1. **CALL TO ORDER:** Council President Henderson called the meeting to order at 7:04 pm.
2. **PLEDGE OF ALLEGIANCE:**
3. **COUNCIL PRESENT:** Council President Linda Henderson, Councilors Dave Grant, Bill Butterfield, Krisanna Clark and Matt Langer. Mayor Bill Middleton was absent.
4. **STAFF AND LEGAL COUNSEL PRESENT:** City Manager Joseph Gall, Assistant City Manager Tom Pessemier, Community Development Director Julie Hajduk, Police Chief Jeff Groth, Planning Manager Brad Kilby, Volunteer Coordinator Tammy Steffens, Administrative Assistant Colleen Resch and City Recorder Sylvia Murphy. City Attorney Chris Crean.

Council President Henderson addressed the next item on the agenda.

5. APPROVAL OF AGENDA:

Council President Henderson addressed Approval of Agenda and the following motion was received.

MOTION TO AMEND: FROM COUNCILOR GRANT TO CHANGE ITEM 10 CITIZEN COMMENTS TO COUNCIL ANNOUNCEMENTS SINCE WE HAVE CITIZEN COMMENTS PRIOR ON ITEM 6 AND CHANGE ITEM 12 FROM ADJOURN TO MOTION TO ADJOURN.

Councilor Clark asked for a point of order and stated we did not notice that we were having Council Comments.

City Recorder Sylvia Murphy said the Mayor approved the agenda as it is written and Council Comment was not added to the agenda at that time.

Councilor Clark stated that we did not provide notice to the public that there would be Council Comments and asked if it was okay. Council agreed that it was okay.

COUNCILOR LANGER SECONDED THE MOTION, MOTION PASSED 4:1, (COUNCILORS GRANT, HENDERSON, BUTTERFIELD AND LANGER VOTED IN FAVOR, COUNCILOR CLARK VOTED AGAINST). (MAYOR MIDDLETON WAS ABSENT).

Council President Henderson addressed the next item on the agenda.

6. CONSENT AGENDA:

A. Approval of September 16, 2014 City Council Meeting Minutes

MOTION: FROM COUNCILOR GRANT TO ADOPT THE CONSENT AGENDA, SECONDED BY COUNCILOR LANGER, MOTION PASSED 5:0, ALL PRESENT MEMBERS VOTED IN FAVOR. (MAYOR MIDDLETON WAS ABSENT).

Council President Henderson addressed the next item on the agenda.

7. CITIZEN COMMENTS

Mara Broadhurst, Sherwood resident came forward and thanked the Council for addressing the sign issue in Sherwood and stated that by having clearly identified rules that are the same for everybody is the only way to promote the democratic process. She said not allowing signs in the round-about was a good decision. She stated that candidates should take the signs down that are in violation and show respect for the code. She said rules are not a joke and people should not be allowed to flagrantly disregard the law. She referred to the signs on the highway and said there was one for vehicles and rental spaces. She said she owns property on Hwy 99 whose value and development potential is highly affected by these activities. She stated the RV storage behind the antique mall has been allowed to expand with no highway improvements to ensure safety pulling on and off the highway or ground improvements to stop oily discharge from contaminating Cedar Creek. She said in her opinion there is a newly created RV storage park next door expanding and recruiting new business. She asked why is this allowed as the use in not to code and asked if there are any land use improvements to develop this use and allow it to continue and expand. She asked if the City has levied fines and initiated a lawsuit to have this property conform to the code. She asked if the City came to a settlement to allow this use and give this property special development concessions not allowed to others. She asked if the Council voted on this or was it a staff decision. She said the ability of the police to enforce code violations is determined by the staff and asked why the staff can discriminate on who gets enforced on and who gets to break the law. She said this preferential treatment is a problem and has resulted in multiple lawsuits and even after that the illegal activity still continues. She commented on wanting to make money to pay the high taxes while being forced to hold on and said they have always cooperated with the City and allowed access and road changes to our property for the advancement and the good of the City. She said allowing out of code lucrative uses grants unfair advantage and destroys any need or urgency for development cooperation in the area. She encouraged the Council to investigate so the police can do their job with due process for all.

Tammy Steffens, Sherwood resident approached the Council and stated she is here not as a City employee but as representative a from the Sherwood High School Booster Club and Bowmen Football

and announced the Booster Club annual auction is Saturday at 5:30 pm and it will be at the Embassy Suites Washington Square and tickets are available until tomorrow. She said this event supports the student athletes at the High School and this is the major fundraiser of the year. She announced Bowmen Football has a Stuff-the-Truck event on October 31 at the football game and it will be known as the cancer awareness game. She said the game will be dedicated to sophomore Emma Aanderud. She said the two foundations represented are the Chelsea Hicks and Michael Grimm foundation and they will be collecting new stuffed animals and costumes and accessories. She said if you are not attending the game you can drop off your donations to her at City Hall.

Robert James Claus, Sherwood resident came forward and said he attended the public debates and provided suggestions as the attendance is going down in the debates. He said they need another forum and provided examples of how to increase attendance. He commented on democratic activities and public speech. He said public debates should provide the citizens with answers to why the elected did what they did, not feel good forums.

Susan Claus, Sherwood resident approached the Council and said over 100 hand painted signs have disappeared and said she doesn't know what the solution is. She said the candidates have been heard through their views in the Oregonian and the Gazette and the public forum with the Chamber. She said she appreciates Mr. Gall and Mr. Pessemier for working with them on an issue. She encouraged the elected officials to remain on the high road for the rest of the election season.

Nancy Taylor, Sherwood resident came forward and commented on the public forum and said she was disappointed by the student's question. She provided possible answers to their question as to what the City does for Sherwood schools. She commented on the campaign signs and said it is sad that they are being defaced. She encouraged everyone to vote and read the voter's pamphlet.

Dan King, Sherwood resident approached the Council and said if he is elected he would push to deal with the sign code. He suggested the Code Enforcement Office work a few hours during the weekend. He commented on the Mayor's letter to the editor addressing him and Ross Shultz and he referred to attacking people in a public forum. He said if he served he would attack ideas and not people. He noted the Mayor is not in attendance and said he will return and address the issue with the Mayor.

Tony Bevel, Sherwood resident came forward and said he wished they had not amended the agenda and removed the citizen comment at the end of the meeting as he wanted to comment on the marijuana ordinance. Council President Henderson informed Mr. Bevel that public comment will be taken on the marijuana ordinance. Mr. Bevel said he would comment at that time.

Jennifer Harris, Sherwood resident approached the Council and said she is disheartened by the campaign and commented on the behaviors she has seen especially by people in a position of leadership. She said she is embarrassed for the City and said it is out of control and referred to the divisiveness of the signs.

Tim Voorhies, Sherwood came forward and commented on political signs and political speech. He said there is not a law that says we can't put a political sign on our property. He said he is happy with the election and has not seen too much vandalism. He commented on past events and said this town needs to grow up. He stated Sherwood deserves better and complimented the City Water District on their help with his water break. He said the City has to do something about the fruit trees on Sunset by cutting them down and putting in the proper trees or we will have trip hazards and lawsuits. He said the streets are

starting to buckle and will be a big problem next year. He asked why is the City so afraid of change and asked if there was something hidden. He commented on Walmart and said that was well played. He referred to the need for integrity.

Tess Kies, Sherwood resident approached the Council and commented on the public forum at the High School and said it was an unsatisfying venue and challenged the candidates to another debate. She said there needs to be a list of questions that people are concerned about and the need for clarification.

With no other citizen comments Council President Henderson addressed the next item on the agenda.

8. PRESENTATIONS

A. Eagle Scout Recognition

Council President Henderson recognized Ian Peyton as an Eagle Scout Award recipient.

Council President Henderson addressed the next item on the agenda.

9. NEW BUSINESS

A. Resolution 2014-063 Declaring Sherwood City Council Seat Vacant

City Manager Joseph Gall said this resolution is the next step in the process to fill former Councilor Robyn Folsom seat after her resignation. He stated the first step is for the Council to officially declare a vacancy. He said after consideration of the resolution they can discuss whether to fill the vacancy on an interim basis or not as there are more than 14 months left in the term the voters will decide in March 2015 who will fill the remaining portion of the term. He said if the Council does choose to appoint someone for the interim they need to determine the process. He noted staff is ready to proceed with direction from the Council.

MOTION: FROM COUNCILOR GRANT TO ADOPT RESOLUTION 2014-063, SECONDED BY COUNCILOR LANGER, MOTION PASSED 5:0, ALL PRESENT MEMBERS VOTED IN FAVOR. (MAYOR MIDDLETON WAS ABSENT).

Council President Henderson asked Mr. Gall to explain what the code outlines as far as process after a vacancy has been declared.

Mr. Gall said Section 32 of the City Charter is important and it says *“a mayor or councilor vacancy will be filled by an election if 13 months or more remain in the office term. The election will be held at the next available election date to fill the vacancy for the remainder of the term. A mayor or councilor vacancy may be filled by appointment by a majority of the remaining council members. The appointee's term of office runs from appointment until the vacancy is filled by election or until expiration of the term of office if no election is required to fill the vacancy.”* He said the resolution just declared the seat vacant and there is more than 13 months remaining in the term so the ultimate decision will be the voters in the next available election which is March 2015. He read the portion of the Municipal Code regarding filing vacancies stating *“upon becoming aware of a vacancy in an elected office the Council must promptly determine and declare the date of vacancy. A vacancy of an elected office must be filled as provided by City Charter Section 32.”* He continued to read regarding appointments by Council and stated, *“in*

filling a vacancy the Council may make inquiries and hold interviews as it considers necessary for the appointment. The appointment may be made at a regular or special council meeting. The council will use the following procedures in the appointment process: 1) public notice to appropriate neighborhood organizations, civic groups, a newspaper of general circulation and other recognized groups. 2) deadline for submitting applications at least two weeks after the notice. 3) appointment from those applicants nominated and seconded for consideration by members of the council. The recorder will announce the results of each ballot and will record each councilor's ballot. An applicant who receives a majority of the votes by the current council members will be appointed to the vacant position. If no applicant receives a majority vote on the first ballot the council will continue to vote on the two applicants who receive the most votes until an applicant receives a majority of the councilor's voting."

Mr. Gall referred to documents with potential dates (see record, Exhibit A and Exhibit B) and said they need to decide a series of questions and asked are you going to fill the vacancy on an interim basis. He stated if the answer is yes, he asked how long the application process will be open. He reminded the Council of the November 4 election with nine candidates running for three Council seats. He referred to a sample application form (see record, Exhibit C) that has been used in the past and asked Council to consider what the application will look like. He referred to a draft public notice (see record, Exhibit D) that staff is ready to put in the Oregonian and the Tigard Times and will also get the information out into as many different venues as possible. He said the Council also has to decide what to do when all the applications are received in terms of interviews. He stated the more clarity that can be provided the better the process will be. He asked for answers from the Council on the series of questions.

Councilor Langer thanked Mr. Gall for clarifying the process so the public understands.

Council President Henderson noted that the Council has not had an opportunity to discuss this as a body. She said the next meeting with an opportunity to make an appointment is November 18. She referred to the sample application and said she sent the Council a suggestion about adding a question that would give candidates an opportunity to discuss issues they are concerned about and important for the community.

Councilor Henderson asked if it is Council's intent to fill the position. She noted that if the election is in March of 2015 the election results would not be certified until April. Discussion followed regarding the timeline and the potential for a five month interim position.

Mr. Gall clarified that the Council seems to be in agreement to fill the position on an interim basis and asked how long they wanted to keep the application process open.

Councilor Clark agreed that she wanted to fill the position but asked if they should wait for the newly elected Council to fill the position as a large portion of this Council will be gone. She said if the people who are elected are representing the people wouldn't it be prudent to have the best representation of the citizens and to wait until after the election to fill the position.

Councilor Langer said the downside to that is the seat sits vacant for a few months and by the time the new Council comes in and notices the vacancy we could not appoint until late February and that leaves only 6 to 8 weeks before the March 2015 election. He said the seat is vacant now and we should let someone serve for five months.

Councilor Clark commented on the importance of the business scheduled during November, December and January and noted the seat is already vacant and it is not an emergency and we need to be representative of our citizens and strive to represent them as best we can. She said the new Council will be the most representative. She stated she is concerned about hurrying to get it done for two meetings.

Councilor Henderson said the appointed person would fill the vacancy until May as the election is in March and would be certified in April.

Councilor Clark clarified that she was referring to the two meetings the appointed person would be serving with this Council and said there is nothing really going on in December.

Councilor Langer said it would be more than that because the new Council would not start the process until January and could not appoint until February and that would include another 3 or 4 meetings so a total of 5 to 6 meetings not just 2 meetings. Discussion followed concerning the calendar.

Councilor Clark asked what is the emergency status.

Councilor Grant said it is not an emergency and everyone before and after the election was elected by the citizens.

Councilor Clark suggested to being the most representative moving forward.

Councilor Henderson said that we are all representative of the citizens and we were all elected.

Councilor Grant stated their decisions today are for the future. He asked about interviews and suggested adding questions to the application so the Council can narrow down who they would interview. He said this would give the candidates time to determine their answers.

Councilor Henderson said that was her motivation to add a question to the application. She said Council could later determine a series of questions and make them available to those that apply. She said she would suggest interviewing all the applicants. She proposed conducting interviews on a Saturday to provide candidates an opportunity to prepare.

Councilor Butterfield said he agreed that they should interview all applicants. He asked how long the seat would be vacant.

Mr. Gall said that depends on the process Council chooses. He commented on the possible scenarios one being November 7 as the deadline for the applications. He said Council needs to identify the process before they know how long the seat will be vacant.

Councilor Henderson commented on the noticing requirements and said she does not think the appointment could logistically be made before November 18.

Councilor Clark said that seems too tight and suggested aiming for December 2. Councilor Henderson reminded her that there is not a meeting on December 2. Councilor Clark then suggested December 16.

Councilor Henderson proposed accepting applications until October 27 which is 20 days and provides staff an opportunity to process the applications and provide the Council with the applicants by November 3 and schedule interviews. Discussion followed regarding scheduling interviews and appointing a candidate on November 18.

Councilor Clark referred to Mayor Middleton's comments about compressing it into the election season then we are excluding the candidates that will not win in the election and suggested leaving the vacancy open until after the election.

Councilor Grant said he would encourage all candidates on the November ballot to apply and they can withdraw if they are successful in the election.

Councilor Henderson asked the Council about the possibilities of Saturday interviews.

Councilor Grant agreed that Saturdays would give them more time to interview.

Councilor Langer agreed.

Councilor Butterfield said he does not like the idea of Saturday interviews but will go along with what the Council decides.

Councilor Clark stated she does not like the idea of Saturday interviews.

Councilor Grant said applicants may agree with the Saturday interviews and suggest providing applicants with a weeknight and a Saturday interview option.

Councilor Clark reminded the Council to consider the Veteran's Day holiday when discussing potential dates. Discussion followed regarding dates and room availability and the Council considered November 12, 13, and 15 in order to appoint on November 18.

Mr. Gall suggested having these potential interview dates on the application for the applicant to indicate their preference.

Councilor Henderson said the interviews will be considered Council work sessions and are open to the public. She proposed receiving applications until October 27 at 5:00 pm and then staff would have a week to process the applications and provide them to the Council by November 3 and then Council with have a week and a half to review the applications. She asked if Council could contact applicants with questions or clarifications.

Mr. Gall said he would suggest not contacting applicants but address questions during the interviews.

Councilor Henderson said they needed to develop a list of questions the Council would like to propose to applicants in the interviews and adding a question to the application. She asked if Councilor would be interested in forming a subcommittee to form the questions.

City Recorder Sylvia Murphy reminded the Council that three or more members on a subcommittee would be a quorum.

Councilor Henderson referred to the sample application and asked if the Council was in favor of adding the question that she proposed.

Councilor Butterfield said he agreed to add the proposed question but during the interview process they do not need a list of questions.

Mr. Gall read the question that Councilor Henderson proposed to add to the application stating; "What do you believe are the 3 most important issues facing our City in the next two years?"

Councilor Grant asked if Mr. Gall needed a resolution at this point or just an acknowledgement of agreement.

Mr. Gall said he would like an acknowledgement of agreement at this time and would like to hear if someone disagrees with the process. He clarified that the Council agreed to an application deadline of October 27, an application with an additional question, and tentative dates for interviews and all of the materials can be on the City website tomorrow.

Councilor Clark stated the timeline is too compressed with the election season and candidates that are running for election will be busy with their campaigns and giving them a couple extra weeks will not change anything.

Councilor Langer said they just have to fill out one form before the election and interviews will be later.

Councilor Henderson said that depending on how many people apply they can revisit the process in the near future but at least staff has some direction.

The City Recorder clarified that the public notice would extend the application deadline to October 27 at 5:00 pm and then all materials will be forward to the Council for review. She said the application would include the proposed question and she asked if Council wanted the proposed interview dates on the application with an indicated time and asked if they wanted 30 minute or 15 minute interviews scheduled. Discussion followed and they agreed to specify possible interview dates on the application and for weekday evenings it will state 6:00 pm on forward.

With no further discussion Council President Henderson addressed the next item on the agenda.

B. Resolution 2014-064 Approve and ratify a successor Collective Bargaining Agreement and Letter of Agreement between the City of Sherwood and the Sherwood Police Officers Association (SPOA) and authorizing the City Manager to execute the agreements

Assistant City Manager Tom Pessemier commented that staff worked with the Sherwood Police Officers Association (SPOA) to reach this agreement. He said both sides worked hard and asked Council for questions.

Councilor Langer asked how this agreement would be effected if the new Council elects to outsource the Police to Washington County.

Tom Pessemier said there would have to be significant negotiations with the union to deal with the contract that is in place. He said there would be a lot of variables and would take a lot of work.

Councilor Henderson suggested that it could be a year long process.

Tom Pessemier commented that Cornelius went through this and were able to work it out.

Councilor Henderson referred to page 46 of the packet regarding premium pay and asked if the advanced certificate is a training certificate that an officer can receive.

Tom Pessemier said that is correct and both the intermediate and advance certificate can be received through the State of Oregon Public Safety and Standards.

Councilor Henderson asked if anyone at the Police Department had a master's degree. Chief Groth said no.

Councilor Henderson clarified that this contract would be in effect until June 2017.

With no other questions the following motion was received.

MOTION: FROM COUNCILOR GRANT TO ADOPT RESOLUTION 2014-064, SECONDED BY COUNCILOR BUTTERFIELD, MOTION PASSED 5:0, ALL PRESENT MEMBERS VOTED IN FAVOR. (MAYOR MIDDLETON WAS ABSENT).

Council President Henderson addressed the next item on the agenda.

C. Resolution 2014-065 Authorizing the City Manager to sign a contract with Cogan Owens Cogan to concept plan the Urban Reserve areas west of the existing City of Sherwood Urban Growth Boundary (UGB) and conduct a city wide housing needs analysis

Planning Manager Brad Kilby said this area is roughly 1291 acres that would potentially be included into the City over the next 50 years and almost doubling the size of Sherwood. He said this is not necessarily going to happen but each time Metro wants to expand the UGB which is on a 6 year cycle they will be looking at Urban Reserve areas first. He stated this is our opportunity to plan and the process is funded through Metro at \$221,000 to allow us to look at where roads and utilities should go. He noted this is the first opportunity to speak with the landowners in the area and determine how it would be governed as it comes in and a phasing program to determine where it makes the most sense economically for the orderly and efficient expansion.

Councilor Henderson asked Mr. Kilby to frame the area. Mr. Kilby said it is an area west of Elwert, south of Scholls Sherwood Road and all the way south to Hwy 99 and as far west Chapman. He said it also includes down Scholls Sherwood to Roy Rogers Road. He stated the project schedule is approximately 14 months and they have been working with the Planning Commission. He commented on the RFP and said this will be a very citizen oriented project and this is an opportunity to look into the future to see what makes the most sense for Sherwood.

Councilor Henderson asked Mr. Kilby to provide an example of a similar project that has been done in the past. He said this is a new process that Metro is offering to plan the Urban Reserve Areas and will deal with land uses and forecasts, how much housing will be needed and how much could be accommodated in the area with utilities and streets.

Community Development Director Julia Hajduk added the reason this is different is there is a new paradigm with the Urban Reserves and when Metro adopted the Urban Reserves they also adopted a new process that allows high level concept planning. She said this will allow us to do that high level concept planning and as it is brought in there will be refinements.

With no other questions the following motion was received.

MOTION: FROM COUNCILOR GRANT TO ADOPT RESOLUTION 2014-065, SECONDED BY COUNCILOR LANGER, MOTION PASSED 5:0, ALL PRESENT MEMBERS VOTED IN FAVOR. (MAYOR MIDDLETON WAS ABSENT).

Council President Henderson addressed the next item on the agenda.

10. PUBLIC HEARINGS

A. Ordinance 2014-019 Establishing a tax on the sale of marijuana and marijuana infused products in the City of Sherwood and adding a new Chapter 3.25 to the Municipal Code

City Manager Gall asked City Attorney Crean to introduce the legislation.

Mr. Crean said this is a proposed ordinance to establish a gross receipts tax for the sale of marijuana products and marijuana infused products in the City of Sherwood. He said it is not a sales tax but a gross receipts tax so that tax is imposed on the seller not the buyer. He stated it is not imposed further up the supply chain but imposed on the final seller to the consumer. He said it is modeled ultimately on an ordinance that began in Ashland and has since been modified and adopted in Hillsboro, Happy Valley, Forest Grove and Fairview. He said it is gaining traction in municipalities around the state. He noted the ordinance includes provisions that require the seller to maintain accurate and adequate records and allows the City to inspect those records. He said it contains certain provisions for deductions from the gross receipts amounts. He stated since this is a tax and it cannot take effect for 30 days, if approved now it will take effect 30 days from today which is just after the election. He said this is largely in response to Measure 91 and in the event it passes and allows for the sale of recreational marijuana and marijuana infused products in Oregon this would allow the municipality to tax the sales. He stated this would take effect after the November election but before Measure 91 would take effect. He said there is some question as to whether it is preempted by state law but this would allow the City to argue that it was enacted prior to Measure 91 taking effect and it is grandfathered in.

Mr. Crean said there is nothing in the measure to require the City to allow the sale of marijuana and marijuana products in the City. He reminded the Council that there is currently a moratorium on medical marijuana dispensaries in the Sherwood that expires in May. He said in the event that Measure 91 does not pass there is nothing in this that requires the City to allow dispensaries or other sales outlets. He stated it simply said if they are allowed the City can tax the sales. He said under federal law the Controlled Substances Act prohibits the delivery of a controlled substance and said there is nothing in here that would put the City in a position of delivering a controlled substance but again only if that controlled substance sold is within the City would allow the City to tax it. He noted the tax in general is 10% on gross revenue after adjustments with the exception of medical marijuana. He referred to page 75 of the packet and commented on Section 3.25.030 and said paragraph B is divided into 2 subsections. He stated B.1 is the tax for medical marijuana and noted there is a policy statement that has been argued

that we don't currently tax medication and to certain extend marijuana is a medication and we should not tax it. He said therefore medical marijuana is divided out and this ordinance is proposing to tax medical marijuana at 0%. He said B.2 applies to the sale of all other marijuana and marijuana related products to be taxed at 10%. He noted that the ordinance distinguishes between medical marijuana and all other marijuana and marijuana infused products.

Councilor Langer said he understands that the seller has to pay the tax to the state and he asked if there was any provision to prohibit the seller from charging the buyer the tax on top of the sale.

Mr. Crean clarified that the tax will be paid to the City. He commented on looking at the proper point in the process from manufacturing, delivering, sale and consumption and at what point does the City want to impose a tax. He said it could be imposed at the manufacturer or at the point of sale from the grower to the retailer but we don't have much experience with that type of value added tax. He said the assumption is that any of those are going to be passed along to the consumer. He stated if you sell a product and have to pay taxes, wages, all of the business expenses are built into the cost of the product and so it is assumed that would also be the case here.

Council President Henderson opened the public hearing.

Anthony Bevel, Sherwood resident came forward and commented on taxing marijuana and said when he buys alcohol he does not pay taxes on it. He said it is hard to differentiate and suggested that if you tax recreational marijuana you should tax recreational coffee or recreational alcohol.

Naomi Belov, Sherwood resident approached the Council and noted Sherwood now has a Council of six members and asked what the process is if three Councilors meet together and discuss business and said three of the Councilors were seen on Saturday at the Ice Arena.

Councilor Henderson noted this is a public hearing concerning marijuana.

Mr. Crean offered to speak with her later and said in general members of a body can all be at a social gathering and that does not violate the public meeting laws. Ms. Belov asked if that is a quorum. Mr. Crean said no. Ms. Belov asked what a quorum is. Mr. Crean noted this is off topic and the Council is engaged in a public hearing on whether or not to adopt an ordinance allowing the City to tax marijuana.

Dean Boswell, Sherwood resident came forward in favor of taxing marijuana. He said the reason other States are considering legalizing marijuana is for taxes and if it can help improve our roads and schools in Sherwood he agrees with taxing. He suggested taxing medical marijuana more as it may be covered by insurance.

With no further comments, Council President Henderson closed the public hearing.

Councilor Grant said future Councils will decide what the tax amount is and this preserves future Council's right to act. He stated if we do not act now future Council's will be bound and preempted by the State.

Councilor Langer added that this legislation has to be adopted by the November 4 election.

Councilor Grant said this will preserve our right as a City.

Councilor Butterfield said he is in favor of taxing and doing whatever else to keep marijuana from coming to our City. He said he is not in favor of any marijuana.

Councilor Henderson noted that in the future if a Council is able to implement this tax the tax money will go into the general fund.

With no further questions the following motion was received.

MOTION: FROM COUNCILOR LANGER TO READ CAPTION AND ADOPT ORDINANCE 2014-019, SECONDED BY COUNCILOR BUTTERFIELD, MOTION PASSED 5:0, ALL PRESENT MEMBERS VOTED IN FAVOR. (MAYOR MIDDLETON WAS ABSENT).

Council President Henderson addressed the next item on the agenda.

11. COUNCIL ANNOUNCEMENTS

Councilor Butterfield announced that the Parks Board discussed the finalization of the Woodhaven Park facility and they are working on costing. He said the Parks Board is also working diligently to resolve what type of amenities they will have in the proposed dog park and he stated that is narrowed down and they are ready to move to the next step of figuring the cost for building the dog park. He stated there will be opportunities for the public to weigh in and then they will decide how the parks will be funded and maintained and integrated into the community.

Councilor Langer announced that the YMCA had a successful Zumba Fest with multigenerational attendance. He said the Harvest Festival is Saturday October 25 on the sport court. He noted on October 24 and October 25 from 7 pm to 10 pm will be the annual Haunted Teen Center. He said Saturday November 1 is the 12 hour walk/run from 6:30 am to 6:30 pm to raise funds for the annual community campaign. He stated Saturday November 8 from 6 pm to 8 pm will be a YMCA all staff meeting and the YMCA will close at 5:45 pm. He announced the Onion Festival is Saturday October 11 from 9 am to 4 pm at Archer Glen. He said the Chamber monthly breakfast is Tuesday October 14 at 7:15 am at the YMCA Teen Center catered by Symposium Coffee. He said the Chamber had a successful Golf Tournament and he thanked the design and leadership team.

Councilor Grant said the Chamber Golf Tournament was a success and a good fundraiser and he congratulated the Chamber. He commented on the Chamber mixer at Sherwood Family Law and said there will be more mixers and opportunities to meet new businesses.

Councilor Clark announced the opening of SMJ Dance Studios. She said October 14 is the last day to register to vote and the ballots will be mailed on October 15. She announced the Washington County Artist's Open Studios is October 18.

Council President Henderson addressed an article in the newspaper by Mayor Middleton which said the majority of Council is not in favor of a dog park or skate park and she noted that Council generally adheres to a rule that we don't speak on behalf of Council if we are not authorized or appointed to speak on behalf of Council. She said that is in the Council Rules which they are responsible for enforcing. She stated she tries not to speak for the majority of the Council if she is not authorized to speak for Council. She noted that she personally is in favor of a skate park and a dog park. She said she joined the Parks

Board in 1999 with the intent to have a dog park and said it has taken a lot of time to find a suitable piece of property. She said this Council or future Councils will have the opportunity to put in that park depending on the cost. She stated she advocated for a skate park early on and said we already have the land and just need to write grants or do fundraisers to partner in the community to someday get that park done. She noted the skate park is on the list of projects but needs funding.

Councilor Henderson thanked the Chamber and the High School leadership for sponsoring the forum. She announced the Onion Festival is this week. She echoed the comments from Nancy Taylor and Susan Claus regarding signage and wanting to take the high road. She said she has also lost signs and is hoping that will end and people will focus on the election and other things that are happening in the community. She reported that she attended the League of Oregon Cities annual conference with Councilor Clark, Joseph Gall and Julia Hajduk. She said she attended two seminars on marijuana and leadership and ethics classes and visioning and strategic planning. She stated it was a great opportunity for other elected officials to get together and share challenges and success stories. She encouraged other Councilors to attend if they have the opportunity.

Councilor Clark said there was a presentation at the conference by PGE about research, education, policy and training and having students from the university solving issues. She said this program is an opportunity to join education and innovative ideas of budding students with problems that are facing our cities. She said they have the information and will be looking into it and it is a great way to join education in solving problems.

Councilor Henderson explained that the students come to the community and do interviewing and research and it is an opportunity for students from all disciplines at University of Oregon who want to participate. She said it is a unique program and is a model for other states. She stated it is a creative way to get students involved in cities and get a lot of work done in a compressed period. She thanked PGE for the invitation and noted that it is a competitive program.

Councilor Henderson asked Tom Pessemier to give an update on the Cultural Arts Center.

Tom Pessemier said the center is moving along well and there has been a lot of work done on the inside. He said it would be transitioning quickly from a construction project to an operating project. He commented that staff is working on hiring a manager for the facility. He stated the contractor is behind and the contract gives them up to December 2 and the contractor is requesting additional days to finish. He said he is impressed with the quality of the construction and noted it is a big project with a tight time frame.

Council President Henderson asked about the grand opening and when those discussions will occur.

Tom Pessemier said tentatively something has been scheduled for late January.

Councilor Grant commented on the skate park issue and said he has always been in favor of a skate park and said it is a matter of when the Parks Board wants to recommend the funds. He said a couple of years ago staff provided an idea of what the impact would be on the Police Department. He said he does not recall anyone being against the project.

Councilor Langer added that likewise the YMCA was in favor of a skate park and had a plan ready.

Councilor Clark noted that Councilor Grant was known for being in favor of the skate park.

Council President Henderson addressed the next item on the agenda.

12. CITY MANAGER REPORT

Mr. Gall introduced Tammy Steffens as the new Volunteer Coordinator and said she began on September 2. She has worked extensively with volunteers both as a regional development director of a national fundraising company and through her own service on the High School Booster Board for the past 9 years. She is currently the Assistant to Sherwood High School Football Coach Lawrence and has been for the past 7 years. Mr. Gall said currently there are 23 regular volunteers at the Sherwood Library who have logged over 1300 hours in 2014 and the Sherwood Police Department has 6 volunteers who have logged over 700 hours in 2014. He said Tammy will be working with both of these programs to grow their volunteer base as well as to increase programs that are available to citizens. She will also work with other programs throughout the City to develop new volunteer opportunities including the Cultural Arts Center. He said Tammy will also be coordinating other programs such as Adopt-a-Road, Solve It, Trash Palooza and Arbor Day. He reminded the Council that the budget included a part time Volunteer Coordinator and now they have a full time Volunteer Coordinator.

Councilor Butterfield said he served on the Booster Club board with Tammy and she is a great communicator. The Council congratulated Tammy and thanked her for accepting the position.

Mr. Gall announced that the Parks Board chose a park playground for Stella Olsen Park. He said they are putting together the October/November edition of the Archer. He announced the VPA musical "Once on This Island" is this Thursday, Friday and Saturday at the Sherwood High School PAC at 7:30 pm. He announced that Tip-a-Cop is this Saturday and asked Chief Groth to explain.

Chief Groth said Tip-a-Cop is at the Red Robin and proceeds go to the Special Olympics. He encouraged people to come with their donations and they will be there for lunch from 11 am to 3 pm and dinner from 4 pm to 8 pm.

Council President Henderson thanked the citizens for attending the meeting.

Council President Henderson addressed the next item on the agenda.

13. ADJOURN

MOTION: FROM COUNCILOR LANGER TO ADJOURN, SECONDED BY COUNCILOR GRANT, MOTION PASSED 5:0, ALL PRESENT MEMBERS VOTED IN FAVOR. (MAYOR MIDDLETON WAS ABSENT).

Council President Henderson adjourned the meeting at 9:05 pm.

Submitted by:

Sylvia Murphy, MMC, City Recorder

Bill Middleton, Mayor