

**AGENDA SEASIDE CITY COUNCIL MEETING
OCTOBER 24, 2016 7:00 PM**

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. APPROVAL OF AGENDA
5. COMMENTS FROM STUDENT REPRESENTATIVE, Lizzy Barnes
6. COMMENTS – PUBLIC – (please keep speaking time to four minutes)
7. DECLARATION OF POTENTIAL CONFLICT OF INTEREST
8. CONSENT AGENDA
 - a) PAYMENT OF THE BILLS – \$132,976.13
 - b) APPROVAL OF MINUTES – October 10, 2016
9. UNFINISHED BUSINESS:
 - a) VACANCY - SEASIDE CIVIC AND CONVENTION CENTER COMMISSION
10. NEW BUSINESS:
 - a) PRESENTATION - CAPE FALCON MARINE RESERVE, Chrissy Smith
 - b) PUBLIC HEARING - RESOLUTION #3881 – A RESOLUTION ADOPTING AND APPROPRIATING SUPPLEMENTAL BUDGET INCREASES OF GREATER THAN 10% FOR THE 2016-2017 CITY OF SEASIDE BUDGET
 - OPEN PUBLIC HEARING
 - CLOSE PUBLIC HEARING
 - COUNCIL COMMENTS
 - MOTION TO READ BY TITLE ONLY – ALL IN FAVOR AND OPPOSED
 - c) RESOLUTION #3882 - A RESOLUTION ADOPTING AND APPROPRIATING SUPPLEMENTAL BUDGET INCREASES AND REDUCTIONS OF LESS THAN 10% FOR THE 2016-2017 CITY OF SEASIDE BUDGET
 - PUBLIC COMMENTS
 - COUNCIL COMMENTS
 - MOTION TO READ BY TITLE ONLY – ALL IN FAVOR AND OPPOSED
 - MOTION TO ADOPT – ALL IN FAVOR AND OPPOSED
 - d) RESOLUTION #3883 - A RESOLUTION ADOPTING AND APPROPRIATING A SUPPLEMENTAL BUDGET DECREASE OF LESS THAN 10 PERCENT TO THE 2016-2017 SEASIDE ROAD DISTRICT
 - PUBLIC COMMENTS
 - COUNCIL COMMENTS
 - MOTION TO READ BY TITLE ONLY – ALL IN FAVOR AND OPPOSED
 - MOTION TO ADOPT – ALL IN FAVOR AND OPPOSED

- e) ORDINANCE 2016-05 – AN ORDINANCE OF THE CITY OF SEASIDE, OREGON, AMENDING CHAPTER 119: ADDING RECREATIONAL MARIJUANA GROW SITES
 - OPEN PUBLIC COMMENTS
 - CLOSE PUBLIC COMMENTS
 - COUNCIL COMMENTS
 - MOTION FOR FIRST READING BY TITLE ONLY – ALL IN FAVOR AND OPPOSED
 - MOTION FOR SECOND READING BY TITLE ONLY – ALL IN FAVOR AND OPPOSED

 - f) NORTH HOLLADAY CHANGE ORDERS SEPTEMBER, 2016, Dale McDowell

 - g) UPDATE - NORTH HOLLADAY DRIVE IMPROVEMENT PROJECT, Dale McDowell
-
- 11. COMMENTS FROM THE CITY STAFF

 - 12. COMMENTS FROM THE COUNCIL

 - 13. ADJOURNMENT

Complete copies of the Current Council meeting Agenda Packets can be viewed at: *Seaside Public Library and Seaside City Hall. The Agendas and Minutes can be viewed on our website at www.cityofseaside.us.*

All meetings other than executive sessions are open to the public. When appropriate, any public member desiring to address the Council may be recognized by the presiding officer. Remarks are limited to the question under discussion except during public comment. This meeting is handicapped accessible. Please let us know at 503-738-5511 if you will need any special accommodation to participate in this meeting.

SEASIDE CIVIC AND CONVENTION CENTER COMMISSION

The purpose of the Seaside Convention Center Commission is to be an advisory body to make recommendations to the City Council on matters concerning the Civic and Convention Center. The Commission shall make recommendations concerning policy matters related to the Civic Convention Center. The Civic and Convention Center Commission shall advise the Convention Center Manager, City Manager and City Council on all items relating to the operation of the Civic and Convention Center including but not limited to: Contracts; Building Improvements; Employment of Civic and Convention Center Manager; Rentals; and Budget.

The commission consists of seven members who are not employees of the city and shall be residents, or owners or employees of businesses within the city limits of Seaside.

Each year, at the first Commission meeting in November, the members shall appoint one of their members as Chairperson and one as Vice-Chairperson. The center manager shall serve as Secretary to the Civic and Convention Center Commission.

The Commission shall hold a regular meeting at least once each month of the calendar year. The meetings shall be open to the public. Any person appointed to serve on this committee who misses three or more regularly scheduled meetings during a 12 month period shall be notified by letter that the position must be vacated. The individual may appeal the decision to the City Council. (A 12 month period is defined as beginning in January of each calendar year.)

The members shall serve without salary or compensation of any nature.

COMMITTEE/COMMISSION APPOINTMENT

1. **Date Council Notified:** August 22, 2016
Name: Chuck Minor
Commission/Committee: Convention Center Commission
Resignation Date: August 11, 2016
Term Expiration Date: October 25, 2017
Wants to be considered again: No
2. **Applicants:**
Alisa Dunlap
3. **Nominations:**
4. **Appointment:**

Please Note: It is Council policy that applicants must be a city or urban growth boundary resident, business owner or employee of a business for at least one year, depending on committee/commission residency requirements.

CITY OF SEASIDE

Interest Form for Committee/Commission/Board Vacancies

PLEASE RETURN TO CITY HALL BY: _____

NAME Dunlap Alisa PHONE 971.219.6698
Last First

ADDRESS 2946 Pine Ct. Gearhart OR 97138

MAIL ADDRESS (DIFFERENT THEN ABOVE) P.O. Box 2327 Gearhart, OR 97138

EMAIL ADDRESS alisa.dunlap@pacificorp.com

LENGTH OF TIME IN SEASIDE 2 months ARE YOU A REGISTERED VOTER IN SEASIDE: Yes No

OCCUPATION Regional Business Manager, Pacific Power

PAST OCCUPATIONS government relations

Gearhart

List committee/commissions on which you would like to serve: Tree Board
Convention Center

List committee/commissions you are currently appointed to: None in city of Seaside ->
CEDR
Astoria Regatta
SOLVE

List fields in which you have interest or ability:

List employment and volunteer activities, which may relate to service on committee/commissions:

List skills and special knowledge that you may have acquired from these activities:

Have you ever been convicted, pled guilty or pled "no contest" to any crime, offense, or major traffic violation? Yes () No (X) If yes, what offense?

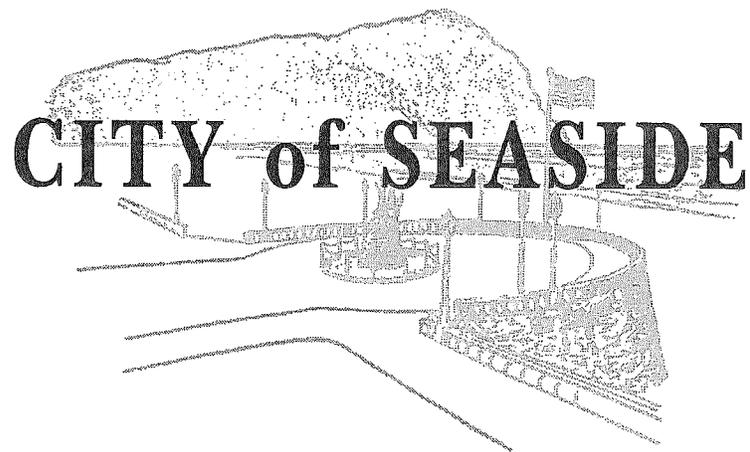
When? _____ Please explain: _____

Please list 3 references including an employer or supervisor, and people that have known you for at least 2 years. (No City Council Members; Please)

NAME	RELATIONSHIP	ADDRESS	PHONE
<u>Cheryl Carter</u>	<u>CO-WORKER</u>	<u>825 NE Multnomah</u>	<u>503.813.5149</u>
<u>Sarah Dailly</u>	<u>colleague</u>	<u>39 N. Holladay</u>	<u>503.717.1914</u>
<u>Jim Fossett</u>	<u>supervisor</u>	<u>825 NE Multnomah</u>	<u>503.813.5110</u>

I authorize, any person or entity contacted by the City of Seaside to furnish information relating to my appointment to the Commission/Committee/Board indicated above and I release any such person or entity from any and all liability for furnishing such information. I also release the City of Seaside from any and all liability for conducting such an investigation.

DATE 8.30.16 SIGNATURE Alisa M. Dunlap



CITY of SEASIDE

OREGON'S
FAMOUS
ALL-YEAR
RESORT

989 BROADWAY
SEASIDE, OREGON 97138
(503) 738-5511

CONVENTION CENTER COMMISSION

Term of Office: 4 years

Number of Members: 7

<u>NAME</u>	<u>ADDRESS</u>	<u>PHONE</u>	<u>TERM EXPIRES</u>
ROGER SCHULTZ	2481 VENICE BLVD.	738-5641	10/25/2016
KAARINA VERA	170 SW BIRCH AVENUE WARRENTON,	717-2282	10/25/2016
JEFF KILDAY*	PO BOX 1031	738-3018	10/25/2017
VACANCY			10/25/2017
PATRICK DUHACHEK	89736 SEALS RD.	858-774-4678	10/25/2017
NANCY MCCUNE	PO Box 315	503-260-8905	10/25/2018
TIM TOLAN	PO BOX 911	738-3802	10/25/2018

*CHAIR

**VICE CHAIR

RESOLUTION #3881

A RESOLUTION ADOPTING AND APPROPRIATING SUPPLEMENTAL
BUDGET INCREASES OF GREATER THAN 10%
FOR THE 2016-2017 CITY OF SEASIDE BUDGET

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Seaside hereby adopts the following supplemental budget increases and reductions for 2016-2017; and

BE IT FURTHER RESOLVED that the amounts for the fiscal year beginning July 1, 2016, and for the purpose shown below are hereby adjusted and appropriated as follows:

STREET CONSTRUCTION
Resources

	Present	Changes	New
Beginning Fund Balance	\$ -	\$ 2,181	\$ 2,181
Transfer - District Road	0	190,000	190,000
Transfer - Water	0	2,000	2,000
Transfer - State Tax Street	0	255,000	255,000
Interest On Investments	0	500	500
Seaside Urban Renewal	0	150,000	150,000
Total	\$ -	\$ 599,681	\$ 599,681

STREET CONSTRUCTION
Requirements

	Present	Changes	New
Materials & Services	\$ -	\$ 1,000	\$ 1,000
Capital Outlay	0	598,681	598,681
Total	\$ -	\$ 599,681	\$ 599,681

CAPITAL IMPROVEMENT AND MAINTENANCE
Resources

	Present	Changes	New
Beginning Fund Balance	\$ 108,075	\$ 41,700	\$ 149,775
Transfer - Public Works	54,000	0	54,000
Transfer - Room Tax	110,200	5,800	116,000
Interest On Investments	425	0	425
Donations	80,000	0	80,000
Total	\$ 352,700	\$ 47,500	\$ 400,200

CAPITAL IMPROVEMENT AND MAINTENANCE
Requirements

	Present	Changes	New
Materials and Services	\$ 50,500	\$ -	\$ 50,500
Capital Outlay	252,200	47,500	299,700
Interfund Transfers	50,000	0	50,000
Total	\$ 352,700	\$ 47,500	\$ 400,200

SYSTEMS DEVELOPMENT - PARKS (91)
Resources

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Beginning Fund Balance	\$ 113,847	\$ 21,114	\$ 134,961
Systems Dev - Principal	19,000	0	19,000
Systems Dev - Interest	550	0	550
Interest On Investments	600	0	600
Total	\$ 133,997	\$ 21,114	\$ 155,111

SYSTEMS DEVELOPMENT - PARKS (91)
Requirements

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Materials and Services	\$ 25,000	\$ -	\$ 25,000
Capital Outlay	108,997	21,114	130,111
Total	\$ 133,997	\$ 21,114	\$ 155,111

AIRPORT
Resources

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Beginning Fund Balance	\$ -	\$ 708	\$ 708
Transfer - Capital Improvement	25,000	0	25,000
FAA Grants	0	227,000	227,000
Rentals/Leases	1,008	0	1,008
Total	\$ 26,008	\$ 227,708	\$ 253,716

AIRPORT
Requirements

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Materials and Services	\$ 1,008	\$ 2,200	\$ 3,208
Capital Outlay	25,000	225,508	250,508
Total	\$ 26,008	\$ 227,708	\$ 253,716

Passed by the City Council of Seaside on this ____ day of _____, 2016.

Submitted to the Mayor and Approved by the Mayor on this ____ day of _____, 2016.

DON LARSON, MAYOR

ATTEST:

Mark J. Winstanley, City Manager

**NOTICE OF A PUBLIC HEARING
FOR BUDGET INCREASES OF GREATER THAN 10%**

A public hearing on proposed budget increases of greater than 10 % for the City of Seaside, Clatsop County, State of Oregon, for the fiscal year July 1, 2016 to June 30, 2017 will be held at City Hall, 989 Broadway, Seaside, Oregon. The public hearing will take place during the regularly scheduled City Council meeting on the 24th day of October, 2016 at 7:00 P.M. The purpose of the public hearing is to discuss the budget adjustments with interested persons. A copy of the budget document may be inspected or obtained on or after October 19, 2016 at City Hall, between the hours of 8:00 A.M. and 5:00 P.M.

SUMMARY OF BUDGET ADJUSTMENTS

FUND: Street Construction

Resources		Requirements	
Beginning Fund Balance	\$ 2,181	Materials & Services	\$ 1,000
Transfer - District Road	190,000	Capital Outlay	598,681
Transfer - Water	2,000		
Transfer - State Tax Street	255,000		
Interest On Investments	500		
Seaside Urban Renewal	150,000		
Revised Total Resources	\$ 599,681	Revised Total Requirements	\$ 599,681

COMMENTS: To budget for continuing work on N. Holladay project.

FUND: Capital Improvement and Maintenance

Resources		Requirements	
Beginning Fund Balance	\$ 41,700	Capital Outlay	\$ 47,500
Transfer - Room Tax	5,800		
Revised Total Resources	\$ 400,200	Revised Total Requirements	\$ 400,200

COMMENTS: Beginning fund and room tax revenues allow for additional infrastructure projects.

FUND: Systems Development - Parks

Resources		Requirements	
Beginning Fund Balance	\$ 21,114	Capital Outlay	\$ 21,114
Revised Total Resources	\$ 155,111	Revised Total Requirements	\$ 155,111

COMMENTS: Higher than expected beginning fund allows for property acquisition for parks.

FUND: Airport

Resources		Requirements	
Beginning Fund Balance	\$ 708	Materials & Services	\$ 2,200
FAA Grants	227,000	Capital Outlay	225,508
Revised Total Resources	\$ 253,716	Revised Total Requirements	\$ 253,716

COMMENTS: Additional FAA funding allows for airport improvement project.

RESOLUTION #3882

A RESOLUTION ADOPTING AND APPROPRIATING SUPPLEMENTAL
BUDGET INCREASES AND REDUCTIONS OF LESS THAN 10%
FOR THE 2016-2017 CITY OF SEASIDE BUDGET

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Seaside hereby adopts the following supplemental budget increases and reductions for 2016-2017; and

BE IT FURTHER RESOLVED that the amounts for the fiscal year beginning July 1, 2016, and for the purpose shown below are hereby adjusted and appropriated as follows:

STATE TAX STREET
Resources

	Present	Changes	New
Beginning Fund Balance	\$ 855,837	\$ (13,397)	\$ 842,440
Interest On Investments	3,000	0	3,000
State Gas Tax Refund	391,700	(2,700)	389,000
Miscellaneous	7,000	0	7,000
Total	<u>\$ 1,257,537</u>	<u>\$ (16,097)</u>	<u>\$ 1,241,440</u>

STATE TAX STREET
Requirements

	Present	Changes	New
Materials and Services	\$ 204,200	\$ -	\$ 204,200
Capital Outlay	938,210	(271,097)	667,113
Interfund Transfers	15,127	255,000	270,127
Ending Fund Balance	100,000		100,000
Total	<u>\$ 1,257,537</u>	<u>\$ (16,097)</u>	<u>\$ 1,241,440</u>

ROOM TAX & BUSINESS LICENSE
Resources

	Present	Changes	New
Beginning Fund Balance	\$ 653,809	\$ 35,477	\$ 689,286
Interest On Investments	2,500	0	2,500
Room Tax	3,800,000	200,000	4,000,000
Business License	172,000	0	172,000
Oregon Tourism Grant	12,000	0	12,000
Miscellaneous	100	0	100
Donations	100	0	100
Total	<u>\$ 4,640,509</u>	<u>\$ 235,477</u>	<u>\$ 4,875,986</u>

ROOM TAX & BUSINESS LICENSE
Requirements

	Present	Changes	New
Personal Services	\$ 221,942	\$ 7,000	\$ 228,942
Materials & Services	569,500	0	569,500
Capital Outlay	54,058	0	54,058
Interfund Transfers	3,143,200	159,800	3,303,000
Contingency	150,000	68,677	218,677
Ending Fund Balance	501,809	0	501,809
Total	<u>\$ 4,640,509</u>	<u>\$ 235,477</u>	<u>\$ 4,875,986</u>

**SEWER PLANT REPLACEMENT
Resources**

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Beginning Fund Balance	\$ 204,894	\$ 137,052	\$ 341,946
Interest On Investments	1,500	0	1,500
Interfund Loan - Sewer	150,000	(150,000)	0
Total	\$ 356,394	\$ (12,948)	\$ 343,446

**SEWER PLANT REPLACEMENT
Requirements**

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Materials & Services	\$ -	\$ 1,000	\$ 1,000
Capital Outlay	356,394	(13,948)	342,446
Total	\$ 356,394	\$ (12,948)	\$ 343,446

**PUBLIC WORKS
Resources**

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Beginning Fund Balance	\$ 254,174	\$ 66,867	\$ 321,041
Engineering Costs - Assessments	850	0	850
Transfer - Water (Franchise)	141,435	0	141,435
Transfer - Sewer (Franchise)	150,955	0	150,955
Transfer - Room Tax	117,800	6,200	124,000
Interest On Investments	175	0	175
Franchise Fees	725,000	0	725,000
State Marine	7,200	0	7,200
Seaside Urban Renewal Agency	15,000	0	15,000
Engineering	1,000	0	
Sale of City Property	1,500	0	
Cemetery Lots	3,000	0	
Miscellaneous	3,000	0	3,000
Donations	18,000	0	18,000
Total	\$ 1,439,089	\$ 73,067	\$ 1,506,656

**PUBLIC WORKS
Requirements**

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Engineering	\$ 268,021	\$ -	\$ 268,021
Public Works	595,096	0	595,096
City Parks	195,224	0	195,224
Interfund Transfers	144,548	0	144,548
Contingency	50,000	50,000	100,000
Ending Fund Balance	186,200	23,067	209,267
Total	\$ 1,439,089	\$ 73,067	\$ 1,512,156

**SEWER RESERVE
Resources**

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Beginning Fund Balance	\$ 359,788	\$ 17,180	\$ 376,968
Interest On Investments	1,700	500	2,200
Total	\$ 361,488	\$ 17,680	\$ 379,168

**SEWER RESERVE
Requirements**

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Capital Outlay	\$ 1,700	\$ 17,680	\$ 19,380
Ending Fund Balance	359,788	0	359,788
Total	\$ 361,488	\$ 17,680	\$ 379,168

**PROM IMPROVEMENT
Resources**

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Beginning Fund Balance	\$ 655,210	\$ 24,430	\$ 679,640
Transfer - Room Tax	91,200	4,800	96,000
Interest On Investments	3,200	0	3,200
Donations	10,000	0	10,000
Total	\$ 759,610	\$ 29,230	\$ 788,840

**PROM IMPROVEMENT
Requirements**

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Materials & Services	\$ 50,000	\$ -	\$ 50,000
Capital Outlay	225,000	29,230	254,230
Contingency	100,000	0	100,000
Ending Fund Balance	384,610	0	384,610
Total	\$ 759,610	\$ 29,230	\$ 788,840

**SYSTEMS DEVELOPMENT - ROADS (91)
Resources**

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Beginning Fund Balance	\$ 44,080	\$ 1,534	\$ 45,614
Systems Development - Principal	888	.0	888
Systems Development - Interest	95	0	95
Interest On Investments	250	0	250
Total	\$ 45,313	\$ 1,534	\$ 46,847

**SYSTEMS DEVELOPMENT - ROADS (91)
Requirements**

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Capital Outlay	\$ 45,313	\$ 1,534	\$ 46,847
Total	\$ 45,313	\$ 1,534	\$ 46,847

**911 SPECIAL REVENUE
Resources**

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Beginning Fund Balance	\$ 64,817	\$ 1,392	\$ 66,209
Interest On Investments	200	0	200
911 Revenue - City	93,000	0	93,000
Total	\$ 158,017	\$ 1,392	\$ 159,409

**911 SPECIAL REVENUE
Requirements**

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Personal Services	\$ 95,910	\$ -	\$ 95,910
Materials & Services	3,050	1,392	4,442
Contingency	59,057	0	59,057
Total	\$ 158,017	\$ 1,392	\$ 159,409

Passed by the City Council of Seaside on this ____ day of _____, 2016.

Submitted to the Mayor and Approved by the Mayor on this ____ day of _____, 2016.

DON LARSON, MAYOR

ATTEST:

Mark J. Winstanley, City Manager

**NOTICE OF A PUBLIC MEETING
FOR SUPPLEMENTAL BUDGETS
Of less than 10% of Fund Expenditures**

A public meeting on proposed supplemental budgets of less than 10% for the City of Seaside, Clatsop County, State of Oregon for the fiscal year July 1, 2016 to June 30, 2017 will be held at City Hall, 989 Broadway, Seaside, Oregon. The public meeting will take place during the regularly scheduled City Council meeting on the 24th of October, 2016 at 7:00 P.M. The purpose of the public meeting is to consider a resolution adopting supplemental budgets and making necessary appropriations. A copy of the supplemental budget document may be inspected or obtained on or after October 19, 2016 at City Hall, between the hours of 8:00 A.M. and 5:00 P.M.

SUMMARY OF SUPPLEMENTAL BUDGETS

FUND: State Tax Street			
Resources		Requirements	
Beginning Fund Balance	\$ (13,397)	Capital Outlay	\$ (271,097)
State Gas Tax	(2,700)	Interfund Transfer	
		Street Construction	255,000
Revised Total Resources	\$ 1,241,440	Revised Total Requirements	\$ 1,241,440

COMMENTS: To decrease budget for capital outlay while increasing transfer to street construction.

FUND: Room Tax & Business License			
Resources		Requirements	
Beginning Fund Balance	\$ 35,477	Personal Services	\$ 7,000
Room Tax	200,000	Interfund Transfers	
		Convention Center	92,000
		Capital Improvement	5,800
		Prom Improvement	4,800
		Public Safety	37,800
		Public Works	6,200
		Convention Center Improvements	10,200
		Emergency Readiness	3,000
		Contingency	68,677
Revised Total Resources	\$ 4,875,986	Revised Total Requirements	\$ 4,875,986

COMMENTS: To increase budget for transfer requirements associated with additional room tax.

FUND: Sewer Plant Replacement			
Resources		Requirements	
Beginning Fund Balance	\$ 137,052	Materials & Services	\$ 1,000
Interfund Loan - Sewer	(150,000)	Capital Outlay	(13,948)
Revised Total Resources	\$ 343,446	Revised Total Requirements	\$ 343,446

COMMENTS: To adjust for beginning fund balance increase offset by a loan decrease.

FUND: Public Works			
Resources		Requirements	
Beginning Fund Balance	\$ 66,867	Contingency	\$ 50,000
Transfer - Room Tax	6,200	Ending Fund Balance	23,067
Revised Total Resources	\$ 1,512,156	Revised Total Requirements	\$ 1,512,156

COMMENTS: To increase contingency budget to allow for unanticipated expenditures.

**NOTICE OF A PUBLIC MEETING
FOR SUPPLEMENTAL BUDGETS
Of less than 10% of Fund Expenditures**

FUND: Sewer Reserve

Resources		Requirements	
Beginning Fund Balance	\$ 17,180	Capital Outlay	\$ 17,680
Interest On Investments	500		
Revised Total Resources	\$ 379,168	Revised Total Requirements	\$ 379,168

COMMENTS: To increase capital outlay budget to allow for additional sewer infrastructure improvements.

FUND: Prom Improvement

Resources		Requirements	
Beginning Fund Balance	\$ 24,430	Capital Outlay	\$ 29,230
Transfer - Room Tax	4,800		
Revised Total Resources	\$ 788,840	Revised Total Requirements	\$ 788,840

COMMENTS: To increase budget for an associated increase in infrastructure improvements.

FUND: Systems Development - Roads (91)

Resources		Requirements	
Beginning Fund Balance	\$ 1,534	Capital Outlay	\$ 1,534
Revised Total Resources	\$ 46,847	Revised Total Requirements	\$ 46,847

COMMENTS: To increase budget for an associated increase in infrastructure improvements.

FUND: 911 Special Revenue

Resources		Requirements	
Beginning Fund Balance	\$ 1,392	Materials & Services	\$ 1,392
Revised Total Resources	\$ 159,409	Revised Total Requirements	\$ 159,409

COMMENTS: To increase budget for an associated increase in contractual services.

RESOLUTION #3883

**A RESOLUTION ADOPTING AND APPROPRIATING A
SUPPLEMENTAL BUDGET DECREASE OF LESS THAN 10 PERCENT
TO THE 2016-2017 SEASIDE ROAD DISTRICT BUDGET**

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Seaside, acting in the capacity as the governing body for the Seaside Road District, hereby adopts the following supplemental budget for 2016-2017; and

BE IT FURTHER RESOLVED that the amounts for the fiscal year beginning July 1, 2016, and for the purpose shown below are hereby adjusted and appropriated as follows:

**District Road
Resources**

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Beginning Fund Balance	\$ 870,231	\$ (110,995)	\$ 759,236
Tax Levy	346,410	0	346,410
Est Taxes Not To Be Rec'd	(27,713)	0	(27,713)
Delinquent Taxes	10,000	0	10,000
Tax Offsets	50	0	50
Interest On Investments	1,224	0	1,224
Interest On Tax Receipts	2,500	0	2,500
Total	<u>\$ 1,202,702</u>	<u>\$ (110,995)</u>	<u>\$ 1,091,707</u>

**District Road
Requirements**

	<u>Present</u>	<u>Changes</u>	<u>New</u>
Materials & Services	\$ 8,400	\$ -	\$ 8,400
Capital Outlay	1,183,942	(310,995)	872,947
Interfund Transfers	360	200,000	200,360
Ending Fund Balance	10,000	0	10,000
Total	<u>\$ 1,202,702</u>	<u>\$ (110,995)</u>	<u>\$ 1,091,707</u>

Passed by the City Council of Seaside on this ___ day of _____, 2016.

Submitted to the Mayor and **Approved** by the Mayor on this ___ day of _____, 2016.

DON LARSON, MAYOR

ATTEST:

Mark J. Winstanley, City Manager

**NOTICE OF A PUBLIC MEETING
FOR SUPPLEMENTAL BUDGETS
Of less than 10% of Fund Expenditures**

A public meeting on proposed supplemental budgets of less than 10% for the Seaside Road District, Clatsop County, State of Oregon for the fiscal year July 1, 2016 to June 30, 2017 will be held at City Hall, 989 Broadway, Seaside, Oregon. The public meeting will take place during the regularly scheduled City Council meeting on the 24th of October, 2016 at 7:00 P.M. The purpose of the public meeting is to consider a resolution adopting a supplemental budget and making necessary appropriations. A copy of the supplemental budget document may be inspected or obtained on or after October 19, 2016 at City Hall, between the hours of 8:00 A.M. and 5:00 P.M.

SUMMARY OF SUPPLEMENTAL BUDGETS

FUND: District Road			
Resources		Requirements	
Beginning Fund Balance	\$ (110,995)	Capital Outlay	\$ (310,995)
		Interfund Transfer	
		Street Construction	200,000
Revised Total Resources	\$ 1,091,707	Revised Total Requirements	\$ 1,091,707

COMMENTS: To decrease budget for capital outlay while increasing transfer to street construction.

CITY OF SEASIDE MEMORANDUM

To: Mayor & City Council
From: Community Development Department
Date: October 24, 2016
Subject: Recreational Marijuana Production, Wholesale & Processing to Code of Seaside Chapter 119 by Ord. 2016-05

Request Summary:

The Oregon Liquor Control Commission (OLCC) has established administrative rules that regulate four different types of recreational marijuana facilities (retail, production, wholesale, & processing). Although the City's business license ordinance currently allows recreational retail facilities, it does not allow the other three recreational use types. The Oregon Liquor Control Commission (OLCC) has indicated they do not believe our current regulations are sufficient to be considered an opt out that would prohibit the other three types of facilities.

Staff is concerned the limiting provision of our business license ordinance could lead to legal challenges if OLCC approves one of these facilities even if we have stated our ordinance restricts the activity. Furthermore, prohibiting these other use types could prevent the City from receiving any state revenue share collected for any licensed facility.

In an attempt to regulate the recreational production, wholesale, & processing; in addition to the current regulation of medical marijuana production and processing facilities, staff has prepared an amendment to Ordinance Chapter 119 (attached).

A resolution addressing a potential fee schedule has not been prepared at this point; however, that can be reviewed at a future date if the ordinance is acceptable to the Council.

As with any new ordinance, adoption is at the discretion of Council and the proposed text can be modified in order to address any additional concerns.

Recommended City Council Action:

Following public testimony, review the proposed ordinance and consider beginning the adoption process for the new regulations intended to establish new licensing requirements for recreational marijuana production, wholesale, & processing within the industrial (M-1) zone.

Motion to read Ordinance 2016-05 by title only.

ORDINANCE NO. 2016-05

AN ORDINANCE OF THE CITY OF SEASIDE, OREGON, AMENDING CODE OF SEASIDE ORDINANCE CHAPTER 110.04: UNLAWFUL, ILLEGAL OR PROHIBITED BUSINESSES NOT AUTHORIZED AND AMENDING CHAPTER 119 MEDICAL MARIJUANA GROW SITES TO INCLUDE RECREATIONAL .

WHEREAS, the Oregon Legislature enacted the Control and Regulation of Marijuana Act (ORS 475B.010 to 475B.395) directing the Oregon Liquor Control Commission to administrate and govern the licensing requirements and procedures for recreational marijuana within the State of Oregon; and

WHEREAS, the voters of Seaside and the State of Oregon passed Ballot Measure 91 allowing the growing, processing, and other activities associated with the sale and use of recreational marijuana; and

WHEREAS, Chapter 118 in the Code of Seaside established a license procedure for the sale of medical marijuana and recreational marijuana; and

WHEREAS, Chapter 119 in the Code of Seaside established a license procedure that was limited to medical marijuana grow sites responsible for the production & processing of usable marijuana products but it did not address recreational; and

WHEREAS, to receive state revenue share, a city may not adopt an ordinance that prohibits the establishment of a premises for which a license is required under state law for a recreational marijuana producer, processor, wholesaler, or retailer; and

WHEREAS, the City of Seaside allows for production, wholesale & processing within the M1 industrial zone in accordance with the City of Seaside Zoning Ordinance, Code of Seaside Chapter 158; and

WHEREAS, the City of Seaside believes it is in the best interest of the health, safety and welfare of the citizens of the city to adopt reasonable regulations for this new industry in addition to the administrative rules adopted by the Oregon Liquor Control Commission.

NOW, THEREFORE, THE CITY OF SEASIDE ORDAINS AS FOLLOWS:

SECTION 1: Chapter 110 of the Code of Seaside is amended to read:

110.04 UNLAWFUL, ILLEGAL OR PROHIBITED BUSINESSES NOT AUTHORIZED.

The levy or collection of a license fee upon any business shall not be construed to be a license or permit of the city, to the person engaged therein, in the event such business shall be unlawful, illegal, or prohibited by the laws of the state or the United States or ordinances of the city. Notwithstanding the aforementioned provisions, a license can be issued for medical marijuana dispensaries and recreational marijuana retailers that comply with the additional licensing requirements in Chapter 118 or medical and recreational marijuana production & processing facilities that comply with the additional licensing requirements in Chapter 119.

SECTION 2: Chapter 119 is hereby amended in the Code of Seaside to read:

Chapter 119 MEDICAL & RECREATIONAL MARIJUANA PRODUCTION, WHOLESALE, & PROCESSING FACILITIES

119.01 DEFINITIONS.

For the purpose of this chapter, the following definitions shall apply unless the content clearly indicates or requires a different meaning:

Marijuana. All parts of the plant Cannabis family Moraceae, whether growing or not; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its resin. It does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the

sterilized seed of the plant which is incapable of germination, or industrial hemp, as defined in ORS 571.300, or industrial hemp commodities or products.

Medical Marijuana grow site. A location registered under ORS 475B.420 by the Oregon Health Authority where marijuana is produced for use by a registry identification cardholder.

Medical Marijuana processing site. A marijuana processing site registered under ORS 475B.435 or a site for which an applicant has submitted an application for registration under ORS 475B.435 by the Oregon Health Authority.

~~Marijuana grow site.~~ A location registered under ORS 475.304 where marijuana is produced or processed for use by a registry identification cardholder that may be transferred to a medical marijuana facility registered by the Oregon Health Authority under ORS 475.314.

License. A medical or recreational marijuana production, wholesale or processing grow site license issued pursuant to this Chapter.

Recreational marijuana processing. A premises where marijuana items are processed and licensed under ORS 475B.090 by the Oregon Liquor Control Commission.

Recreational marijuana production. A premises where marijuana is produced and licensed under ORS 475B.070 by the Oregon Liquor Control Commission

Recreational marijuana wholesale. A premises where marijuana items are received, stored, or delivered; and licensed under ORS 475B.100 by the Oregon Liquor Control Commission

119.02 PURPOSE OF REGULATION.

To protect the public health, safety, and welfare from unlawful production, ~~wholesale, & processing of marijuana, these uses must all be licensed or all medical marijuana grow sites shall be~~ registered in accordance with ORS Chapter 475B.304 and the applicable Oregon Administrative Rules (~~OAR 333-008~~).

Registration by the Oregon Health Authority or licensing by the Oregon Liquor Control Commission is not a guarantee that a ~~medical-marijuana use will be~~ grow site is permitted to operate under applicable local municipal regulations. All ~~said uses~~ grow sites shall comply with the regulations set forth in the *Code of Seaside*.

The regulations set forth by the City of Seaside in this chapter provide reasonable regulations that supplement the Oregon Medical Marijuana Act and the Control and Regulation of Marijuana Act. ~~Oregon Health Authority's Medical Marijuana Program.~~ These regulations are intended to solely address the issue of medical marijuana and recreational marijuana grow site production, wholesale, and processing facilities. These regulations do not address and shall not be applied to medical marijuana dispensaries or any recreational marijuana retailers or other use of marijuana that does not relate to the authorized use under Oregon's existing Medical Marijuana Act.

119.03 LICENSE REQUIRED.

(A) No person shall establish, maintain or operate a medical or recreational marijuana ~~grow site-production, wholesale, or processing facility~~ within the city unless an annual license is obtained from the city. Every premises place or building where a facility ~~medical-marijuana grow site~~ is established shall be ~~deemed a grow site~~ subject to the provisions of this chapter. Each licensee shall also obtain a General Business License in accordance with Chapter 110 of the Code of Seaside.

(B) No license will be issued without proof of registration or license to operate a medical or recreational marijuana facility from the appropriate state agency ~~grow site issued by the State of~~ Oregon. The applicant for the license must also provide copies of electrical permits obtained in order to facilitate the production and processing of ~~medical-marijuana~~ and written documentation of the security measures in place to prevent unauthorized entry into any the facility.

- (C) The City may deny a license if any owner, manager, operator, employee, agent, or volunteer:
- (1) Has been convicted for the manufacture or delivery of a controlled substance in Schedule I or Schedule II within five years from the date the application for a license was received by the City; or
 - (2) Has been Convicted more than once for the manufacture or delivery of a controlled substance in Schedule I or Schedule II; or
 - (3) Is prohibited by a court from participating in **activities associated with the Oregon Medical Marijuana Acts Program (OMMP)**.
- (D) Application for a license must include the information necessary for criminal record background checks for any owner, manager, operator, employee, agent, or volunteer. The City of Seaside police department will conduct all necessary background checks.
- (E) No license shall be issued until after a criminal record background check has been completed for the applicant and all individuals employed or volunteering at **any facility the grow site**.
- (F) No license shall be issued until after the **facility grow site** has been inspected by the City of Seaside Building Official and approved for the proposed occupancy in accordance with the State of Oregon Structural Specialty Code, Fire and Life Safety Regulations, and the Uniform Building Code adopted by the City of Seaside.
- (G) Once the **facility grow site** is licensed, the licensee must notify the city and submit necessary information for criminal record background checks of any new owner, manager, operator, employee, agent, or volunteer.
- (H) Each licensee shall be required to pay the applicable license fee as set by Resolution of the Seaside City Council.

119.04 OPERATIONAL REQUIREMENTS.

- (A) Medical or recreational marijuana production, wholesale, or processing facilities marijuana grow sites are not allowed to operate within 1,000 feet of the real property comprising a public or private elementary, secondary or career school.
- (B) Grow sites must remain in compliance with all of the applicable provision of ORS Chapter 475B, and the applicable Oregon Administrative Rules, OAR 333-008 and they are specifically subject to the monitoring and investigation provisions of OAR 333-008-0060.
- (C) All facilities Grow sites are subject to periodic inspection by the Seaside Fire Marshal to ensure they remain in compliance with applicable Fire and Life Safety Regulations.

119.05 LICENSE VALIDITY & ANNUAL REVIEW FOR RENEWAL.

A license will be valid for one calendar year and a new application for a license must be submitted each year. A previously licensed **facility grow site** may continue to operate during the next calendar year until the status of their new application is determined, provided a complete renewal application is submitted in December.

119.06 REVOCATION OF LICENSE

- (A) A license is subject to revocation at any time for violation of this chapter or any of the provisions of state law or the applicable Oregon Administrative Rule.
- (B) If at any time facts arise or become known to the City Manager that are sufficient to show violation of this chapter, state law, or Oregon Administrative Rule; the City Manager shall notify the licensee, in writing, that the license is to be revoked and that all **regulated grow site** activities under the license must cease within 15 days.
- (C) The violations need not lead to a conviction, but must establish a reasonable doubt about the licensee's ability to perform the licensed activity without danger to property, public health or safety.

119.07 SUSPENSION OF LICENSE.

- (A) Upon determining that a licensed activity presents an immediate danger to person or property, the City Manager may suspend the license for the activity.
- (B) The suspension shall take effect immediately on notice being received by the licensee, or being delivered to the licensee's address, as stated on the licensee's application for the license that is being suspended.
- (C) The notice shall be mailed to the licensee and state the reason for the suspension, and inform the licensee of the procedures for filing an appeal.
- (D) The City Manager may continue the suspension for as long as the reason for the suspension exists, or until a decision by the appellate authority on an appeal regarding the suspension concludes the matter.

119.99 PENALTY.

- (A) Any person violating any of the provisions of this chapter shall, upon conviction thereof in the municipal court of the city, be punishable by a fine not to exceed \$700.
- (B) Each day a violation of a provision of this chapter constitutes a separate violation.
- (C) Revocation or suspension of a license is not a penalty for violation of this chapter and it does not relieve a person of any fine for the violation.

ADOPTED by the City Council of the City of Seaside on this ____ day of _____, 2016, by the following roll call vote:

YEAS:
NAYS:
ABSTAIN:
ABSENT:

SUBMITTED to and **APPROVED** by the Mayor on this ____ day of _____, 2016.

DON LARSON, MAYOR

ATTEST:

Mark J. Winstanley, City Manager