Link to view meeting virtually youtube.com/@cityofcreswell1909

CRESWELL CITY COUNCIL
WORK SESSION AGENDA

JULY 27, 2026
Creswell City Hall - McCluskey Chambers
13 South 1st Street
6:00 P.M.

Mayor Nicholas Smith Presiding
City Councilors:
Alonzo Costilla, Alan Dukes, Staci Holt, Clark Kent
Mark Kremer, Joan Morris

Please silence your cell phones as a courtesy to everyone

Open Meeting

Pledge of Allegiance

1. **Committee Reports – 15 minutes**

   A. **Parks and Tree Advisory Board Committee (5 minutes)**
   B. **Public Safety Committee (5 minutes)**
   C. **Airport Commission (5 minutes)**

2. **Discussion Items –**

   A. **Judge Palmers Send Off – Mayor and Council**
   B. **Supplemental Budget Adjustments – Finance Director Jim Piper**
   C. **Council Stipend Discussion – Councilor Holt**
   D. **Overview of Creswell Hobby Field Operations and Grant History – City Manager Vincent Martorello, Airport Manager Shelley Humble, Finance Director Jim Piper**
   E. **2026 Transportation Growth Management Grant Application – Planning Technician Fabian Gomez Hernandez**

3. **Adjournment**

The meeting location is wheelchair accessible. Anyone needing special accommodations (hearing impaired, language translation, large print, etc.) please make your request to Caitlin Born at least 2 Business Days prior to the meeting at 541- 895-2531. Creswell is an Equal Opportunity provider and employer and complies with Section 504 of the Rehabilitation Act of 1973. Questions about this agenda from the hearing impaired can use TTY and call at 1-800-735-2900; Spanish TTY at 1-800-735-3896.

Committee Reports
Agenda Item No. 1

Discussion Items
Agenda Item No. 2

MEMO

To: **Mayor and City Council**
From: **Jim Piper, Finance Director**
CC: **Vincent Martorello, City Manager**
Re: **Supplemental Budget FY 2026-27**
Date: **July 27, 2026**

Three items will need to be brought, via resolution, to the August 10Th City Council meeting for budget consideration, due to the timing of the required appropriations. Public notice must be published using the Oregon Department of Revenue form OR-LB-SBH when the amount exceeds 10% of the original appropriation. The notice must be published in the newspaper 5 days prior to the meeting where the public hearing will take place.

The City of Creswell did not foresee the following requirements in the General Fund when approving the fiscal year 2026-27 budget in May of 2026:

The willingness of the parties and the dollar amount of the settlement in the litigation case, Meadowbrook, LLC Case No. 24CV61064, were uncertain. The settlement is not fully agreed upon until both parties have signed the agreement. The Creswell City Council authorized the Mayor to sign the agreement at the July 13, 2026, meeting.

The City of Creswell anticipated receiving $20,000 in donations for the Short Take-Off and Landing event at Creswell Airport in the fiscal year 2026-27 Budget. Likewise, the anticipated expenditures are $20,000 in the fiscal year 2026-27 Budget. The City has received nearly $40,000 in donations and will need to increase the expenditure line by $20,000 to legally spend the funds.

The City of Creswell received a grant award in July from the Regional Fiber Consortium, an ORS 190 Local Government. The grant in the amount of $30,000 along with a MOU with Douglas Fast Net (DFN), will provide fiber optic infrastructure to Creswell Airport and encourage development in the surrounding area. The MOU is boiler plate language and a requirement to receive the grant funds, as DFN will maintain ownership and the related ongoing maintenance with the build out.

DFN is a licensed internet service provider in the City of Creswell and is paying the required Franchise Fees to the City on a regular basis.

Attached are the draft resolution for the supplemental budget, the public hearing notice as Exhibit A to the supplemental budget resolution, fiber internet grant award, and MOU with Douglas Fast Net related to grant.

RESOLUTION 2026-XX

A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET ADJUSTMENT FOR FISCAL YEAR 2025-26, MAKING APPROPRIATION/TOTAL REQUIREMENT CHANGES FOR SPECIFIC FUNDS

WHEREAS: The City of Creswell Fiscal Year 2026-27 budget requires changes to appropriation for General Fund and the Water Fund due to unplanned circumstances and have complied with provisions of ORS 294; and

DRAFT

WHEREAS: Under the provisions of Oregon Budget Law, fund accounts are required to reflect sufficient authorized appropriations consistent with available resources; and

WHEREAS: ORS 294.473 requires a supplemental budget with a public hearing when the estimated expenditures differ by 10 percent or more from the most recent amended budget prior to the supplemental budget, the governing body may adopt the supplemental budget with a public hearing of a regular meeting; and

NOW, THEREFORE, BE IT RESOLVED: That this supplemental budget is hereby adopted and hereby provides for:

General Fund transfer of Operating Contingency to Administrative to pay the settlement in the litigation case, Meadowbrook, LLC Case No. 24CV61064. General Fund Culture and Recreation increase in appropriations for Programs to be spent on the Short Take-Off and Landing event. General Fund Planning and Land Use appropriations are added to for a Regional Fiber Consortium, an ORS 190 Local Government, grant to install fiber optic internet infrastructure to the Creswell Airport.

Attachment A sets forth the supplemental budgets listed here, and such Attachment A is incorporated herein.

This resolution will become effective immediately upon passage.

Adopted by the Common Council of the City of Creswell, this 10th day of August 2026.

_____
Nick Smith, Mayor

ATTEST:

_____
Caitlin Born, City Recorder

RESOLUTION 2026-XX SUPPLEMENTAL BUDGET ATTACHMENT A

Resolution 2026-XX
Attachment A

FORM OR-LB-SBH

NOTICE OF SUPPLEMENTAL BUDGET HEARING

• Use for supplemental budget proposing a change in any fund's expenditures by more than 10 percent.

A public hearing on a proposed supplemental budget for **City of Creswell** *(District Name)*

for the current fiscal year will be held at **Creswell City Hall, 13 S 1st Street Creswell, Oregon 97426** *(Location)*

The hearing will take place on **Monday, August 10, 2026 at 6pm** *(Date) (Time)*

The purpose of the hearing is to discuss the supplemental budget with interested persons.

A copy of the supplemental budget document may be inspected or obtained on or after **August 11, 2026** *(Date)*

Creswelll City Hall, 13 S 1st Streeet Creswell Oregon 97426 *(Location)*

Between the hours of 9am and 5pm, Monday through Friday *(Time)*

DRAFT

SUMMARY OF PROPOSED BUDGET CHANGES

AMOUNTS SHOWN ARE REVISED TOTALS IN THOSE FUNDS BEING MODIFIED

FUND: GENERAL FUND

	Resource	Budget	Changes	Amount
1	Beginnning Fund Balance	$ 1,733,634	$ -	$ 1,733,634
2	Revenues	$ 2,938,788	$ 50,000	$ 2,988,788
	Revised Total Fund Resources	**$ 4,672,422**	**$ 50,000**	**$ 4,722,422**

	Expenditure - indicate Org. Unit / Prog. & Activity, and Object Class.	Budget	Changes	Amount
1	Administrative	$ 593,031	$ 250,000	$ 843,031
2	Culture and Recreation	$ 479,916	$ 20,000	$ 499,916
3	Public Safety	$ 1,663,874	$ -	$ 1,663,874
4	Plannning and Lane Use	$ 421,192	$ 30,000	$ 451,192
5	Transfer to Airport	$ 150,000	$ -	$ 150,000
6	General Operating Contingency	$ 460,000	$ (250,000)	$ 210,000
7	Ending Fund Balance	$ 904,409	$ -	$ 904,409
	Revised Total Fund Requirements	**$ 4,672,422**	**$ 50,000**	**$ 4,722,422**

Explanation of change(s):

To pay a legal settlement agreement per the consent of the City Council; Add unanticipated donation revenues and expenditures for STOL event; Add grant award and expenditures for fiber optic cable installation grant to bring high-speed internet to the Creswell Airport.

REGIONAL FIBER CONSORTIUM

Better Telecommunications Services for Rural Oregon

****RFC Grant Notification****

Jim Piper
Finance Director
City of Creswell
PO Box 276
Creswell, Oregon 97426

Dear Mr. Piper,

I am pleased to inform you that the Regional Riber Consortium Grant Committee is prepared to make an award of funding for the requested amount of $30,000, under the RFC's Grant Program. The purpose of this letter is to inform you of the status of your application and to provide you with additional information regarding the next steps.

As RFC staff, I will be working with you to finalize the details of the award, including completing a necessary grant agreement between LCOG and City of Creswell, as well as a companion agreement between City of Creswell and the proposed vendor, DFN.

Attached to this letter, you will find a draft grant agreement between Creswell and RFC. Key questions to consider include:

- *Who will ultimately own the installed infrastructure. RFC is open to models proposed by Creswell and/or DFN. It is important that there be a clear understanding for how maintenance and emergency repairs will be addressed. DFN will be helpful in this conversation.*
- *It is also important that guarantees be incorporated into the agreement that ensure long-term benefit to the City of Creswell in return for the RFC's investment.*

Congratulations and we look forward to working with you.

Sincerely,



Jacob Callister
Regional Fiber Consortium Staff

cc:
Mathew Michel, Regional Fiber Consortium Chair
Adam Hanks, Regional Fiber Consortium Vice-Chair

MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CRESWELL AND DOUGLAS SERVICES, INC. REGARDING FIBER OPTIC NETWORK CONSTRUCTION AND OPERATION

This Memorandum of Understanding ("MOU") is entered into on _____ ("Effective Date") by and between the City of Creswell ("the City"), an incorporated city in Lane County, Oregon and Douglas Services, Inc., also known as Douglas Fast Net ("DFN"), an Oregon corporation with its principal offices located at 2350 NW Aviation Drive, Roseburg, Oregon 97470.

WHEREAS, the City is contracting a grant related to fiber installation and internet services to the Creswell Municipal Airport; and

WHEREAS, DFN is a broadband service provider who wishes to bring advanced telecommunications to rural areas, including highspeed broadband connectivity through the use of fiber internet; and to provide the service to the Creswell Municipal Airport ("the Airport") which will also allow for services to a greater surrounding area by providing an extension of service near the Airport; and

WHEREAS, the City and DFN wish to work together to promote their mutual interests; and

WHEREAS, City desires to obtain fiber internet from DFN for the purpose of serving the Airport, and DFN desires to use certain City resources to provide this service.

NOW THEREFORE in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the City and DFN agree as follows:

1. Construction:

a) Except for laterals connecting specific locations or businesses, all fiber installed shall be at least 48 strands. Fiber shall be installed in a workmanlike manner in accordance with industry practices and federal, state and local regulations, if any and utility requirements. Fiber shall be installed with sufficient slack loops to allow subsequent expansion of the connections to additional locations. Installation shall include splices and laterals at least for the identified primary locations which are connected.

b) Fiber Optic cable shall start at the DFN connection point or other connection point as agreed by both parties. A final map of the proposed fiber installation is attached as Exhibit A to this agreement.

c) Consortium grant funds shall be used to install laterals and the necessary equipment to establish services at the Airport, and to establish pass through to other locations.

d) DFN shall connect Creswell City Hall and the Creswell Municipal Airport. DFN shall use the Consortium grant to install any necessary laterals and the necessary equipment to establish service at the level desired prior to using Consortium funds to pass other locations.

2. Service:

a) Consortium granted funds to Creswell for the purposes of establishing connection to anchor institutions in Creswell, requires that ISP shall, as a part of the terms of the funding grant, use dark fiber, or other fiber optic connections to Creswell, to establish or upgrade

telecommunications services to Creswell, to a level sufficient to improve service to the community.

b) Where such actions are affordable to DFN and to the entity requesting connection, and consistent with DFN's current business practices, DFN shall connect and establish telecommunications services with any person, business or governmental entity that requests services and otherwise complies with ISP's established criteria for initiating services.

3. Assets and Access Management:

The City and DFN agree to negotiate in good faith, and in an expeditious manner, the terms and conditions of access and asset-management after execution of this MOU, Agreement. The terms and conditions in this amendment will include:

a. Repair, Maintenance, and Continuity. The parties agree that they will agree to terms regarding the regular maintenance of Assets, emergency maintenance of Assets, to what specifications Assets shall be maintained, how maintenance requests by either Party shall be made, and service interruptions resulting from relocations, condemnations, or force majeure events.

b. Required Relocation of the Facilities. The parties agree that they will agree to terms regarding the manner in which any required relocation of Assets shall be conducted, including the reimbursement of relocation fees.

c. Condemnation. The parties agree that they will agree to terms regarding condemnation proceedings that impact Assets.

4. Payment.

Grant funds from the Consortium will be used as reimbursement. Creswell's arrangement with the Regional Fiber Consortium is that Creswell shall pay all costs of the Project directly to DFN, then invoice the Consortium for reimbursement of those paid expenditures in accordance with the City's Grant Agreement with the Consortium.

5. Term and Termination:

Unless terminated prior to the expiration date in accordance with the terms and conditions of this MOU, the term of this MOU shall be for a period of six (6) months from the Effective Date.

6. Restrictions of Use:

a. The exchanged Assets will remain the sole and exclusive property of the exchanging party, and nothing contained herein will give or convey to the receiving party any property right, title or interest whatever in such Assets, which will at all times be and remain the exchanging party's personal property notwithstanding that it may be or become attached to or embedded in realty. The parties grant to each other the right to recover all components of the exchanged Assets upon expiration or earlier termination of this Agreement.

7. Proprietary Information:

a. The term "proprietary information" as used in this MOU means confidential information and/or data exchanged between the parties in oral, visual, written, printed, or electronic form during the course of their communications. The parties agree to protect each other's proprietary information. Proprietary information must be clearly marked as such in writing by the disclosing party within ten (10) days of such disclosure. The parties agree that any proprietary information will be used solely for the purposes outlined in this MOU and neither party will divulge such proprietary information to any person or other parties without prior written consent of the

disclosing party. The standard of care for protecting such information, imposed on the party receiving proprietary information, will be that degree of care the receiving party uses to prevent disclosure, publication or dissemination of its own proprietary information.

b. Proprietary information does not include information which: (1) is in the public domain at the time of disclosure or thereafter enters the public domain other than through a breach of this MOU; (2) is lawfully obtained from a third party under circumstances permitting the receiving party to use or disclose the information without restriction; (3) is independently developed by the receiving party; or (4) is required to be disclosed as a result of the Oregon Public Records Law, ORS 192.410 et seq., or by governmental or judicial action.

c. Upon termination or expiration of this MOU, unless prior to the termination or expiration the parties mutually sign and execute one or more definitive agreements regarding the transactions contemplated by this MOU, the receiving party shall return or destroy the other party's proprietary information.

8. Indemnification:

The City, including its elected and appointed officials, and DFN, including its officers, directors, employees, and any affiliates, agree to mutually indemnify and hold each other harmless from and against any and all claims, damages, losses, liabilities, and expenses (including reasonable attorneys' fees, incurred in connection with investigating or defending against such claims, damages, losses, or liabilities), related to or arising out of their activities hereunder. Notwithstanding the foregoing, neither party shall be liable for indemnification with respect to any loss, claim, damage, liability, or expense if, by a final judgment, such loss, claim, damage, liability, or expense primarily resulted from the other party's willful misconduct or gross negligence in performing its obligations hereunder.

9. Dispute Resolution:

The City and DFN shall attempt in good faith to resolve any controversy, claim, or dispute between them arising out of or relating to this MOU and the transactions contemplated hereby, by prompt negotiation between representatives who have authority to settle the dispute. If any dispute is not resolved by mutual agreement, the parties may, by mutual written consent, submit the dispute to non-binding mediation, in a forum and according to the procedures jointly agreed to by the parties. If non-binding mediation does not result in a resolution of the dispute, then the parties shall submit the dispute to binding arbitration in accordance with the rules and processes of the American Arbitration Association.

10. Assignment:

Neither the City nor DFN may assign this MOU or any part thereof or interest therein without the prior express written consent of the other party.

11. Governing Law:

The interpretation and enforcement of this MOU shall be governed by the laws and regulations of the State of Oregon applicable to agreements made to be performed entirely within that state.

12. Change in Law:

In the event there is a change in a federal or state statute or regulation applicable to this MOU, either party may notify the other party in writing of its desire to amend this MOU in order to comply with the change in statute or regulation. The City and DFN may by written request amend this MOU to comply with such change in statute or regulation provided that such amendment is approved by both parties.

13. Amendment:

This MOU may be amended only by a written amendment that is signed by the authorized representatives of both parties.

14. Severability:

Should any provision or sections of this MOU be determined to be void, invalid, or otherwise unenforceable by any court of competent jurisdiction, that determination shall not affect the remaining provisions or sections of this MOU, which shall remain in full force and effect.

IN WITNESS WHEREOF, this MOU shall inure to the benefit of and be binding upon the parties and their respective permitted successors and assigns.

DOUGLAS SERVICES INC.

Name: _____

Title: _____

Date: _____

CITY OF CRESWELL, OREGON

Name: _____

Title: _____

Date: _____

No Materials were submitted

Airport Discussion – City Manager Vincent Martorello, Airport Manager Shelley Humble, Finance Director Jim Piper:
Staff will present an overview of the airport, the history and amount of grants obtained, dating back to 2001, and the general fund transfers to the airport. This presentation is in response to concerns regarding the amount of money transferred from the general fund to the airport fund. Staff's intent is to present the information and show the funds transferred generate an enormous benefit to the community, and airport users.

2026 Transportation Growth Management Grant Application

To: Vincent Martorello, City Manager

From: Fabian Gomez Hernandez, Planning Technician

Re: 2026 Transportation Growth Management Grant Application

Date: July 27st, 2026

City staff are interested in submitting a Transportation and Growth Management (TGM) Grant for funding to assist with a Creswell entry and transportation corridor study at the intersection of Oregon Ave and south bound exit ramp from I-5 south towards the proposed Mazama Blvd. The study area will also include from the I-5 and Oregon Ave intersection to the west and terminate at the intersection of South Mill Street. A requirement for the grant submission is a letter of support from City Council.

The land use aspect of the study will include the industrial zoned property, known as Bald Knob, this land area has been vacant for nearly 20 years and can provide the city with an increase in property taxes.

The study will allow us to review how the transportation improvement supports land use development along Mazama Blvd. This Master Plan process will determine the highest and best use for the property. Staff will coordinate the work with the property owners and any other interested parties.

The gateway component of the Master plan will focus on including project planning for new landscaping, improved entryway signage, as well as a point of arrival concept plan for the gateway. The goal is to make visual enhancements to the entryway. Currently as the entryway stands there is minimal visual amenities at the gateway intersection. The anticipated deliverable for this component is , potential landscaping improvement areas, improved entryway signage alternatives, and any other enhancement items appropriate for the intersection that create an enhanced welcoming environment.

Grant Background

The Department of Land Conservation and Development (DLCD) and the Oregon Department of Transportation (ODOT) Work in tandem to administer the TGM. The grant supports community efforts to expand transportation choices. by linking land use and transportation planning. The grant covers payment for planning projects that create an actionable site plan for the project area. This study would provide the city with a plan on how to enhance the look and feel of the site area by planning future improvements to the off ramp. As well as planning future improvements to the industrial zone South of Oregon Avenue.

The grant does require a match of 11.5%. The entire project is $200,000 for the transportation planning meaning that the city's match amount is $22,891. A budget amendment will be required.

Site Area

The site area included the aforementioned intersections and the property known as Bald Knob. The grant will be used to contract a consultant to begin the process of analyzing the study area. The planning process would lead to an actionable site plan that would lead to step by step guide on developing and enhancing the site.

Required Items

The grant requires a resolution of support by the governing body this will be brought to August 10th, 2026, Council work session.

Project Study Area



Site Area is approximately 62 acres in size.