

STATE OF THE CITY ADDRESS
January 11, 2010

My fellow citizens, it is my honor to present to you your annual State of the City Address. This past year has been a very busy one. Even with the down economy, your City Council and staff have been preparing our city for the future, putting us in place for success when the economy does pick up. Our City employees continue to provide the highest quality of service and performance in their respective duties. Many departments continue to receive awards from their peer organizations. Further, our community continues to thrive in a variety of ways through the many clubs, fraternal organizations, foundations, and individual and collective civic pride, exhibited by so many community volunteers. I would like to begin our year in review with some of the major projects and opportunities Council and staff have been working on. Such as fiber and wifi infrastructure, stimulus and ARRA projects, the Armory and the Chambers Railroad Bridge.

Fiber Installation is complete. All schools within Cottage Grove are connected as well as the Creswell School District and schools in Creswell. We have already leased dark fiber within the system in Creswell to a private carrier. The City was a partner in the application by the Fiber Consortium for Federal ARRA funds for broadband projects to expand fiber services within the community as well as other communities in the consortium. The Cottage Grove portion would construct an additional fiber loop to reach the City facilities and the Hospital. Wifi radios are installed and cover approximately 80% of the City. Over 400 citizens have registered to use the wifi so far. In January there will be two workshops: Tuesday, January 12 from 3:00 to 7:00 pm and Saturday, January 16 from 9:00 am to 2:00 pm at City Hall to explain the system and to help people with questions. You are invited to bring your laptop if you have questions or other needs.

The City was heavily involved in trying to determine a project and prepare for bidding an ARRA road project. Rather than doing a project that would be resurfacing a relatively newly repaved street, the City chose to do projects that are a little bit more involved. The reconstruction of the bridge deck on Woodson Bridge and the construction of a portion of South 8th Street between Taylor and Cooper were selected as City ARRA projects. Staff is spending considerable time with ODOT staff and consultant engineers putting this project together.

City staff also worked closely with South Lane Wheels in getting their project completed using ARRA funds to develop Route Around Town stops.

The Cottage Grove Armory has played a huge part in our community. It is more than just a building. For over 100 years the Oregon National Guard called Cottage Grove home. For much of that time home for them was the current armory building. The building must be preserved. Not just purely for sentimental reasons, but because it offers many opportunities to our community and for many potential uses. At times our community has needed a facility that can accommodate large numbers of people. Events such as annual banquets and ceremonies are either moved to an out of town location or squeezed into existing local venues. Several recent examples of events requiring larger space currently not available were Congressman DeFazio's well attended town hall this past fall, the county flu shot clinic and the visioning

2037 kickoff as well as others. The newly formed Boys and Girls Club and such groups could greatly benefit by having a facility that does not cramp their related programs.

Several years ago Cottage Grove was fortunate enough to rally support for the acquisition of the Library and Community Center. Just imagine our community without that building and those facilities. Success has its high price. Currently the Community Center is virtually “maxed out” in scheduling various requests for use. Teresa Cowan does a fantastic job in scheduling events at the center. But, we need more space for such events and gatherings. The Armory could bring that relief. I ask all citizens to rally behind the effort to acquire and rehabilitate this building which has given so much to Cottage Grove.

City staff has been meeting with the State Military Department staff to pursue the purchase of the Cottage Grove Armory. Our staff has been preparing information to make a proposal to the department for the city acquisition of this facility for our community’s use.

Another great opportunity is at hand as well. Cottage Grove has received a number of grants this year. One such grant was in the amount of \$1.37M for the restoration of the Chambers Railroad Bridge. The restoration project is coordinated with ODOT and OBEC engineers. Preliminary work has begun on this project with geological and engineering preparations underway. As a federal grant we will be working through ODOT on the project.

We will be seeking additional funding to develop interpretive signs and to create park improvements surrounding the bridge. All citizens have the opportunity in supporting this wonderful project in various ways. One simple way is to simply rounding up to the next dollar your utility bill or other opportunities of organizations that accept donations towards this effort.

Many times throughout the day visitors are seen photographing and admiring that bridge. It’s a national historic treasure in our community. Let’s work together to insure that the last remaining covered railroad bridge this side of the Mississippi River is preserved for future generations and enthusiasts to enjoy.

Related, our City Manager and Chamber of Commerce Executive Director met with the Covered Bridge Society of Oregon last year. As a result of those discussions the Oregon Covered Bridge Festival was relocated to its new location in Cottage Grove at the Western Oregon Exposition and it was an enormous success. Thank you again Diane for that. All involved were pleased with the outcome and are looking forward to the 2010 festival.

Additionally, Cottage Grove was host to the Model A’s Northwest Regional Conference this last summer hosted at the Village Green. The City arranged for the Model A’s to use Coiner Park and arranged for police escort and traffic control for the group of 400 visitors. Most of who stayed for the entire week.

Cottage Grove also hosted Corvettes in the Park, Star Motorcycle Round Up and a return of the prestigious Concours De Elegance at the Village Green, with over 750 individuals enjoying the vintage cars of yesteryear. And that event will be coming back the third week of August, 2010.

Much of our community success is due to the many opportunities we have to partner with others. The City and its various partners once again this year received a wide array of grants and funds to enhance programs, create jobs and provide much needed services to our citizens. Some of these services have an

extended benefit to those who live outside of our city. Several examples are the transient room tax, Save-A-Lot, Kwikiee, South Lane Wheels, South Lane Mental Health and Bohemia Park.

A little noted news item, during the third quarter of 2009 the City of Cottage Grove was the only community in Lane County that did not see a decline in room tax revenue. All other jurisdictions saw a significant decline in motel/hotel stays and a subsequent reduction in room tax revenue.

Although the economy nationally has been down and unemployment up, we have seen some very promising things in Cottage Grove. New businesses continue to open and locate in our community. Walgreens opened this year, Save-A-Lot opened and the City worked in partnership with the Chamber of Commerce to try to recruit a grocery store to this community after the closure of Shop Smart. City staff continues to work in partnership with the Chamber of Commerce and Lane Partnership to recruit a new business for the Kwikiee building.

City staff worked closely with LTD, ODOT and South Lane Wheels to transfer the administration of a portion of the Federal Rural Transportation funding from LTD to the City to protect and enhance continued operation of South Lane Wheels. The transfer will make it possible that a portion of the South Lane Wheels funding will be locally accountable. Also staff worked closely with South Lane Wheels on the development of the Route Around Town stops and the improvements of those stops were funded through the ARRA program.

City staff is also working closely with South Lane Mental Health on the acquisition and remodeling of their new clinic. The City received and is administering a Community Development Block Grant of over \$800,000 for this project. The administration of this grant takes a significant amount of time of our staff.

The City is also administering the State Parks Grant of \$200,000 to assist with the development of Bohemia Park. The City is also working closely with the Bohemia Foundation to access other funding sources for the park development. The City has received an additional grant of about \$25,000 to explore the possibility of using reclaimed water for irrigation of Bohemia Park and parks. The grant will also include some design work for the project.

I would be remiss if I did not include those other partners in other areas of the local, state and federal government, those who have assisted Cottage Grove over the years through their help and support of Cottage Grove and our region.

I now will shift gears a little bit and focus on specific departments within the City.

The Police Department recently received state certification for truck inspections on Interstate 5. Having the interstate freeway bisect Cottage Grove for mobility and commerce is a great thing but with it comes a price and other issues. Clearly interstate drug trafficking is a problem. Our City now has a new opportunity in combating the drug scourge that may be traveling through on our highway.

On a related note, the Cottage Grove jail is being upgraded and expanded. The Jail has increased from 8 beds to 16. The lighting, plumbing and video surveillance systems have been upgraded. The old jail met requirements but it was getting difficult to repair due to lack of replacement parts. Our challenge will be

in funding and operating the expanded jail. These improvements are welcomed as State and County funding levels have decreased their abilities to jail offenders.

We can all be proud of our police officers, they serve us well. As an example, recently a letter appeared in *The Sentinel* newspaper from a citizen in Massachusetts and his letter to the editor was of praise and gratitude for our community. This individual was a family member of a victim of unspeakable horror. Alert Cottage Grove citizens and quick police action apprehended one of "Americas Most Wanted". I have attached this letter to this address so that it becomes part of the public record. (Mayor read the letter).

To the people of Cottage Grove,

As the Holiday season is upon us and we all look ahead to what 2010 promises, I wanted to take a moment and say thank you to both the citizens and law enforcement of Cottage Grove. On August 30, 2007, in our small town of Winchendon, Massachusetts, my mother was terrorized in her home by an evil coward. On August 18, 2008, your small community helped capture an America's Most Wanted fugitive after over a year on the run. The actions and diligence of your town and police force helped turn a page in a very difficult chapter for my family.

Although I have never been to Cottage Grove, my family and I will forever be indebted to your community. From all accounts Cottage Grove is a community much like the town where my family has lived in Massachusetts for generations. Both towns are filled with many good and hard-working families willing to stand up for what is right. Winchendon and Cottage Grove may be separated by thousands of miles on a map, but they are very close in spirit.

For the days and months following the evil act perpetrated against my mother, law enforcement, friends and family provided support and comfort. Ultimately "friends" we have never met, living on the other side of the country, acted bravely to bring some closure and peace back to our lives. The actions of Cottage Grove's citizens and Police Department made possible a phone call my family had waited over a year to receive from the Massachusetts State Police..."we got him!"

To Ron Marsh, Phelan Anderson, Chris Thirkell and the entire Cottage Grove community, thank you for stepping up in our time of need. To Officer Jones, Officer Gagner, the entire Cottage Grove Police Department and Oregon State Police, US Marshalls and Lane County Jail, thank you for your persistence and bravery.

As my family prepares for the trial starting on Jan. 19, 2010 we will find strength in knowing that there are so many good people out there. In the end good will prevail and justice will be served. From our family to yours, and from our small town to yours, may 2010 bring you many blessings.

**Mike Sibley
Winchendon, MA**

A critical component to the daily operation of our city is also found in our Finance Department. The Finance Department has once again received the GFOA Award. This Government Finance Officers Association Award is the 13th consecutive award presented to our Finance Department personnel. Overall, our Finance Department has received this award seventeen times. Their performance is measured in many ways, some of which are producing budget documents, handling water department

matters, working with the Municipal Court and overall evaluation of general local government operations and functions. Currently the Finance Department is “ramping up” the billing program for the new CG Wifi and OIP partnership as the City provides this exciting new opportunity to our community. The billing for this new service will be conveniently incorporated with your current city utility billing thus providing savings to the rate payer through the elimination of redundant billing and postage costs. I am regularly impressed with the outstanding overall consistent performance this department exemplifies. Thank you Director McClintock and your crew.

Turning our attention to the Community Development Department, I will focus this review into two segments, grants and projects.

The Community Development Department is to be commended for their outstanding efforts in the constant pursuit of grant fund opportunities. The following is a partial list of the various grants, endeavors and partnerships which involved our Community Development Department with other partners and agencies:

- The East Regional Park Restoration Project has begun in partnership with Coast Fork Watershed Council, US Forest Service, and the Kennedy School Conservation Corps.
- They have completed and adopted the economic opportunities analysis with the Department of Land Conservation and Development (DLCD) Technical Assistance Grant funds.
- The rehabilitation and alteration of South Lane Mental Health building has begun with the help of the CDBG grant funds.
- They have also completed reconnaissance level survey of all buildings constructed prior to 1960 within the City limits for State Historic Preservation Office (SHPO) Grant, an inventory of over 1300 buildings.
- One of the other great restoration projects from grant funds through SHPO was the Grove Tavern neon sign, which just looks great.
- There was an award received of \$2.7M in Transportation Enhancement Grant for Highway 99/Main Street intersection the realignment, pedestrian and bicycle enhancement project. This grant will make the improvements to the intersection of Highway 99 and Main Street possible that were included in the Downtown Refinement Project Plan that the City and E/BID prepared several years ago. The work for this project should begin in the next couple of years, engineering work has already begun. As I look about I know there several people in the audience that had a hand in working in that project and thank you for that.
- They also began local wetland and riparian inventory projects with 8 other cities, supported through the Environmental Protection Agency grant funds, administered through LCOG.
- They developed the Historic Preservation Handbook for owners/tenants of Downtown Historic District through a 2009 SHPO grant.

- And further participated in the Upper Willamette Valley Water Quality Monitoring and Outreach Project, funded through DEQ grant funds.

By my count, Cottage Grove has received well over \$5M in various grants and I find that incredible.

Under projects and involvements, we:

- Applied for DLCD Technical Assistance Grant for urbanization study and potential UGB expansion.
- There was the development of the disc golf course established in the North Regional Park.
- The All-American City Park was completed, with the exception of a few trees. Ownership of the All-American City Park was officially transferred to the City of Cottage Grove.
- There was the completion of the third year of five year monitoring programs at Cottage Grove Industrial Park Wetlands, including work with the Kennedy Conservation Corps and installation of deer fence around perimeter.
- There was a mentoring of University of Oregon students through Fall/Winter 2009-2010 on Trailhead Park and other development projects associated.
- There was providing technical assistance to SHPO on the Northwest Neighborhood Historic District Nomination.
- Planning participated in state-wide planning advocacy and education through membership in board of directors of the Oregon Chapter of the American Planning Association and the Oregon City Planning Directors Association.
- They represented the City on the Lane County Low Impact Development Education Advisory Committee and Stormwater Solutions Advisory Committee.
- They developed contracts for update and maintenance of Comprehensive Plan and Zoning Maps in GIS format with the Lane County Transportation Planning.
- They continue execution of activities from the Total Maximum Daily Load (TMDL) Implementation Plan.
- And they began preparing for the 2010 Census and participated in the Be Counted Committee in Lane County with the US Census Bureau.
- They applied for Transportation Growth Management (TGM) Grant for an intersection area management plan for the I-5 exit 174/Connector and Gateway intersections.
- And they completed the annual buildable lands survey update.

That was a lot and it may have caused some of your eyes to glaze over but this staff has been busy on a multitude of things and you are getting a big bang for your buck when it comes to City services. This isn't a comprehensive list, this is a partial list, there is more and you can thank me for not including all of that. Simply high fives all around to Director Schesser and his team in planning and, of course, a special thanks to our Planning Commissioners who put in untold hours of devotion on some very difficult matters.

Under the direction of Pete Barrell, our Middle Golf Course continues to improve in overall quality of the course itself and infrastructure and amenity improvements add to the overall success of all operations there. We continue to hear testimonials from visitors to Middlefield as to the quality and overall enjoyment in playing that course. Cottage Grove youth, as well as others, are taking advantage of this wholesome opportunity to channel their energies in skillful and healthful ways.

And now there's the disc golf course. Some may ask what's that. It's like golf, only a disc (think Frisbee) and this is used and there are baskets instead of holes. The location of this course is particularly exciting as it is in the under used and underappreciated North Regional Park. It is my hope that citizens rediscover or explore for the first time this beautifully diverse natural park in our community.

Before we leave the Middlefield area of discussion, I would ask that we pursue the development of Bocce Courts as yet another opportunity in the realm of fun and games.

The other piece of the Community Services Department is the Library and Community Center. Please forgive the length of this list of activities but I couldn't cut mentioning any of these. They also highlight the need for more community activity space. Yep. That is an unabashed plug for the purchase and renovation of the Armory.

So here goes, Cottage Grove Public Library:

- Hosted "Visions of the Universe"
- Hosted many local school field trips associated with that exhibit and others
- Hosted weekly guest astronomers
- Hosted NASA Astronomer Dana Backman
- Hosted "Space Dance" the night before Halloween
- Created new teen area in the library with highlighted painted scheme and new furniture made possible through the generous bequest from the estate of a couple of really great citizens who have passed on, Eleanor and Les Corey
- Created new science and special events in the library
- Enhanced the Hispanic section of the library with funds from the Amo Leer Grant. This grant provided 700 Spanish and bi-lingual books and funds for painting and new furniture for this section
- Received a Ready to Read Grant from the State of Oregon
- Received a Great Stories Book Club Grant from the American Library Association
- Hosted 114 events with 2877 people attending

As usual the Cottage Grove Community Center continues to serve our community in a very large way as a space for public gatherings and special events. Some of the activities and special events this past year included:

- Hosted the artist reception during “Friday Art Walk”
- Supported Halloween “Nightlight Parade” with “Space Dance” afterwards
- Hosted “Visions of the Universe” special events
- Hosted Peter DeFazio outdoor “town hall” meeting
- Hosted well publicized and well attended H1N1 flu shot clinic
- Hosted the Rural Initiative Development Leadership Training
- Hosted U.S. Census workshops
- Other such events

The community center swimming pool continues to provide a unique opportunity for aquatic therapy and low impact exercise for a diversity of Cottage Grove residents.

The Cottage Grove Senior Center and Chamber of Commerce continue to use the Community Center as their home, enabling them to network effectively with members of our community. Two churches use the Community Center facilities as their place of worship and the Campus Life high school group meets in the building weekly.

If one considers an 8:00am to 8:00pm scenario where the Community Center is available for public use, this means there is a potential of 4,380 hours available annually (12 hours/day – 365 days a year). This past year the Community Center was in use 4,128 hours or approximately 11.309 hours/day. Of course, at any given time there are often numerous things going on in the building simultaneously. So in other words, our facility is well used. And did I mention that we need space like the Armory to take the pressure off.

The City of Cottage Grove’s Row River Water Treatment Plant (RRWTP) was awarded a second place trophy at the annual Daily Journal of Commerce (DJC) Top Projects competition. The Daily Journal of Commerce Top Projects competition is the premiere building and construction award program in the region. The awards ceremony was held on Thursday, April 30th at the Governor Hotel Heritage Ballroom in Portland. Competition categories included private buildings (three divisions), public buildings (two divisions), renovation (two divisions), and public works, infrastructure and transportation (two divisions). The RRWTP was in the public works, infrastructure and transportation category for projects between \$5M and \$15M. Preliminary judging resulted in 81 projects being selected to move on into the competition finalists’ category. Finalists were judged by a panel of professionals from the local building community. Judging criteria included scope of work, challenges and obstacles, budgets and schedules, considerations and quality. Category winners and the overall winner were announced at the Top Project awards reception and the RRWTP project was submitted to the Top Projects competition by Black and Veatch.

The RRWTP was profiled in the May, 2009 issue of Water & Wastes Digest. Water and Wastes Digest is a nationally circulated trade publication that is distributed to water and wastewater professionals working in cities, counties, special districts and private industry. The RRWTP was the Plant Profile of the month

and this recognition came on the heels of the plant's second place award in the Daily Journal of Commerce Top Projects competition.

During June, the City completed the installation of a new fueling facility at the City Shop. Up until this time, the City had been using fueling equipment that was provided by our fuel vendor. After a very serious thought and analysis, it was determined that the City could save a significant amount on fuel costs if the City owned the fuel tank and pumping facilities outright and bought the fuel direct from the lowest bidder. This fueling facility will now allow the City much more flexibility and will serve all City owned vehicles and equipment. The fuel savings are projected to be significant enough to enable the City to recover the total capital costs associated with the installation of the fueling facility in less than three years.

In August, the City rented green machines to complete the work to remove the old Layng Creek water transmission line and associated rip rap from the Row River. The rip rap had been placed in the river by the City in 2004 to protect the water line from erosion and related damage. The City rented a green track hoe and two green loaders so that the large rip rap boulders could be removed from the river and hauled to another location. Green machines utilize vegetable based oils as lubricants in place of traditional petroleum based lubricants. The old pipeline was cut below the normal high water line and abandoned in place. This was the final work item required by the Oregon Department of State Lands and the US Army Corps of Engineers in regard to the in water work permit issued for the construction of the new Row River Water Treatment Plant intake structure.

Also in August, the City contracted with Wildish Construction to replace approximately 300 feet of waterline and repair Hwy 99 to ODOT specifications. This replacement and repair was near the Century 21 Real Estate Office. The old waterline in this area was deteriorated and leaking, which caused a problematic sink hole to develop in the pavement along Highway 99. The City had been faced with continually having to repair leaks on the waterline and filling the resulting pavement pot hole. The total cost of the project was over \$46,000.

During October, the work to remove the Prather Creek Dam, the exposed portions of the old Prather Creek transmission line, the capping and reburying of the remaining line running between the Layng Creek Treatment Plant building and the former dam site and the decommissioning of the last 300 feet of Prather Creek Road, was completed. The City contracted with the US Forest Service to complete this work. In addition, the entire site was reseeded and replanted with native grass seed, trees, and shrubs as per USFS specifications. This is the second dam to be removed by the City within the Layng Creek watershed. Rujada Dam was removed in the fall of 2008.

During 2009, the City's Water Production Department was very busy working with the joint venture to complete numerous punch lists and warranty items that surfaced during the Row River Water Treatment Plant's start up and shake down period. Most major operational issues were resolved during 2009 and the RRWTP has now become the City's primary water treatment facility.

During 2009, the Public Works Department also contracted to install new roofs on City Hall, the City Shop and Middlefield Pro Shop. The Gibbs Building roof was repaired. Public Works personnel purchased a new vactor truck, dealt with severe weather (hot, cold, snow and wet), assisted the Row River Valley Water District with operations and maintenance, promoted safety, dealt with a water rights protest, accommodated a youth fishing day, assisted with the industrial park wetland mitigation monitoring and

installed a perimeter deer fence, coordinated a utility rate and SDC study, hauled 137 loads of bio solids and 149 loads of leaves, completed 455 vehicle repair orders, chipped and hauled 110 yards of tree branches, coordinated street striping, signed a Power Purchase Agreement with SunEdison for the installation of a solar array at the wastewater treatment plant, replaced the water line serving the Rachael Road property owners et al, and many, many other things.

I commend your department, you did an excellent job and your crew did an excellent job. Christmas time was horrible weather conditions, lost of problems and the City kept moving and it's a grateful community thanking City crews for being out there in the worst of weather and worst of situations and keeping our City functioning and all those other projects that were related thank you very much for your diligence on that, your hard work and the awards that you received, absolutely outstanding.

With that I will conclude my State of the City Address. I have more but I sense that is probably quite enough. I would like to thank you all for being here this evening to find out what the state of your City is. As I prefaced my remarks, it was interesting to hear that other communities were singing the blues and speaking of how bad things were. I'm not trying to hide the fact that we have had our challenges and we have many people who are in personal distress in employment, but we buck up and we keep moving ahead and we are doing that because that is the kind of town that we are. Thank you all for your attention.