

MINUTES

**Eugene City Council
Council Chambers--City Hall**

**July 24, 1995
7:30 p.m.**

COUNCILORS PRESENT: Nancy Nathanson, Tim Laue, Shawn Boles, Pat Farr, Kevin Hornbuckle, Barbara Keller, Laurie Swanson Gribskov, Jim Torrey.

The adjourned meeting of July 24, 1995, of the Eugene City Council was called to order by Mayor Bascom.

I. ADOPTION OF AGENDA ITEMS AND TIMES FOR EACH ITEM

Mayor Bascom explained the meeting procedure to the general audience, saying that the agenda and procedure of the meeting would resemble that of a City Council Work Session. She explained that the maker of a motion would speak first with regard to the motion, there would be a two-minute time limit for each councilor wishing to speak, and a que would be established.

Ms. Nathanson moved, seconded by Mr. Laue, to adopt the agenda items and time for each item as noted on the amended agenda.

Ms. Keller stated that she could not support the motion as presented because it was not customary to limit discussion and the number of questions that can be asked.

Ms. Keller moved, seconded by Mr. Hornbuckle, to accept the items and times through item VI, the Eugene Planning Commission, then revisit any items pulled from the consent calendar before proceeding to the work session and the Hyundai project; devoting 120 minutes to the Hyundai Work Project and having a discussion at the beginning of that period of time on how the council would process the discussion for that 120 minutes.

Ms. Nathanson said that motions and amendments to motions were in order at any time as long as there was not something else that superseded the motion or amendment.

Roll call vote; the amendment to the main motion failed, 5:3, with councilors Boles, Hornbuckle, and Keller voting in favor.

Roll call vote; the main motion passed, 6:2, with councilors Keller and Hornbuckle voting in opposition.

II. CONSENT CALENDAR

- A. Approval of City Council Minutes of May 31, 1995, Lunch Work Session; and June 14, 1995, Lunch Work Session
- B. Ratification of July 11, 1995, Council Officers' Recommendations
- C. Release of RFP for Historical Interpretation of the Masonic Cemetery
- D. Contingency Fund Request for SportsPlan Implementation

Ms. Keller requested to withdraw the minutes of the June 14, Lunch Work Session.

Ms. Nathanson moved, seconded by Mr. Laue to approve the items on the City Council Consent Calendar.

Roll call vote; the motion passed unanimously, 8:0.

III. PUBLIC HEARING: ORDINANCE CONCERNING CITY-INITIATED STREET NAME CHANGE

CB 4544--An ordinance concerning the change in name of Woodland Drive, located east of Terry Street and south of Royal Avenue, to Woodland Acres Lane, and declaring an emergency.

Mr. Gleason introduced the item and stated that Jean Hahn, Planning Division, was available to answer questions.

A. Public Hearing

Mayor Bascom opened the public hearing.

Hearing no requests to speak, Mayor Bascom closed the public hearing.

B. Council Deliberation

Ms. Nathanson moved, seconded by Mr. Laue, that the bill, with unanimous consent of the council, be read the second time by bill number only, and that enactment be considered at this time. Roll call vote; the motion passed unanimously, 8:0.

Ms. Nathanson moved, seconded by Mr. Laue, that the bill be approved and given final passage. Roll call vote; the motion passed unanimously, 8:0, and became Eugene City Ordinance 20019.

IV. ORDINANCE LEVYING ASSESSMENTS FOR WAGNER STREET

CB 4545--An ordinance levying assessments for paving, curbs, gutters, walkways, storm and sanitary sewers on Wagner Street from Mangan Street 800 feet west; and declaring an emergency.

Mr. Gleason introduced the item and stated that Les Lyle, Public Works, was available to answer questions.

Ms. Nathanson moved, seconded by Mr. Laue, to approve the Hearings Officials' Findings and Recommendations of July 5, 1995. Roll call vote; the motion passed unanimously, 8:0.

Ms. Nathanson moved, seconded by Mr. Laue, that the bill, with unanimous consent of the council, be read the second time by bill number only. Roll call vote; the motion passed unanimously, 8:0.

Ms. Nathanson moved, seconded by Mr. Laue, that the bill be approved and given final passage. Roll call vote; the motion passed unanimously, 8:0, and became Eugene City Ordinance 20020.

V. ORDINANCE: LEVYING ASSESSMENTS FOR EMERALD ESTATES

CB 4546--An ordinance levying assessments for paving, curbs, gutters, sanitary and storm sewers in and adjacent to Emerald Estates 2nd Addition; and declaring an emergency. (Contract 94-33)(Job #3218)

Mr. Gleason introduced the item and noted that Mr. Lyle was available to answer questions.

Ms. Nathanson moved, seconded by Mr. Laue, to approve the Hearings Officials' Findings and Recommendations of July 12, 1995. Roll call vote; the motion passed unanimously, 8:0.

Ms. Nathanson moved, seconded by Mr. Laue, that the bill, with unanimous consent of the council, be read the second time by council bill number only, and that enactment be considered at this time. Roll call vote; the motion passed unanimously, 8:0.

Ms. Nathanson moved, seconded by Mr. Laue, that the bill be approved and given final passage. Roll call vote; the motion passed unanimously, 8:0, and became Eugene City Ordinance 20021.

VI. APPOINTMENT: EUGENE PLANNING COMMISSION

Ms. Nathanson moved, seconded by Mr. Laue, that council officers discuss at their meeting, the following day, how to bring this item back to the council, either through written ballot or at another meeting. Roll call vote; the motion passed unanimously, 8:0.

Ms. Keller requested that the council revisit the June 14, 1995, minutes at this time. Members agreed.

Ms. Keller referred members to page 7, and stated that she was speaking sarcastically when she had said, "she was not concerned about operating expenses as long as the inflation rate is low and the City Manager continues to propose budgets that utilize the full six percent growth in the tax base." She requested that the word "sarcastically" to be inserted after "Ms. Keller said," so that people would not misinterpret her intentions.

Ms. Nathanson moved, seconded by Mr. Laue, to adopt the minutes as amended. Roll call vote; the motion passed unanimously, 8:0.

Ms. Nathanson moved, seconded by Mr. Laue, that the council take a 10 minute break. Roll call vote; the motion passed unanimously, 8:0.

The council took at 10 minute break at 7:45 p.m.

VII. WORK SESSION: HYUNDAI PROJECT

The meeting reconvened at 7:55 p.m.

Mayor Bascom stated that there was a motion on the table made previously by Ms. Keller.

Ms. Keller stated that she put the motion on the table at the last meeting. She said that she did not want to have a discussion about whether or not the council members had received answers to their questions, rather she wanted to move forward with the issue.

Ms. Keller withdrew her motion, and Mr. Hornbuckle withdrew his second, that there be no additional staff work on Hyundai permits until the council can review the information requested.

Mr. Boles moved, seconded by Ms. Keller, that the Eugene City Council on behalf of the Citizens of Eugene, offer to enter into an enforceable covenant with Hyundai Corporation that contains the following provisions:

Hyundai shall:

1. Inform us of the toxic chemicals and metals Hyundai is releasing into the workplace and our community during facility operations.
2. Use the most worker- and community-protective technologies utilized within the semiconductor industry.
3. Fund an independent community monitoring process that will report on Hyundai's toxins release reporting and toxins use reduction efforts in Eugene.
4. Provide secure family wages, benefits, and whistle blower protections for workers in the Eugene Hyundai facility.
5. Pay back to the taxpayers the value of the property tax abatements the corporation has received, if Hyundai leaves this community within six years.

Mr. Boles stated that there were seven reasons why the council should support the covenant and they were as follows:

- * This covenant compliments the short-term interest of Hyundai as it had been memorialized in the Memorandum of Understanding, by recognizing the long-term health, safety, and public welfare interests of the community in which the corporation wishes to locate;
- * The covenant allows Hyundai to demonstrate commitment to the community consistent with its desire to be a model corporate citizen;
- * The covenant provides a policy framework for dealing with plants that emit pollutants and consume resources at the level of scale associated with the proposed Hyundai plant;
- * The covenant provides the council the opportunity to recognize its responsibility to exercise prudent protection of the community investment in the corporation;
- * The covenant is consistent with the action of other communities;
- * The covenant is consistent with Hyundai's request that the covenant come from elected officials;
- * The covenant covers issues that are not covered by existing regulations as described in the matrix presented to council.

Ms. Nathanson read from a thought paper she had written. She read that she regarded the council's duty as that of protecting the well-being of Eugene citizens in both the present and the future. She noted that well-being included public health and individual physical and mental health issues influenced by clean air and water, adequate and affordable shelter, and stable jobs. She added that well-being is affected by the public systems upon which the citizens can rely. She said that well-being also required the maintenance of a stable social and economic environment with emphasis on fairness to individuals and organizations. She stressed that rules must be created fairly and applied equally, and added that the rules regarding the Hyundai project have been used when dealing with other projects in the City and State. She stated that her concern about the environmental rules regulating Hyundai and

other projects was, were there enough regulations. She said that she was amenable to discussing many items with regard to how the council should proceed in a reasonable fashion.

Ms. Swanson Gribkov commented that the most salient point for her was how to protect the safety of the city of Eugene. She asked the City's consultant who developed the environmental standards by which Hyundai would be monitored. She asked further what the Environmental Protection Agency (EPA), the Department of Environmental Quality (DEQ), and the City's roles were in the oversight of the company.

The City consultant, Reinhard Hanselka, stated that the acute hazards of any hazardous material are regulated by local fire codes. He added that the chronic hazards were regulated by DEQ under an understanding it has with the EPA. He noted that DEQ would regulate the transport, collection, storage, and the disposal and transport from the State of Oregon. He said the local storage would be regulated by the City of Eugene Fire Department. He said that the materials would probably be transported via truck in a properly DOT rated vessel to a disposal site or to a recycling area.

Mr. Torrey said he would not support the motion. He added that Ms. Nathanson would be submitting another motion. He stated that what the community had been able to accomplish in the last three months was an indication of why the council did not need the covenant. He listed the following reasons that he would not support the motion: 1) the council had participated in excessive discussion of the issue; 2) staff had done an outstanding job of preparing the council to make a decision; 3) the worker community protective technologies were in Hyundai's best interests; 4) an independent monitoring system was the council and it had a responsibility to assure the citizens' protection; 5) Hyundai would provide a better security for the working people in the community because it was providing competition for the workers' skills; and 6) Hyundai's tax abatement would not cost the local taxpayers any money, so he did not understand the abatement payback. He said that if Hyundai decided to leave after three years, the building would still be in place, and the City would still be collecting taxes on it.

Ms. Keller expressed her support for the motion. She said that there was a difference between the gathering of information and the utilization of such information to effectuate effective regulation. She said that this motion was about giving Hyundai the opportunity to show the community that it was committed to the community. She said that the motion did not do anything other than offer to enter into an agreement with Hyundai, and the covenant could help create more trust between the community and the corporation.

Mr. Hornbuckle emphasized some "mistaken" comments by other councilors saying that simply because Hyundai would be offering market rate wages, did not mean that it would offer a living wage. He said that Hyundai was moving here because it could pay its employees so little. Referring to Chef Francisco, he noted that the company was bought out by the Heinz Corporation in a move called a monopoly capital takeover. He said that Heinz removed the fixed

capital from the plant, which devalued the plant and minimized competition. He said that the City Council was not an independent body and the citizens did not have the opportunity to "throw the councilors" out every two-four years. He noted that in Mr. Torrey's election, there was only one choice, Mr. Torrey. He said that a noncontested race was not democratic.

Mr. Laue asked City Attorney Glenn Klein if the motion could be described as either arbitrary or capricious. Mr. Klein said that he would not characterize the motion in that light.

Mr. Klein said that in order for this covenant to be enforceable it would be necessary for the City to be providing some value to Hyundai. He said the value had to be something other than the first three-year tax abatement. He said there had to be consideration on both sides, and added that the covenant itself should spell out how it would be enforceable. He commented that the courts would be one way in which the covenant could be enforced.

Mr. Laue asked for clarification about the intention of the motion. Mr. Boles stated that the covenant had to be agreed to by both parties. He stressed that he made the motion so that the council could make the offer to Hyundai who could then respond.

Mr. Laue asked what type of independent community monitoring system Mr. Boles had in mind. Mr. Boles answered that it would probably be necessary for the council to establish a board or a group of citizens in conjunction with staff support. He added that he would expect the expense of the group would be incurred by Hyundai.

Mr. Farr stated that the economic impact of Hyundai would be positive and beneficial to the community because it would help reverse the job loss rate in Eugene. He reported that Commissioner Jack Roberts had stated that the corporation would offer up to 1000 jobs ranging in salary from \$22,000-\$28,000 per year. He said that the council needed to examine the ordinances and regulations that were in place and added that the council may even need to create new regulations. He expressed his concern that the covenant had been "crafted on the fly," and added that he wanted the members to think before it adopted any special ordinance for Hyundai.

Mayor Bascom stated that she had read through the staff-created book entitled, "401 Answers to Hyundai," and found the answers enlightening. She said that she felt good about the work force that semiconductor corporations require.

Ms. Nathanson stated that there were several points in her motion that she preferred to Mr. Boles' motion and they were the following: 1) her motion was expressed as an addendum to a Memorandum of Understanding; 2) her motion went a step further in asking staff to develop designated groups for transportation of hazardous or toxic waste; 3) her motion requested the use of citizen advisory committees where they already existed; and 4) her motion did not include the tax abatement payback because the company already met the State

requirements for a three-year tax abatement. She asked the City Attorney to explain whistle blower legislation in the State of Oregon.

Ms. Keller, responding to Mr. Farr, stated that the conditions of the covenant were not "developed on the fly," but rather had been the subject of discussion since the beginning of the Hyundai project. She expressed her comfort with the conditions of the covenant and added that they were the framework for negotiation with Hyundai. She requested that Ms. Nathanson not hesitate from offering her ideas as amendments to the covenant. She added that the covenant was a good idea for both Hyundai and the City and she did not view it as an additional restriction on Hyundai.

Ms. Swanson Gribkov stated that she did not receive the motions until 5 p.m. that evening, and she felt uncomfortable about taking action on either motion because she had not had adequate time to prepare. She said that the motions were similar in that both were searching for the next step, but different in that Ms. Nathanson's motion asked the City Manager to negotiate with Hyundai while Mr. Boles' motion offered that the council would enter into an enforceable agreement with Hyundai. She said that it seemed appropriate that the City Manager would enter into negotiations and bring back information to the council, and added that for that reason she found Ms. Nathanson's motion more compelling.

Mr. Torrey stated that the City of Eugene has the right to protect its citizens, and the council always had the right to bring back weak legislation to fortify it at a later date. He complimented the City staff on its work on the Hyundai project. He referred members to the last eight Metropolitan Partnership Annual Reports and stated that each report discussed the type of industry that should be brought into the community. He noted that the council should have expected that the development department would be dealing with an industry such as Hyundai. He observed that the community was ready to have the City Council move forward and he did not believe this was the correct motion for that action.

Mr. Boles, responding to Ms. Swanson Gribkov, said that he submitted his motion on July 14. Referring to Mr. Farr's and Mr. Torrey's comments, Mr. Boles stated that the decrease in the forest products industry was primarily due to automation. He added that he objected to the Metropolitan Partnership because of the lack of involvement of public officials in these types of decisions representing the interest of the community. With respect to Ms. Nathanson's motion, Mr. Boles indicated that he did not see anything incompatible between the two motions and the council should support both of the motions. He noted that the payback was an important piece of his motion, saying that a tax abatement certainly affected the rest of the taxpayers because the tax debt was spread to the rest of the community.

Mr. Boles commented that he had requested an analysis of the provisions of the covenant. The analysis was as follows: 1) those toxins that are released into the community's water or air or are trucked outside do not have to be

revealed to the community under the current matrix; 2) the use of most worker- and community-protective technologies is not required in the laws within the matrix; 3) independent community monitoring process is not provided in the laws and regulations of the matrix; 4) providing secure family wages, benefits, and whistle blower protections is not provided in the laws and regulations of the matrix; and 5) the payback of the tax abatement is not covered within the laws and regulations of the matrix.

Mr. Farr restated his position on the jobs that will be provided by Hyundai, noting that the basic need of the community was the availability of homes for families. He said that he believed that the covenant was well constructed and he could not disagree with its conditions, but he added that he could more strongly support Ms. Nathanson's motion.

Mr. Hornbuckle said that the essential question was whether or not the City Council and the corporation wanted to maintain their credibility because the covenant contained information to which both parties had already referred. He said that he supported the covenant because it allowed both the corporation and the City to be legally responsible for their promises and it put him on record as committed to the agreements.

Mr. Gleason said he wanted to draw the distinction between staff's position and the request for the covenant. He said that the covenant required consent of both parties. He added that, in the past, the land use and regulatory laws were not based on consent and he did not want to create a situation in which these regulations were based on consent. He said that the municipality had regulatory responsibilities and he wanted to be dealing with those regulations not from a basis of "would you like to agree to these things," but rather, "you will agree to these regulations." He said that every company in the area was subject to the same rules, and the covenant would create a negotiated situation rather than an enforcement situation.

Mayor Bascom spoke to the issue of tax abatement as required by the enterprise zone ordinance, and noted that the council adopted the ordinance in 1987. She added that if the council decided that it wanted to withdraw from the enterprise zone then it could change the tax abatement requirement, but until that time, the three-year abatement had already been agreed to by the council.

Ms. Nathanson said that there were certain things about the Hyundai project that required some extra work to ensure that the regulations and laws were adequate, but there came a point when adding too much onto requirements and negotiations, that a negotiation might appear to be a discriminatory action. She said when rules were not applied evenly across the board it was unfair to other corporations. She asked the City Attorney to address her question about whistle blower statutes in the State of Oregon.

Mr. Klein stated that there were some whistle blower protections in the State of Oregon under ORS Chapter 659. He said that State statutes offered protection to any employee and prohibits any employer from taking any action toward

an employee if the employee reports a safety violation, reports illegal conduct, or refuses to engage in illegal conduct.

Ms. Swanson Gribkov stated that she expected that the council would need to make some adjustments to the process in the future. She said that she was pleased that the enterprise zone legislation had been changed. Referring to enforceability, she asked if it was true that if this motion was an amendment to the Memorandum of Understanding it would be further clarification that the company would agree to the conditions and through the City Manager's negotiations the council would have an opportunity to close the loop of concern. Mr. Gleason stated that her appraisal was correct.

Ms. Keller said that Hyundai had required the council to review its old ideas and concepts in order to deal with the new potential problems that the council had considered before. She said that she would make a motion later that addressed the regulatory aspect of this project. She added that she was concerned about the community because it had been "ripped apart" by the concern surrounding the Hyundai project. She reiterated Mr. Hornbuckle's point that all the issues in the covenant dealt with agreements that Hyundai had already made with the City, and this document would allow both the City and Hyundai to be held legally accountable. She added that it was important to send the community a message that the City and Hyundai were working together to solve the problems.

Mr. Torrey emphasized the importance of sending such a message, but he did not understand how the citizens who supported the covenant could show good faith by asking Hyundai to adopt this covenant and by working, at the same time, to keep the Hyundai project from ever being completed. He said that there were laws and regulations governing the Hyundai project, and the government should be of laws and not the personal opinions of a small group. He suggested extending a "hand of good faith" to Hyundai rather than a "hammer." He said that the City was ready to proceed and the covenant was unnecessary.

Mr. Hornbuckle said "let's not extend a hand or hammer, but rather a pen to ask the corporation to codify what it had already represented." He said that the covenant could be done in cooperation with the additional amendments to ordinances. He said that the covenant was enforceable, and he took exception to the City Manager's comment that he did not want to be in a consensual relationship with a corporation because a handshake agreement implied a relationship of consent. He said that it was possible to have the covenant and not be discriminatory.

Mr. Boles, referring to the point that there was some implied capriciousness in the motion when applying this covenant to Hyundai when it had not been applied to other users of the enterprise zone, stated that this was the first attempt at providing a policy framework for an incoming corporation of this level of scale. With respect to the enterprise zone, he said that there was a thin rationale that because "a mouse and an elephant are both mammals they are the same." He added that "if you have to feed and clean up after the elephant, you realize that it is different from the mouse." He said that Hyundai

was a different level of scale, and he viewed the covenant as a compliment to Ms. Nathanson's motion and he would support them both. He said that this was an opportunity for Hyundai to "give an outward and visible sign of their inward spirit and grace."

Mayor Bascom stated that one of the five points referred to an independent monitoring process and said that Ms. Nathanson's motion addressed an ongoing monitoring system. She said there were several bodies that did monitor the community: 1) the elected Eugene Water and Electric Board (EWEB); 2) the Metropolitan Wastewater Management Commission (MWWC); and 3) the Lane Regional Air Pollution Authority (LRAPA).

Roll call vote; the motion failed by a vote of 5:4 with councilors Hornbuckle, Laue, Keller, and Boles voting in favor. Mayor Bascom broke the tie by voting in opposition to the motion.

Ms. Nathanson moved, seconded by Ms. Keller, to:

- A. Direct the City Manager to pursue further negotiations with
 1. Hyundai Electronic America, to
 - a. Assure protection of water and air quality;
 - b. Limit water utilization by implementing aggressive recycling strategies to the maximum extent feasible;
 - c. Provide information to the community concerning all toxic chemicals;
 - d. Assure employment opportunities for community residents that provide family wages and market-based benefits;

and with

2. Regulatory agencies (including Oregon DEQ, LRAPA, U.S. EPA and Army Corps of Engineers) to
 - a. Provide ongoing monitoring to assure compliance with air and water quality regulations;
 - b. Assure citizen involvement in monitoring through existing oversight boards and/or advisory groups;
 - c. Establish designated routes for transportation of toxic substances through the community.
- B. Incorporate all of the above in an addendum to the Memorandum of Understanding between the City, the company, and other public agencies.
- C. Complete the analysis of model ordinances available from other communities, identify inadequacies in current local ordinances, and initiate appropriate changes to address these inadequacies.

Mr. Torrey moved, seconded by Mr. Farr, to add the word "reasonably" to section A1. so that it would read, "Direct the City Manager to pursue further negotiations with 1. Hyundai Electronics America, to reasonably..."

Mr. Torrey stated that he wanted to add the word because without the word Hyundai would have to assure that there was zero chance of a problem occurring. He said that wording was a set-up for Hyundai to be unable to provide what it was being asked to provide.

Mr. Klein said that adding the word "reasonably" would demonstrate the intent of the council that the City Manager was not to try to have Hyundai guarantee, at any cost, the absolute protection of air and water quality. He said that without the word the motion was unclear as to what level of certainty the council was asking the City Manager to pursue negotiations.

Mr. Boles said he would not support the amendment because adding the word "reasonably" would remove any protection associated with the motion because it would leave the document open to any interpretation of what reasonable was. He said that the council was interested in the long-term protection of the community and not in the short-term protection of the economic interests of any given corporation.

Ms. Keller stated her disagreement with the amendment, noting that adding the word would leave the document open to any interpretation. She said that as originally stated, the motion did not call for zero tolerance, it asked the City Manager to pursue negotiations with Hyundai to "assure protection of water and air quality."

Mr. Farr said he seconded the amendment because he felt concerned that the original wording put an unreasonable constraint on City staff to make sure that Hyundai assured absolute protection. He said that Ms. Keller clarified the issue for him.

Ms. Swanson Gribkov stated that she did not agree with Mr. Torrey that the wording would mean zero tolerance.

Mr. Hornbuckle argued against the amendment to Ms. Nathanson's motion because in his opinion, the motion did not have any "teeth," and the amendment attempted to "pull teeth from a toothless mouth." He said that the council was now entering into a political exercise that would allow them to "pretend that it cared," and he would not participate in support of the main motion.

Ms. Nathanson said that she did not think it was "toothless" to direct the City Manager to pursue further negotiations which would be incorporated in the Memorandum of Understanding. She said she was not regarding her motion as a pretention; rather, it was a serious effort to accomplish many of the same objectives of Mr. Boles' motion.

Mayor Bascom said she would not support the amendment. She asked about the ramifications of the point "provide information to the community concerning all toxic chemicals." Mr. Gleason stated that the current practices required anyone who had a toxic chemical to specify how they were stored, where they were stored, where they shipped them, and how they would respond in case of an emergency.

Roll call vote; the motion failed, 7:1, with Councilor Torrey voting in favor.

Ms. Keller said that she would be voting in support of the motion. She stated that Ms. Nathanson's motion had some ideas within it that the covenant did not and she appreciated that. She added that she would offer a subsequent motion about how the council might proceed with the analysis of model ordinances. She urged the council to not become divided over the mechanism being chosen, but rather endorse the method.

Mr. Torrey voiced his support for the motion.

Mr. Boles said he was unsure if he could support the motion. He asked Ms. Nathanson who would review the results of the negotiations between the City Manager and Hyundai. Ms. Nathanson said that it was not explicitly stated in the motion and she would be amenable to a motion offering such a mechanism.

Mr. Gleason stated that he would bring the results of the negotiations back to the council for its review.

Mr. Boles said that he was concerned about the answer because the original Memorandum of Understanding was never brought to the council. Mr. Gleason commented that the original Memorandum of Understanding was between him and the State of Oregon.

Mr. Boles asked under what circumstances could a councilor influence a Memorandum of Understanding. He asked who would pay for the services in the motion. Mr. Gleason said that the activities would be paid for by Hyundai. Ms. Nathanson added that there was research that indicated that certain kinds of activities would be paid for by the company, but added that some of the negotiation process would require staff time.

Mr. Boles asked who would sign the Memorandum of Understanding. Mr. Klein stated that it would be the City Manager that would sign the document on behalf of the City of Eugene. He added that the council, by ordinance, would indicate whether or not the City Manager or a designee would sign the document.

Mr. Boles stated that he could not support the motion due to his lack of confidence in the City Manager's ability to negotiate on behalf of the citizens of Eugene.

Mr. Farr stated his support for the motion. He addressed Mr. Hornbuckle's comment about the council "pretending to care about the community," and said that it was unconscionable of him to state that the councilors did not care about the community.

Ms. Swanson Gribkov offered a friendly amendment, accepted by Ms. Nathanson and Ms. Keller, to add a new letter B, which would state that the City Manager would bring back to the council, for approval, the results of the negotiation effort.

Mr. Hornbuckle asked for clarification about the nature of a Memorandum of Understanding. Mr. Klein stated that the document was not legally binding and noted that it was a statement of intent. Mr. Gleason added that the Memorandum of Understanding would act as a framework from which to negotiate. He said that staff would examine each of the regulation standards. He said that all policies, regulations, and negotiations would be brought back to the council for review.

Mr. Hornbuckle stated that the information was helpful because the answer stated that the proposal was status quo. He noted that the council did have the capacity to make additional requirements that are beyond the scope of existing laws and regulations. He said that a capacity unfulfilled was an empty promise and again pointed out that the motion and the Memorandum of Understanding did not have any "teeth" to them.

Ms. Keller stated that she was probably going to change her vote on the motion because she was concerned about the City Manager's comments. She said that the motion's wording of "assuring protection of water and air quality" did not simply mean working within the scope of existing laws and regulations. She stressed that it meant assuring water and air quality by implementing strategies and regulations that may not currently exist. She said if the City Manager was saying that he intended to bypass the wording of the motion and pursue the status quo, then she could not support the motion. She asked for assurance from the City Manager.

Mr. Gleason said that he had sworn an oath to follow the law and was obligated by statutes to follow the law. He said that the law in many of the examples at hand was quite onerous. He said that some people in this community had spent time in jail because they were unable to follow the laws. He said that his commitment was not casual, and he would not allow a company to pollute the community by acting in violation of existing regulations and standards.

Ms. Keller stated that what she heard the City Manager saying was, "you vote for it, but I will do whatever I want to do." She said that she could not support the motion because she did not have faith in the City Manager's ability to follow the intent of the motion.

Mr. Torrey said that the community had laws, ordinances, policies, and rules within the community and the council had hired a City Manager to deal with those regulations and create a safe place for all citizens. He said that if

the City Manager did not uphold those laws and fulfill the duties of his/her job, then the council should terminate that person. He stressed that the council had not decided to terminate the City Manager, and the council was in a position to show the community that the rules and laws can and will be lived up to by those within the community. He said that the laws and the rules did not need to be rewritten and the council should not choose Hyundai as the one company upon which it wanted to come down on full force. He stressed the importance of using the appropriate process for creating changes to regulations.

Mr. Boles stated that there was a conflict between the City Manager's assertion that he had studied the rules and regulations under which Hyundai would operate and found no reason to expand them and the City consultant's analysis with respect to two points: 1) the amounts of those chemicals that are released into a community's water or air or are trucked off site do not have to be revealed to the community under current laws and regulations; and 2) the analysis and implementation of the best technologies and use is not required by the laws and regulations matrix. He said that he was concerned that if the motion passed, the issues would disappear and not be dealt with in a satisfactory manner.

Mr. Farr restated his support for the motion, and expressed his opinion that the motion did have "teeth" in that it made specific references to local current ordinances.

Mr. Gleason said that his understanding of the motion was that he would negotiate with Hyundai and bring back to council a document for its review. He said that the council could instruct staff to continue negotiations or to enter into an agreement.

Mr. Laue expressed his appreciation to Ms. Nathanson for proposing the motion because it accomplished much of what was being proposed in the covenant. He added that it presented an opportunity for Hyundai to represent to this community that it wished to act on behalf of the community and itself. He said that he trusted the City Manager to fulfill his responsibility with regard to the motion.

Ms. Nathanson said that she hoped the councilors would vote in support of the motion, and added that there were several places within the motion that dealt with regulations and ordinances.

Mayor Bascom said that the environmental concerns and questions had been answered. She added that the semiconductor industry did not have a bad record with regard to environmental concerns. She said that Ms. Nathanson's motion strengthened already-in-place ordinances.

Roll call vote; the motion passed, 5:3, with councilors Boles, Hornbuckle, and Keller voting in opposition.

Ms. Keller moved, seconded by Mr. Farr, to create a council "Economics and Environment" subcommittee to review general and specific environmental and safety protection "gaps" that have been brought to our attention by the Hyundai proposal and subsequent community questions and discussions, the committee to consist of councilors Boles, Farr, Keller, and Torrey and to bring back to the council for consideration, after the council break but in adequate time for notice and action effecting Hyundai, a menu of possible legislative, regulatory, and planning actions.

Ms. Keller stated that this motion would put a council subcommittee into the loop rather than just staff. She said that it was important to keep the council involved in this discussion and it was important to reflect the extremes of the council opinion within the committee.

Mr. Farr stated his support for the motion and added that all the council members cared about Eugene and its future.

Ms. Swanson Gribskov said she supported the concept of the motion, but wondered if it would be more appropriate to take the idea to the council officers for the creation of the committee.

Mr. Torrey stated that he had indicated that he was willing to serve on the committee but was concerned about the time frame and how the committee would be staffed.

Mr. Boles said that the council was in the tight situation it was in because it did not have adequate elected official participation early on with respect to Hyundai. He said he was interested in clarifying the council's relationship and responsibilities with other entities such as the State Department of Economic Development and the Metropolitan Partnership, so that the council did not end up in a similar situation.

Ms. Swanson Gribskov moved, seconded by Mr. Torrey, to postpone the issue until the Wednesday, July 26, 1995, lunch work session.

Mr. Torrey said he was prepared to support the motion and he was still willing to serve on the committee.

Mr. Boles said he would not support the motion because his concern was that when there were issues that were not at the top of staff's list there were logistical problems in getting committees staffed.

Ms. Keller said she would not support the motion because the council had postponed the issue enough, and this motion simply created a committee.

Mr. Klein asked if the motion was attempting to set a deadline. He asked for more clarification. Ms. Keller said that she was assuming that the committee would report back to council sometime in September or early October.

Ms. Swanson Gribkov said that her motion to postpone was due to the timing of the hour. She said that she supported the idea, but wanted to eliminate any confusion surrounding the issue.

Ms. Nathanson asked if the committee would bring back a list of topics that would work. Ms. Keller said that was correct.

Mr. Farr voiced his support for the motion and the original motion.

Mr. Laue said that he would vote against postponing the issue because he did not think that the council officers should be handling the issue.

Roll call vote; the motion to postpone passed, 5:4 with councilors Boles, Hornbuckle, Keller, and Laue voting in opposition and Mayor Bascom breaking the tie by voting in favor.

Ms. Keller said she would be willing to advise the councilors of her motions with the understanding that they would appear on the agenda for the Wednesday meeting.

Ms. Keller moved, seconded by Mr. Boles, to inform the Army Corps of Engineers that while council understands and appreciates Hyundai's needs to move forward expeditiously, the council puts primary importance on adequate long-term protection of the west Eugene wetlands resource and asks the Corps not to take any short-cuts in its review of the Hyundai mitigation application.

Ms. Keller said that the main concerns were that the council needed to go on record as having protection of a natural resource be of primary importance and the council needed to clarify a misunderstanding that the City was pushing the Army Corps of Engineers (ACOE) to expedite the process.

Mayor Bascom ruled that the council should have discussion on the motion and vote on it that night.

Ms. Nathanson stated that the remarks from ACOE staff indicated that they would not take short-cuts in the review.

Ms. Swanson Gribkov said that expediting a process is not mutually exclusive from protecting a resource. She said that she had heard ACOE staff members say that no short-cuts would be taken, so she would be voting against the motion.

Mr. Torrey said he would vote against the motion because it was unnecessary because the council had been assured by the ACOE staff that short-cuts would not be taken in the review.

Mr. Boles said he supported the motion because it would not hurt to ratify something to which the ACOE had already agreed.

Mr. Hornbuckle said he was proud of Mr. Boles statements during the course of the evening, and added that he would vote in favor of the motion.

Roll call vote; the motion passed, 5:3 with councilors Nathanson, Swanson Gribskov, and Torrey voting in opposition.

Mayor Bascom said that each councilor would have an opportunity to make closing comments.

Mr. Boles said that the council had abdicated its responsibility that evening and he felt sorry for that.

Mr. Torrey said he felt that the last two months had been a good demonstration of democracy. He said that the council had received a great deal of information about the issue from all sides, and he was confident that the council had made good decisions.

Ms. Keller said that she had hoped that the council would come together to protect the community and to deal with its concerns. She said that she would reserve judgment about whether or not the mechanism put in place would adequately protect the community.

Mr. Laue said he was glad to see the council moving forward with the project. He added that protecting the community and maintaining a positive view of the community was more important than the partisan debates around the issues.

Mr. Farr said that he felt the council had made good progress, and that there were "teeth" within the council's action.

Ms. Swanson Gribskov stated that the council had given strength to the Memorandum of Understanding. She said that she was struck by the emotion, the compassion, and the caring that all of the councilors had for Eugene. She said she looked forward to diversifying the economy, creating good jobs, and ensuring the safety of the community.

Mr. Hornbuckle said that it was true that the Hyundai deal was not in the best interest of the community, but rather in the best interest of Hyundai, and that put the councilors on the "horns of a dilemma" because the problem then became the councilors' attempts at sincerity. He quoted Karl Marx saying that "the demand to abandon illusion requires the abolition of the conditions which require illusions," and said that the councilors were endorsing the administration of hope and faith. He said that the councilors needed to be partisan for the environment and for the working class.

Ms. Nathanson said that tonight was a meeting to develop a way to move ahead responsibly, and she believed that the council had done that. She said that managed growth was the tradition of the community and she supported it. She added that the council was listening to the needs of the community and responding responsibly.

Mayor Bascom said that concern for the environment was the defining issue in Western culture. She said that she believed that the Hyundai project would not violate or compromise environmental concerns. She said that the project fostered compact urban growth. She added that the semiconductor industry was not one of the most polluting or "evil" industries within the culture.

Mayor Bascom thanked everyone for attending the meeting.

Council adjourned at 10:15 p.m.

Respectfully submitted,



Michael Gleason
City Manager

(Recorded by Jennifer Self)
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