

City of Falls City  
City Council Regular Meeting  
Thursday December 10, 2015  
Meeting Location: 320 N Main Street, Falls City, Oregon 97344

**Council Present:** Mayor Terry Ungricht, Jennifer Drill, Tony Meier, Gerald Melin, Dennis Sickles, Julee Bishop

**Staff Present:** JoHanna Hewitt, City Clerk; Don Poe, Public Works Lead Worker

Mayor Ungricht called the meeting to order at 7:01 pm.

**1) Roll Call**

Clerk Hewitt took roll call. Councilor L. Sickles absent.

**2) Pledge of Allegiance**

Mayor Ungricht led the pledge.

**3) Motion to adopt the entire Agenda**

A motion was made by Councilor D. Sickles and seconded by Councilor Meier to adopt the entire Agenda, with the addition of items I; Request for Qualifications Review Panel Recommendations and Item J; Tony Drill's resignation from Parks and Recreation Committee. Motion carried 5-0-0. Ayes: Jennifer Drill, Tony Meier, Gerald Melin, D. Sickles, Julee Bishop

**4) Consent Agenda:**

Correction to November 12, 2015 Minutes- Council Absences- Item 6B; Motion was seconded by Councilor Drill.

Councilor Drill inquired about payment to John Gilbert. Mayor Ungricht explained it was for work done refurbishing the Community Center floor.

A motion was made by Councilor Meier and seconded by Councilor Melin to adopt the entire Consent Agenda with the additions of Items I and J. Motion carried 5-0-0. Ayes Jennifer Drill, Tony Meier, Gerald Melin, D. Sickles, Julee Bishop

**4) Public Comments:**

Tim Sickles of Falls City made request of Council to sign off on the City's agreement with his son, Jesse Sickles for the window he had vandalized at the Falls City Fire Station. This request made under direction of presiding judge for the vandalism case. Tim Sickles presented court documents for Council's review. Mayor Ungricht pointed out that Jesse Sickles only completed two (2) half days of his community service and had 22 hours remaining. Discussion followed whether Jesse Sickles could finish his community service after not reporting as agreed. Councilor Drill asked if Community Service hours might be completed at the Falls City High School (FCHS) with the Booster Club concessions. Tim Sickles replied no, as Jesse Sickles was banned from FCHS until February 2016. Mayor Ungricht and Tim Sickles agreed community service hours be completed and Tim Sickles be responsible to find a supervisor for his son Jesse Sickles.

D. Sickles declared Jesse Sickles as his nephew prior to his voting in favor.

A motion was made by Councilor Drill and seconded by Councilor Meier to uphold agreement between the Mayor and Tim Sickles. Motion carried 5-0-0. Ayes: Jennifer Drill, Tony Meier, Gerald Melin, D. Sickles, Julee Bishop

**5) New Business:**

**A) Resolution 13-2015, Establishing an Economic Development Committee (EDC)-**

Mayor Ungricht combined Council Goal #4, Item 1 of the 2015 Council Goals and recent Council decision to form Solar Eclipse 2017 Committee to investigate revenue opportunities surrounding the rare event. Created was an Economic Development Committee (EDC) to increase the viability and stability of the economy of Falls City as a rural residential and commercial center. Staff will develop an EDC Committee description. EDC applications would go before Council for candidate approval. Once the EDC selection is completed, EDC members will vote a peer to Chair. The EDC shall set a portion of goals to bring before Council. The EDC may become involved with the Tourism Board at a future date.

A motion was made by Councilor Meier and seconded by Councilor Melin that the City Council of Falls City approve Resolution 13-2015 establishing an Economic Development Committee. Ayes: 5-0-0 Jennifer Drill, Tony Meier, Gerald Melin, D. Sickles, Julee Bishop

**B) Resolution 14-2015, Small Cities Allotment Contract-**

A resolution to accept \$50,000 awarded to the City through a Small Cities Allotment grant. When doing similar road/street projects, the City "piggy backs" onto the County's workload. Mayor Ungricht plans to set \$30,000 aside, with another \$20,000 next year to work on intersections, make repairs and fixes to Parry Road where the pump station was decommissioned.

A motion was made by Councilor D. Sickles and seconded by Councilor Meier that the City of Falls City approve Resolution 14-2015. A resolution entering into an agreement between Falls City and the Oregon Department of Transportation. Motion carried 5-0-0. Ayes: Jennifer Drill, Tony Meier, Gerald Melin D. Sickles, Julee Bishop

**C) Public Works Committee Rate Recommendation-**

Public Works Committee agreed the Utility Reserve rate had not increased in quite some time. Public Works Committee recommended to Council an increase of \$2.00 or \$3.00. Rate increases are project driven. The rate would increase in March 2016. In 2017, another increase would be necessary. Mayor Ungricht would strive to educate the public on the differences of each fund associated with utilities and uses of each. The Utility Reserve Fund's function is a proactive measure to remedy emergencies by providing financial protection for incidental repairs on the water and sewer systems. The new Water Master Plan will identify major weaknesses within the current system. It is possible these could amount to million dollar repairs. Utilizing grants would minimize costs.

Councilor Meier complimented Mayor Ungricht's effort of improved education through the newsletter. Mayor Ungricht and the majority of Council expressed dislike for rate increases. All agreed that unfortunately, prior Councils had put off upgrades and repairs, thus causing the present problems in the systems.

Mayor Ungricht encouraged a Cost of Living Adjustment (COLA) to cause small regular increases. These small increases would be easier on citizens than periodic \$2.00 or \$3.00

increases. Mayor Ungricht said for example, our garbage service, Republic Services added a 4% COLA into the City's contract. Social Security (SS) has a list of items they charge COLA's on. Councilor D. Sickles suggested tying a Utility Reserve Fund COLA into the rate of SS, as it would benefit seniors on fixed incomes. The COLA may in fact tie into the SS index with a maximum in case of super inflation. Discussion on COLA flexibilities set aside for later date.

A motion was made by Councilor D. Sickles and seconded by Councilor Meier that the City Council of the City of Falls City direct staff to submit a resolution raising the Capitol Improvement Fees by \$3.00 per month to take effect on the March billing. Motion carried 4-1-0 Ayes: Tony Meier, Gerald Melin, Dennis Sickles and Julee Bishop. Nays: Jennifer Drill

**D) Marijuana Update-**

The City Attorney deemed Council's restrictions on dispensary locations inappropriate in light of House Bill 3400 (HB-3400) and its provisions. 58.2% of Polk County voted in favor of Measure 91- Recreational Use of Marijuana well above the 55% threshold included in HB-3400. Oregon Liquor Control Commission (OLCC) school zone map superseded the City's previous map and proved the school and triangle zones to be wrong. The only places for a dispensary to locate would be Bowman's property or the old industrial land on the south side of town. There are seven separate permit processes associated with dispensaries that could be potential revenue to the City.

Councilor Meier shared his research on dispensaries and their operation costs. He spoke to the owner of the largest dispensary in the Salem area. This particular dispensary required income of \$500.00 per day to keep their doors open for business. A startup investment of \$75,000.00, including application fees, permitting etc., was necessary, but excluded costs of stocking product. The dispensary owner told Councilor Meier there was no financial gain for a dispensary to locate in Falls City. Councilor Meier personally does not foresee a dispensary coming to Falls City and suggested following HB-3400.

Councilor Drill brought handouts for Council entitled; Record of Cities/Counties Prohibiting Licensed Recreational Marijuana Facilities (Exhibit A), Marijuana Local Opt-Out Form (Exhibit B), several ban ordinances from other Oregon cities (Exhibit C), and an article citing a Colorado study (Exhibit D). After discussion on City/County prohibition (Exhibit A), Councilor Drill questioned why the 55% threshold rule was not included in the information provided by her source. Mayor Ungricht drew attention to its location in all three ordinances she provided (Exhibit C). The City of Elgin cites HB-3400 in Ordinance 177 (2015) Section 2, but does not give the percentage of votes for its home county. Both Baker City (3342) and Prairie City's (2015-01) ordinances, Section 1, cites HB-3400 and that the general population in each City's home county had voted above the required 55% in opposition to Measure 91. Section 2, in each ordinance respectively, shows Baker County at 59.4% of voters in opposition to Measure 91 and Grant County shows 64.8% of voters in opposition of Measure 91. If Council wished to ban dispensaries, it was possible short term. HB-3400 restrictions and provisions require dispensaries be placed before voters on the 2016 ballot in counties where above 55% of the population voted in favor of Measure 91- Recreation Use of Marijuana.

Councilor D. Sickles inquired to the potential tax revenue. Mayor Ungricht did not have a figure for potential marijuana tax revenue; however, the City's alcohol revenue is roughly \$1200.00 - \$1400.00 per month. Colorado's marijuana tax exceeded their alcohol tax. Oregon does not have marijuana tax allotment in place yet. Tax revenue allotment goes to cities, prorated, and based on population unless they qualify to opt out by bans and restrictions on dispensaries. In which case, those opt out cities will be awarded none for the first year. Mayor Ungricht added

tax revenue might only go to cities with dispensaries, eliminating cities without dispensaries from marijuana tax revenues altogether.

Councilor Drill voiced concerns with the dispensary issue going to ballot. She understood the County and precinct voted in favor of recreational marijuana use but remains leery of the dispensary issue going to ballot before the community. Councilor Drill does not want a dispensary to locate in Falls City due to outside influences bringing potential harm to the community.

Mayor Ungricht reminded Council "We represent the community".

Councilor Meier found an interesting item in his research was the Salem dispensary owner said the majority of his "patients" were fifty-five years and older.

Councilor Drill referred to her information titled "The Unexpected Side Effect of Legalizing Weed" (Exhibit D). This study on the state of Colorado included increased law enforcement, dangerous growing practices, spikes in organized crime, homelessness and increased school expulsions.

Mayor Ungricht is not for a dispensary here, but cannot see the City refusing to allow a dispensary if citizens wanted it. He urged if Council was completely against the dispensary issue, they should vote to ban until the 2016 ballot, according HB-3400. This action would allow the City to follow state laws and eliminate risk of litigation. Mayor Ungricht assured Council he is working with the City Attorney and relaying the information to keep costs down. He offered a future City Council meeting with the Attorney should Council wish.

The status of the City of Dallas came into question. Jolene Guzman, Itemizer Observer reporter in attendance, replied the City of Dallas had not taken any action to date. Under the guidelines of HB-3400 if the city received a dispensary application it would have to be processed.

Council asked what would happen if the City did nothing. Councilor Meier responded by calling attention to proposed motion #1; "I move the City Council of the City of Falls City follow the procedures of HB-3400 in regulation Measure 91 and that staff produce an ordinance to submit to voters in November 2016 General Election to add a 3% tax on the sales and processing of Marijuana." The City would simply follow HB-3400 and its provisions. Much of Council was personally opposed to dispensaries.

Councilor D. Sickles clarified that if Council did nothing and followed HB-3400, no vote would follow. Mayor Ungricht affirmed no vote necessary.

Mayor Ungricht asked if following HB-3400 was Councils wishes. Council confirmed. Mayor Ungricht announced direction from Council following state law under HB-3400.

No Motion followed.

**E) 3<sup>rd</sup> of July Event-**

Mayor Ungricht cited Council decision to have an early plan in place for the 2016 3<sup>rd</sup> of July event. At the September 2015 Fire Association meeting three members appointed to meet with three City/Committee members to plan for the event. Three months have passed with no action from Parks and Recreation Committee or City Council. During 2016, staff would be extremely busy with the Water Master Plan and modifying the Waste Water Facility Plan. Due

to lack of interest by Parks and Recreation Committee and City Council, Mayor Ungricht recommended scaling 3<sup>rd</sup> of July festivities down to a barbeque and games in the Upper Park. He hopes the Fire Department would move forward through the Fire Association for insurance, releases to the City etc. The City could continue a portion of funding. \$1000.00 was budgeted from the City in 2015; \$1945.00 actually spent by the City on the 2015 3<sup>rd</sup> of July event.

Council showed no interest with event participation. The Fire Department would be notified as soon as possible of Council's position. Mayor Ungricht hoped Council understood he is not a last minute person.

**F) 2014-2015 Budget Audit-**

The 2014-2015 Accounting Procedural Budget Audit went well with three exceptions; the fire truck loan not added to state budget form LB-1, filed with the state, a carryover from the Wagner Trust Fund. The Wagner Trust carryover has been an issue since 2012 or 2013 but soon to be resolved. Lastly, Workers Compensation deducted from Parks funds was incorrect. No individual line item present led to line items appearing overspent. In actuality, overspending did not occur. Tom Glogau, the City's auditor found the City compliant and gave staff compliments on financial procedures in place. These procedures prevent misappropriations. Tom offered to assist with the next budget creating line items for all spending. Mayor Ungricht offered to have Tom available for questions from Council.

Councilor Drill inquired of future education opportunities for this type of audit. She expressed a valid difficulty to accept items of which she has little or no knowledge.

Councilor D. Sickles suggested Councilor Drill attend workshops offered through the League of Oregon Cities (LOC) or the Council of Governments (COG) to gain familiarity. Mayor Ungricht offered information on an upcoming budget workshop Councilor Drill may attend. Although a financial audit differs from a procedural audit, the workshop will touch on the topic of procedural checks and balances. There are no classes offered on procedural audits alone.

Councilor Drill thanked Mayor Ungricht, Clerk Protheroe and Clerk Hewitt for having proper procedures in place.

A motion was made by Councilor Meier and seconded by Councilor D. Sickles that the City Council of Falls City accept the Annual Finance Report for the Fiscal Year 2014-2015. Motion carried. Ayes: 5-0-0: Jennifer Drill, Tony Meier, Gerald Melin, Dennis Sickles and Julee Bishop.

**G) City Property Audit-**

Major metropolitan cities in Oregon self-insure. All smaller cities use Citycounty Insurance (CIS).

**H) Fire Assistance Grant-**

The Falls City Fire Department (FCFD) applied with the United States Department of Agriculture (USDA) for a Fire Assistance Grant to fight wildland fires March 2015. The Fire Assistance grant awarded to FCFD May 31, 2015 but not put on Mayor Ungricht's desk until November 23, 2015. Mayor Ungricht felt comfortable meeting the requirements of the Fire Assistance Grant by its December 15, 2015 deadline to have tools and equipment purchased. Items included a fire shelter, radios, pagers, breathing apparatus, etc. Should the December 15 deadline pass, it could cost the City \$2429.50. FCFD Volunteer hours for training and clerical work hours used as "in-kind" to receive reimbursement of tools and equipment. Mayor Ungricht felt accepting

this grant would create a stronger relationship between FCFD and City staff. It could be an opportunity to educate each other on needs.

Mayor Ungricht noted the FCFD does not submit reports to Council, as they should. Due to a quickly approaching deadline, FCFD's "In-Kind" hours submitted in irregular format; staff hopes granting agencies accept documentation. Normally, if agencies require any changes or additional information, that is completed in a timely manner well before the close of any deadlines.

A motion was made by Councilor Drill and seconded by Councilor Melin that the City Council of the City of Falls City approve the terms of the Volunteer Fire Assistance Grant Application. Motion Carried. Ayes 5-0-0: Jennifer Drill, Tony Meier, Gerald Melin, Dennis Sickles and Julee Bishop.

**1) Request For Qualifications (RFQ) Review Panel Recommendation**

The City received three proposals for the Master Water Plan. RFQ Review Panel conducted review. The Panel consisted of Mayor Ungricht, Council President Dennis Sickles, Public Works Lead Don Poe, City Clerk Domenica Protheroe and Public Works Committee Secretary Guy Mack.

Pace Engineering (Pace) - \$75,000.00, HBH Engineering (HBH) - \$48,980.00 and Civil West Engineering (Civil West) - \$70,486.00 submitted bids. Panel reviewed proposals with unanimous favor for Pace Engineering based on scores. However, Pace and Civil West did not adhere to the RFQ's "Do not exceed" as required. The RFQ Panel recommended HBH Engineering. HBH included the "Do not exceed" as required, presented lowest cost, and have familiarity with Falls City.

Councilor Drill disagreed with Panel recommendation for HBH Engineering. She was impressed with Pace's familiarity with the City of Falls City.

Don Poe, Public Works Lead Worker agreed, but \$75,000.00 was a high cost.

HBH Engineering is currently the state's Circuit Rider. HBH assists cities that need help meeting state requirements to attain project funding. The state appointed HBH to oversee the City's previous engineer on the Wastewater Plan. HBH salvaged the City's Wastewater Plan into a lesser Facility Plan for state compliance in order to get funding to pay for the project. They have also done contact work at the Treatment Plant. HBH is close to Pace in familiarity with Falls City.

Council questioned why two bids were close to the same cost range and the other was considerably lower. Some discussion followed. Councilor Melin suggested that perhaps, it was due to their familiarity with our system.

Mayor Ungricht felt the lower bid was also due to HBH being a smaller firm and specializing in City Block Grants (CBG). HBH has engineered the most water treatment plants of the three firms. HBH has a successful specialty niche in funding.

Further discussion ensued regarding the possibility of renegotiation with Pace for a lower bid. However, sealed bids are final costs from firms for a service. Renegotiation with any of the bidding firms would cause all bids thrown out and the RFQ process restarted. Mayor Ungricht felt comfortable with HBH as they are very familiar with the City's wastewater system and have been very helpful to him in the past.

Potential litigation was mentioned by Councilor D. Sickles if Pace awarded over HBH. This is due to the fact HBH was the only firm to include the required "Do not exceed" cap in the City's RFQ. The City would be in violation if it did not adhere to its own guidelines of the RFQ as well.

A motion was made by Councilor Melin and seconded by Councilor Meier that the City of Falls City approve the top ranked bidder, HBH Consulting Engineers and authorize staff to negotiate, finalize and execute an appropriate service contract. Motion Carried. Ayes 4-1-0: Tony Meier, Gerald Melin, Dennis Sickles and Julee Bishop. Nays: Jennifer Drill

**J) Tony Drill Resignation Parks and Recreation Committee**

A motion was made by Councilor Meier and seconded by Councilor D. Sickles that the City Council of Falls City accept the resignation of Tony Drill. Motion Carried. Ayes 5-0-0: Jennifer Drill, Tony Meier, Gerald Melin, Dennis Sickles and Julee Bishop

**6) Correspondence, Comments and Ex-Officio Reports**

The Annual Christmas Tree Lighting was a success. Approximately 150 people attended. Councilor Drill thanked those involved and the City for allowing the event to take place. There is an upcoming Town Hall meeting Tuesday, December 15 at 7pm., Councilor Drill will work to have Appointed Sheriff Garton attend and answer any questions.

Recently Councilor Drill attended a "Great Oregon Shakeout" seminar centered on effects of the Cascadia Subduction Zone sponsored by Oregon Office of Emergency Management (OOEM). She brought back many items and resources to consider. The question arose as to whether sandbags are available to residents during floodwaters. Supplies are located on the Old Mill lot across from the post office on Bridge Street. The County supplies sand bags. Don Poe Public Works Lead supplies recycled sand from the treatment plant. It is self-serve and residents bring their own shovels. Many residents utilize the items each year to keep floodwaters away from homes.

The next Emergency Team meeting to take place the first part of January 2016. Additional information included in the January newsletter. Mayor Ungricht noted the newsletter deadline for information submittal by the 15<sup>th</sup> of each month.

Council requested an update on vacant homes. The City has been working with City of Albany for assistance. Information provided for several vacant properties; however, Albany has not taken action to follow up. Mayor Ungricht will contact Albany for an update.

Mayor Ungricht sought direction from Council on a Dallas Chamber of Commerce invoice for \$195.00 due on January 1, 2016. Formerly, the City had belonged to the Chamber but saw no real benefit to membership. Council was asked to share any benefits he has not recognized. Council agreed to leave the Chamber invoice and membership up to Mayor Ungricht's discretion.

Mayor Ungricht asked Council to allow staff to work on, and budget for new Fire Department grants available. Mayor Ungricht said a supplemental budget might be necessary.

A motion was made by Councilor Melin and seconded by Councilor Meier granting staff permission to work on and budget for Fire Department grants. Motion Carried. Ayes 5-0-0: Jennifer Drill, Tony Meier, Gerald Melin, Dennis Sickles and Julee Bishop

Date needed for Council Goal setting. Mayor Ungricht feels staff is better oriented to City needs such as a later model truck for Public Works and a road grader. A truck and grader could be available from state surplus. This would come out of the General Fund. Trail grants would be another goal. Council was requested to keep goals within reach. Council of Governments (COG) would be available to aid with the Goal setting process. Council felt COG assistance was not necessary due to prior goal setting experience. Council inquired of Councilor Bishop regarding her work schedule and availability. It was determined all members would submit "unavailable" dates in order schedule a Council Goal Setting Work Session all can attend. Council President Dennis Sickles and a member of City staff will help with the process.

Mayor Ungricht announced a vacancy on the Budget Committee. Those interested in serving please turn in applications.

Council requested an update on the Falls City Alliance (Alliance) loan. They are two months overdue on payments and seeking another form of funding. An extension was granted. Mayor Ungricht noted a property with a very large lien owed to the City staff hopes to collect. He explained in the past, the City received monies from Community Development Corporation grants (CDCG) available to the community. \$274,721.00 total CDCG funds are currently available in active loans including revolving funds. It is possible; that monies- if collected or granted could be used to build a starter home or low-income apartments. The income from sales would then create a perpetual fund, which could convert into seed money for cleaning up properties within the City. Mayor Ungricht requested Council to consider this idea of investing in properties to lift the blight off the City. Kimberly Lyle at CDC would like to meet with Mayor Ungricht and explore options and programs to help our low-income residents in the community.

John Gilbert offered to paint the Community Center at a bid of \$300.00. No other bids submitted to the City. Councilor D. Sickles asked if a fundraiser would pay for it. Mayor Ungricht would look into fundraising. Normally administrative maintenance monies would pay for painting.

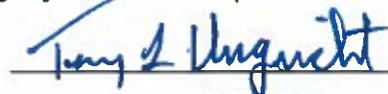
7) **Mayors Report**

Attached to the Mayor's Report was an email exchange between Representative Gromberg and Mayor Ungricht regarding Gromberg's recent visit to the City. During this meeting, Gromberg asked those present to prioritize concerns, Code and Law enforcement were the forefront. He jested with an idea of legislation providing one police officer to each city in Oregon. Mayor Ungricht intends to press that offer to provide enforcement for the City.

8) **Council Announcements**

9) **Adjourn**

The meeting adjourned at 8:45 pm.



Mayor Terry Ungricht

Attested:



City Clerk JoHanna Hewitt

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## AGENDA REPORT

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**TO:** CITY COUNCIL  
**FROM:** MAYOR UNGRICHT  
**SUBJECT:** RFQ REVIEW PANEL RECOMMENDATION  
**DATE:** 12/7/2015

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### SUMMARY

The Falls City Council directed staff to publish an RFQ for engineering proposals on a Master Water Plan. Council directed staff to set up a review panel to go over and score the engineering proposals.

### BACKGROUND

Council moved to have a review panel made up of Mayor Ungricht, Council President Sickles, Public Works Lead Don Poe, City Clerk Domenica Protheroe, and Public Works Committee Secretary Guy Mack to oversee the opening and scoring of the RFQ proposals.

The City received three proposals for the Master Water Plan;

- 1) PACE Engineering, bid \$75,000.00
- 2) HBH Engineering, bid \$48,980.00
- 3) Civil West Engineering, bid \$70,486.00

The Panel discussion accepted that all of the firms were qualified to perform the project.

PACE engineering was felt to be the most experienced with Falls City, they were lead on the water treatment plant and are very familiar with our system, they have the most depth of staff, and would be the easiest for City staff to work with.

HBH also scored high in familiarity with our system; they have performed contact times at the treatment plant and helped the City salvage the Waste Water Plan for collection of the grant money. It was felt that HBH also had excellent relationships with the regulatory and finance agencies and they had performed recent Master Water Plans.

Civil West Engineering was felt to have the least experience in Master Water Plans, in their references the last one they performed was in 2009. It was also felt that Civil West was in the midst of expanding and had the least depth of staff. They indicated that they would be subcontracting work related to the plan and this deducted points from most of the review panel members scoring.

So in the discussion, not taking cost into account, it was felt that PACE scored the highest on being able to perform the job. When cost was thrown into the discussion HBH scored the highest. HBH was also the only bidder to follow the "contracting Fees" on page 5 of the RFQ, with a not to exceed bid.

The review panel recommends to Council that they approve the top ranked bidder and enter into an agreement with HBH Consulting Engineers to perform the required Master Water Plan for State review and acceptance.

### PREVIOUS COUNCIL ACTION

Listed above

**ALTERNATIVES/FINANCIAL IMPLICATIONS**

Accept proposal from PACE Engineering at the cost of \$75,000.00 to complete the proposed project.

**STAFF RECOMMENDATION**

Staff recommends approval of HBH Engineering. Accepting the lowest bidder follows guidelines of the granting agencies.

**EXHIBIT**

**PROPOSED MOTION**

I move the City Council of the City of Falls City approve the top ranked bidder, HBH Consulting Engineers, and authorize staff to negotiate, finalize, and execute an appropriate service contract.

Exhibit J

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## AGENDA REPORT

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**TO:** COUNCIL  
**FROM:** MAYOR UNGRICHT  
**SUBJECT:** PARKS AND RECREATION COMMITTEE RESIGNATION  
**DATE:** 09/09/2015

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### **SUMMARY**

Staff received a letter of resignation from Tony Drill.

### **BACKGROUND**

Tony Drill was appointed to the Parks and Recreation Committee in February of 2015. Tony Drill submitted a letter of resignation effective 12/01/2015. This will create a vacancy on the Parks Committee.

### **PREVIOUS COUNCIL ACTION**

N/A

### **ALTERNATIVES/FINANCIAL IMPLICATIONS**

There are no fiscal impacts.

### **STAFF RECOMMENDATION**

Accept resignation.

### **EXHIBIT**

N/A

### **PROPOSED MOTION**

I move the Falls City Council accept the resignation of Tony Drill from the Parks and Recreation Committee.

Exhibit A



OREGON LIQUOR CONTROL COMMISSION

## Record of Cities/Counties Prohibiting Licensed Recreational Marijuana Facilities

The following cities or counties have prohibited the establishment of Licensed Recreational Marijuana producers, processors, wholesalers, and/or retailers.

The cities or counties listed below have:

- Provided the OLCC with a copy of their ordinance, per House Bill 3400
- Signed and returned the official "Local Option Opt-Out" form which can be found at [www.marijuana.oregon.gov](http://www.marijuana.oregon.gov)

Affected city/county	Producer Prohibited (Y/N)	Processor Prohibited (Y/N)	Wholesale Prohibited (Y/N)	Retail Prohibited (Y/N)	To Be Put On General Election (Y/N)
Douglas County	Y	Y	Y	Y	Y
City of Ontario	Y	Y	Y	Y	N
City of Brownsville	Y	Y	Y	Y	Y
City of Vale	Y	Y	Y	Y	N
City of Nyssa	Y	Y	Y	Y	N
City of Sandy	Y	Y	Y	Y	Y
Island City	Y	Y	Y	Y	N
Umatilla County	Y	Y	Y	Y	N
Harney County	Y	Y	Y	Y	N
Malheur County	Y	Y	Y	Y	N
City of Sutherlin	Y	Y	Y	Y	Y
Junction City	Y	Y	Y	Y	Y
City of Jordan Valley	Y	Y	Y	Y	N
City of John Day	Y	Y	Y	Y	N
City of Creswell	Y	Y	Y	Y	Y
Crook County	Y	Y	Y	Y	N
City of Sweet Home	Y	Y	Y	Y	Y
City of Manzanita	Y	Y	Y	Y	Y
City of Adrian	Y	Y	Y	Y	N
City of Elgin	Y	Y	Y	Y	N
Wheeler County	Y	Y	Y	Y	N
Baker City	Y	Y	Y	Y	N

City of Umatilla	Y	Y	Y	Y	N
Canyon City	Y	Y	Y	Y	N
City of Ione	Y	Y	Y	Y	N
City of Grants Pass	Y	Y	Y	Y	Y
City of Klamath Falls	Y	Y	Y	Y	N
Klamath County	Y	Y	Y	Y	N
City of Dayville	Y	Y	Y	Y	N
City of Burns	Y	Y	Y	Y	N
Marion County	Y	Y	Y	Y	Y
Morrow County	Y	Y	Y	Y	N
City of Shaniko	Y	Y	Y	Y	Y
City of Lebanon	Y	Y	Y	Y	Y
Baker County	Y	Y	Y	Y	N
City of Coburg	Y	Y	Y	Y	Y
City of Myrtle Point	Y	Y	Y	Y	Y
City of Fairview	Y	Y	Y	Y	Y
City of Richland	Y	Y	Y	Y	N
City of Ukiah	Y	Y	Y	Y	N
City of Halsey	Y	Y	Y	Y	Y
City of Spray	Y	Y	Y	Y	N
City of Eagle Point	Y	Y	Y	Y	Y
City of Millersburg	Y	Y	Y	Y	Y
City of Gervais	Y	Y	Y	Y	Y
City of Lexington	Y	Y	Y	Y	N
City of Gladstone	Y	Y	Y	Y	Y
City of Grass Valley	Y	Y	Y	Y	N
City of LaGrande	Y	Y	Y	Y	N
City of Wallowa	Y	Y	Y	Y	N
Linn County	Y	Y	Y	Y	Y
City of Damascus	Y	Y	Y	Y	Y
Jefferson County	Y	Y	Y	Y	Y
City of Mount Vernon	Y	Y	Y	Y	N
Oregon City	Y	Y	Y	Y	Y
City of Heppner	Y	Y	Y	Y	N
Union County	Y	Y	Y	Y	N
City of Hubbard	Y	Y	Y	Y	N*
Prairie City	Y	Y	Y	Y	N
City of Irrigon	Y	Y	Y	Y	N
Mill City	Y	Y	Y	Y	Y
City of Aumsville	Y	Y	Y	Y	Y

Please contact the individual city or county for a copy of their local ordinance.

*\*The City of Hubbard's provided ordinance is temporary and will expire on August 1, 2016, or when the city adopts zoning and other regulations for marijuana facilities, whichever comes first.*



OREGON LIQUOR CONTROL COMMISSION

Exhibit B

# Marijuana Local Option Opt-Out Form

This form allows local cities and counties to elect out of the Recreational Marijuana program, prohibiting the establishment of Marijuana producers, processors, wholesalers, and/or retailers licensed under section 19, 20, 21 or 22, chapter 1, Oregon Laws 2015.

- All fields on this form are required with exception to "Affected City." Please only complete the "Affected City" field if applicable.
- You may return the completed document to [marijuana@oregon.gov](mailto:marijuana@oregon.gov) or via hard copy mail: Attn: Marijuana Division, OLCC, 9079 SE McLoughlin Blvd, Portland, OR 97222-7355

Today's Date:	
Affected County:	
Affected City (If applicable):	
Contact Person:	
Phone:	Email:
Governing Body:	Title:

OLCC License Type (Please check all that apply):

<input type="checkbox"/> Producer <input type="checkbox"/> Processor <input type="checkbox"/> Wholesale <input type="checkbox"/> Retail
--

Effective Date of the Ordinance (Please Attach Copy of Ordinance):

Printed Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Exhibit C

**CITY OF ELGIN, OREGON ORDINANCE 177 (2015)  
AN ORDINANCE REGULATING MARIJUANA WITHIN THE CITY LIMITS OF ELGIN, OREGON;  
AND DECLARING AN EMERGENCY.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ELGIN, OREGON, THAT:**

**SECTION 1:** The City of Elgin has determined that the commercial production and distribution of Marijuana within the city limits of Elgin would negatively affect the health, safety and welfare of the citizens and visitors to our community; and in addition be a violation of Federal Law, AND;

**SECTION 2:** Therefore, the City of Elgin hereby places a prohibition on the establishment and location of Medical Marijuana Facilities/Dispensaries within Elgin, as described in House Bill 3460, which was approved by the Oregon Legislature in the 2013 Special Session, AND;

**SECTION 3:** Furthermore, the City of Elgin places a prohibition on the establishment and location of Recreation Marijuana Producers, Processors, Wholesalers and Retailers within Elgin as described in Ballot Measure 91, which was approved by the Oregon voters in November 2014, AND;

**SECTION 4:** It shall also be unlawful within Elgin to cultivate, process or consume Marijuana, or Marijuana products, in public places or within public view, AND;

**SECTION 5:** In addition, the city of Elgin places a prohibition on all sales and deliveries of recreational Marijuana within Elgin, AND;

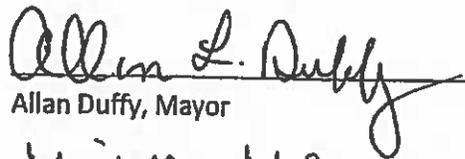
**SECTION 6:** If any provisions, or portion thereof, contained in this ordinance is held unconstitutional, invalid, or unenforceable, the remainder of this ordinance shall be deemed severable, shall not be affected, and shall remain in full force and effect, AND;

**SECTION 7:** Any person, agent, or representative of a person who violates any provision of this Ordinance commits a civil infraction and shall be subject to forfeiture in an amount not exceeding \$500. For each day that a person engages in the violation, a separate offence is committed.

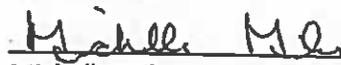
**NOW THEREFORE,** the City of Elgin Ordains as Follows;

**SECTION 8: Declaration of Emergency:** It is hereby determined and found that this ordinance is necessary for the immediate preservation of the public health, peace and safety of the people of the City of Elgin, and by reason of the foregoing, an emergency is hereby declared to exist and this ordinance shall be in full force and effect immediately upon and after the passage by the City Council and signed by the Mayor of the City of Elgin.

Passed and adopted by the City Council of the City of Elgin, Oregon, and signed by the Mayor of the City of Elgin, Oregon, this 24<sup>th</sup> day of May, 2015, effective immediately.

  
Allan Duffy, Mayor

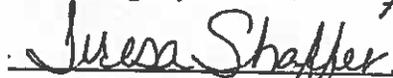
  
Brock Eckstein, Recorder/Administrator

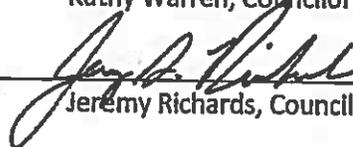
  
Michelle Miles, Councilor yes

Brent Linville, Councilor —

  
Rocky Burgess, Councilor yes

Kathy Warren, Councilor —

  
Teresa Shaffer, Councilor yes

  
Jeremy Richards, Councilor yes

**ORDINANCE NO. 3342**

**AN ORDINANCE PROHIBITING MEDICAL AND RECREATIONAL MARIJUANA PROCESSING SITES, MARIJUANA DISPENSARIES, MARIJUANA PRODUCERS, MARIJUANA PROCESSORS, MARIJUANA WHOLESALERS, AND MARIJUANA RETAILERS IN THE CITY OF BAKER CITY, AND DECLARING AN EMERGENCY**

**WHEREAS,** The Oregon legislature enacted House Bill 3400 (2015), which allows cities to prohibit various activities relating to the producing, processing, wholesaling, selling, and dispensing of marijuana if not less than 55% of votes cast in the county in which the city is located, during the statewide general election held on November 4, 2014, on Ballot Measure 91 (chapter 1, Oregon Laws 2015) were in opposition to the Ballot Measure; and

**WHEREAS,** The City of Baker City is located in Baker County, Oregon and 59.4% of votes cast in the county during the statewide general election held on November 4, 2014, on Ballot Measure 91, (chapter 1, Oregon Laws 2015) were in opposition to the Ballot Measure; and

**WHEREAS,** Within the City of Baker City 57.5% of the votes cast during the statewide general election held on November 4, 2014, on Measure 91, (chapter 1, Oregon Laws 2015) were in opposition to the Ballot Measure; and

**WHEREAS,** 21 USC § 801, *et seq*, the Federal Controlled Substances Act, prohibits the manufacture, distribution, and possession of marijuana, and imposes criminal penalties for violating the act; and

**WHEREAS,** It is in the best interest of the health, safety, and welfare of the citizens of Baker City to prohibit various activities relating to the producing, processing, wholesaling, selling, and dispensing of medical and recreational marijuana in the City of Baker City and the area subject to the jurisdiction of the City of Baker City; and

**WHEREAS,** Prior to the passage of HB 3400, the City Council held numerous meetings in which citizens were invited to comment about marijuana, and the Council has enacted several ordinances dealing with medical marijuana; recreational marijuana; and the establishment of medical and recreational marijuana facilities; and

**WHEREAS,** In 2014, the City Council enacted Ordinance No. 3330 which prohibited marijuana facilities and dispensaries within the City of Baker City; and

**WHEREAS,** In 2014, the City Council enacted Ordinance No. 3333, which placed a moratorium on medical marijuana facilities within the City of Baker City; and

**CIVIL ACTION**

In addition to, or in lieu of, the imposition of a fine under Ordinance No. 3342, the City of Baker City may initiate a civil action against any person or entity violating Ordinance No. 3342 for any remedies available under Oregon law, including but not limited to obtaining mandatory and prohibitory injunctions and orders of abatement. If the City of Baker City prevails in such civil action, the City of Baker City shall be entitled to its reasonable attorney fees and court costs.

**SEVERABILITY**

If any part or section of this Ordinance is invalid or unenforceable in any respect for any reason, the validity and enforceability of any such provision in any other respect and of the remaining provisions of this Ordinance shall not be in any way impaired.

SECTION 2. Ordinance No. 3336 is hereby repealed.

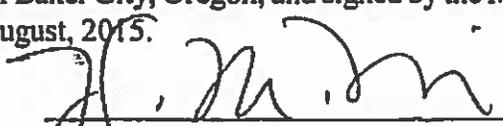
SECTION 3. It is hereby determined and found that this ordinance is necessary for the immediate preservation of the public health, peace and safety of the people of the City of Baker City, and by reason of the foregoing, an emergency is hereby declared to exist and this ordinance shall be in full force and effect immediately upon and after its passage by the City Council and signed by the Mayor of the City of Baker City.

READ for the first time in full this 28<sup>th</sup> day of July, 2015.

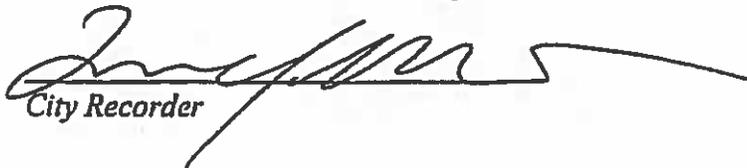
READ for the second time by title only this 11<sup>th</sup> day of August, 2015.

READ for the third time by title only this 25<sup>th</sup> day of August, 2015

PASSED by the City Council of the City of Baker City, Oregon, and signed by the Mayor of the City of Baker City, Oregon, this 25<sup>th</sup> day of August, 2015.

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Recorder

**ORDINANCE NO. 2015-01**

**AN ORDINANCE OF THE CITY OF PRAIRIE CITY PROHIBITING MARIJUANA ESTABLISHMENTS;  
PROHIBITING THE SALE OF MARIJUANA RETAIL PRODUCTS; AND DECLARING AN EMERGENCY**

WHEREAS, Section 133, Chapter 614, Oregon Laws 2015 (Enrolled House Bill 3400) allows a city to prohibit various establishments relating to the producing, processing, wholesaling, selling, and dispensing of marijuana if not less than 55% of votes cast in the county in which the city is located during the statewide general election held on November 4, 2014 were in opposition to Ballot Measure 91, Chapter 1, Oregon Laws 2015 (the "Ballot Measure"); and

WHEREAS, the City of Prairie City ("City") is located in Grant County, Oregon (the "County") and 64.8% of votes cast in the County during the statewide general election held on November 4, 2014 were in opposition to the Ballot Measure; and

WHEREAS, the issue of whether a local government believes a certain type of business should operate within its jurisdictional limits is a local government decision, the enforcement of which is subject to the general and police powers of that jurisdiction; and

WHEREAS, the Prairie City City Council (the "Council") believes it is in the best interests of the health, safety, and welfare of City's citizens to prohibit (ban) marijuana establishments relating to the producing, processing, wholesaling, selling, and/or dispensing of marijuana within City's jurisdictional limits.

NOW, THEREFORE, the City of Prairie City ordains as follows:

1. **Findings.** The above-stated findings are hereby adopted.
2. **Short Title.** This Ordinance No. 2015-01 may be referred to as the "Marijuana Banning Ordinance" and will be cited and referred to herein as this "Ordinance."
3. **Purpose.** The purpose of this Ordinance is to minimize any adverse public safety and health impacts that may result from allowing marijuana establishments to operate in City's jurisdictional limits.
4. **Prohibited Establishments; Sales.**

4.1 **Establishments Prohibit.** City hereby prohibits (bans) the establishment of the following in any area subject to City's jurisdiction (collectively, the "Ban"): (a) marijuana processing sites required to be registered under Section 85, Chapter 614, Oregon Laws 2015; (b) medical marijuana dispensaries required to be registered under ORS 475.314; (c) marijuana producers required to be licensed under Section 19, Chapter 1, Oregon Laws 2015; (d) marijuana processors required to be licensed under Section 20, Chapter 1, Oregon Laws 2015; (e) marijuana wholesalers required to be licensed under Section 21, Chapter 1, Oregon Laws 2015; (f) marijuana retailers required to be licensed under Section 22, Chapter 1, Oregon Laws 2015; and/or (g) any combination of the entities described in this Section 4.1.

4.2 Limited Marijuana Retail Product Sales Prohibited. Without otherwise limiting the marijuana ban provided under Section 4.1, City hereby prohibits the sale of limited marijuana retail products through medical marijuana dispensaries in any area subject to City's jurisdiction. "Limited marijuana retail product" means the seeds of marijuana, the dried leaves and flowers of marijuana, and a marijuana plant that is not flowering.

5. Ban Application. The Ban imposed under this Ordinance applies to any decision, action, and/or recommendation by City, including, without limitation, the issuance of building permits, land use permits, business and regulatory licenses, and/or any other form of approval. This Ban extends to any decision by the Oregon Health Authority ("OHA") acting under ORS 475.314, as amended, and/or Section 85, Chapter 614, Oregon Laws 2015. This Ban extends to any decision by the Oregon Liquor Control Commission ("OLCC") acting under Sections 19, 20, 21, and/or 22, Chapter 1, Oregon Laws 2015.

6. Enforcement; Penalties. This Ordinance and the Ban will be enforced by any sworn peace officer authorized to enforce the laws of City and/or any other City official authorized to administer City's land use, development, nuisance, building, and/or other regulations. In addition, City may initiate appropriate suit or legal action in a court of competent jurisdiction to enforce this Ordinance. Any violation of this Ordinance is punishable by a fine not to exceed \$500.00 per violation. City will be entitled to collect from any person violating this Ordinance City's attorney fees and other fees, costs, and expenses incurred by City to enforce this Ordinance. Each violation, and each day that a violation continues, constitutes a separate civil infraction. The remedies available under this Ordinance are not exclusive of any other remedies available under any applicable federal, state, and/or local laws, regulations, and/or ordinances. It is within the discretion of City to seek cumulative remedies for a violation of this Ordinance.

7. Notice to OHA; Notice to OLCC. City's city recorder or city attorney will notify OHA of City's adoption of this Ordinance and provide the text of this Ordinance to OHA in a form and manner prescribed by OHA. City's city recorder or city attorney will notify OLCC of City's adoption of this Ordinance and will provide the text of this Ordinance to OLCC in a manner prescribed by OLCC.

8. Interpretation; Severability; Errors. This Ordinance repeals and supersedes all ordinances, resolutions, and/or policies in conflict with this Ordinance. All pronouns contained in this Ordinance and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the parties may require. The singular includes the plural and the plural includes the singular. The word "or" is not exclusive. The words "include," "includes," and "including" are not limiting. Any reference to a particular law, rule, regulation, code, or ordinance includes the law, rule, regulation, code, or ordinance as now in force and which may hereafter be amended. The provisions of this Ordinance are hereby declared to be severable. If any section, subsection, sentence, clause, and/or portion of this Ordinance is for any reason held invalid, unenforceable, and/or unconstitutional, such invalid, unenforceable, and/or unconstitutional section, subsection, sentence, clause, and/or portion will (a) yield to a construction permitting enforcement to the maximum extent permitted by applicable law, and (b) not affect the validity, enforceability, and/or constitutionality of the remaining portion of this Ordinance. This Ordinance may be corrected by order of the Council to cure editorial and/or clerical errors.

9. Emergency Declaration. The Council finds that passage of this Ordinance is necessary for the immediate preservation of the peace, health, and safety of City's citizens. The Council further finds that a delay of thirty (30) days prior to the effective date of this Ordinance may result in acts,

omissions, and/or conditions detrimental to City and the public welfare. Therefore, an emergency is declared to exist and this Ordinance will be in full force and effect upon its passage and adoption by the Council and approval of the mayor.

This Ordinance was PASSED and ADOPTED by the Council by a vote of \_\_\_ for and \_\_\_ against and APPROVED by the mayor on this \_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Jim Hamsher, Mayor

ATTEST:

\_\_\_\_\_  
Taci Philbrook, City Recorder

Exhibit D

Register

Sign in

## OPINION

# The Unexpected Side Effects of Legalizing Weed

BY MARJORIE HAUN 6/6/15 AT 4:24 PM

De Beque is little more than an outpost nestled along I-70 as it winds its way through the rugged hills of western Colorado. Clearly visible from the highway is the quirky façade of Kush Gardens, the first recreational pot shop to be approved in Mesa County.

After the resounding passage in November 2012 of Amendment 64, the law that made recreational pot legal in Colorado, many counties and cities in the state quickly placed moratoriums on the commercial growing and retail marketing of cannabis. Mesa County's Board of Commissioners passed such a moratorium shortly after the election in 2012, but in 2014 officials in De Beque took up the matter and opted to allow commercial pot interests to operate in their town.

A town built on oil and gas, mining and agriculture, De Beque has suffered a series of economic blows, first because of the recession of 2008, then due to onerous clean air regulations handed down by the Environmental Protection Agency (EPA) that drove up the cost of exploration and extraction of fossil resources and, most recently, as a result of the drop in gas prices that made it unviable for many oil and gas companies to operate in the area. The hemorrhaging of jobs and oil and gas revenues likely made the temptation of cannabis tax revenues irresistible for a town struggling against extinction.

### Try Newsweek for only \$1.25 per week

Retail marijuana was not the first choice among De Beque's stop-gap economic measures. Early in 2014, the town lobbied the state to establish what would be western Colorado's only gambling casino. After state legislators quashed plans for a casino along the I-70 corridor, in April 2014, residents of De Beque voted narrowly to welcome retail cannabis into their town.

But the saga of De Beque is more than that of an economically strapped small town glomming onto a means of survival. Retail recreational cannabis is changing Colorado's social, economic and political landscapes in ways that few could have imagined.

### Breathtaking oversimplification

Amendment 64 was approved of by 55 percent of Colorado voters in 2012. Promoted as a revenue-generating "regulate marijuana like alcohol" measure, its passage and ensuing repercussions caught many by surprise. Regulating marijuana like alcohol, it appears, is a breathtaking oversimplification of what is required to turn an illegal intoxicant into a viable commodity.

The citizen-led ballot initiative behind Amendment 64 went beyond simple decriminalization and created a new civil right by encoding the possession and use of pot into the Colorado State Constitution.

Following the amendment's passage, Colorado had just six months to create a legal and regulatory framework for the growing, sale and distribution of recreational cannabis. At that time, medical marijuana, which was recognized by the state in 2000, remained largely unregulated, lacking rules governing dosage, purity, growing practices, etc.

In the months since the law legalizing recreational pot was implemented, the state of Colorado has awarded more than 600 licenses to medical marijuana growers and nearly 400 to recreational marijuana growers. Separate licenses are required for medical vs. recreational outlets and growing facilities.

Often a single proprietor will have several licenses covering the growing, sale and manufacturing of marijuana "edibles" and infused products for both medical and recreational cannabis. Despite the demand of state-issued licenses, few regulations governing either medical or recreational pot existed at the time the law was implemented in July 2013.

Amendment 64 provided some guidelines regarding what amounts of pot could be legally possessed, how many plants could be grown under what circumstances, etc., but the Colorado Department of Revenue was tasked with licensing and regulating all recreational and medical cannabis operations. Critical matters beyond fees and licensing criteria were overlooked, including agricultural issues such as pesticide use and the impact of outdoor growing facilities on other crops.

Agriculture is a dominant economic driver in most of Colorado's small towns outside of the Front Range cities of Boulder, Denver and Colorado Springs. With cannabis still illegal under federal law, a dearth of information about what pests attack cannabis and what pesticides can be used safely on the plants has resulted in confusion and, in some cases, dangerous growing practices.

#### Addiction to cannabis revenue

In March of this year plants at several growing facilities in the Denver area had to be quarantined because of the misuse of "pesticides." The pesticides, it turns out, were improvised concoctions of chemicals, including some unidentifiable mixtures. Cannabis growers have been left to improvise since no commercial pesticides are labeled for legal use on cannabis plants.

Some farmers have expressed alarm over the potential of marijuana growing operations in close proximity to established crops. Plans for a medical marijuana facility in Palisade, a tiny farming town whose main crop is peaches, have peach growers worried about the potential spread of pests, molds and fungi from cannabis to their established orchards. The agricultural implications of the cannabis industry, it seems, were not a consideration at the time it became a legal crop.

The wave of enthusiasm following the passage of Amendment 64 has given way to a drip, drip, drip of unintended consequences. Law-enforcement issues, such as marijuana-intoxicated driving and the illegal movement of vast amounts of cannabis product into other states, are the tip of the iceberg.

Social and law-enforcement issues resulting from the Colorado interstate pot pipeline prompted Nebraska and Oklahoma to file lawsuits against the state, citing the fact that marijuana commerce violates federal law and increases the burdens of law enforcement in other states.

Other symptoms of Colorado's pot culture include increased use among teens, resulting in educational problems in middle schools and high schools, a spike in "edibles"-related emergency room visits, consumption by children and pets resulting in illness and death and regulatory confusion surrounding public consumption and enforcement.

Colorado's addiction to cannabis revenue may prove to be the most harmful implication of all. Towns such as De Beque, where cannabis is replacing coal and cattle as a means of income, imperil themselves by staking the future on a substance that is still illegal in most states and that half of Americans still regard as a social evil.

In 2014 and 2015, nearly \$6 million in pot revenues have been distributed to local governments. But the cost of increased law enforcement, drugged-driving incidents, fatal crashes, loss of productivity and a huge spike in gang-related crime bring into question the cost-benefit of those dollars.

Teen drug-related school expulsions are also on the rise. And the notion that prisons filled with minor drug offenders would be relieved of overcrowding—a selling point of legalizing marijuana—has been blown to smithereens.

Denver's homeless population has exploded since Amendment 64 went into effect. And there are indications that finite tourist dollars are going more to pot and less to Colorado's iconic natural wonders.

Cannabis is an intoxicant, proven to be dangerous to adolescents who use regularly, as well as to adults who are addicted to its calming, high-producing chemical, THC. But building a tax empire on a narcotic substance may be a dangerous proposition for the Centennial State.

Colorado's Cannabis-Industrial Complex cannot sustain a complex economy traditionally built on natural resources, agriculture, innovation and family-friendly tourism. The eyes of other states eager to legalize pot should be firmly fixed on the unfolding saga of towns such as Denver, Boulder and De Beque, Colo.

Marjorie Haun is a Colorado resident who blogs on Colorado state policies and good government. This article first appeared on The Daily Signal.

*End of Article*