

1 Depoe Bay City Council  
2 Special Meeting  
3 Monday, September 21, 2015 – 6:30 PM  
4 Depoe Bay City Hall

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6

7 PRESENT: Mayor A.J. Mattila, J. Fisher-Brown, R. Gambino, J. Grant, S. Olsen, S. Sparks, C. Teem

8

9 STAFF: City Recorder P. Murray, City Superintendent B. Weidner, Recording Secretary  
10 E. LuMaye

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### 13 I. PLEDGE OF ALLEGIANCE

14 Mayor Mattila called for all to stand for the Pledge of Allegiance.

15

### 16 II. PUBLIC HEARING

17 • Appeal of Determination to Grant City Business License – Black and Yellow, LLC

18 Mayor Mattila read the opening statement (copy attached to original of these minutes), and called for  
19 declarations of conflict of interest, bias, or ex-parte contact. Fisher-Brown declared she has a direct  
20 conflict of interest and recused herself. Mayor Mattila asked if anyone objected to any Councilor hearing  
21 and considering this case, due to conflict or bias; there were no objections.

22

23 Murray called roll, and a quorum was established.

24

25 Mayor Mattila opened the public hearing. Murray identified new written testimony: 1) Appellants Jim  
26 and Robin Schaal in support of the appeal, 2) Appellants Fred and Linda Cornilles in support of the  
27 appeal, 3) Cheryl Malkmus in support of the appeal, 4) Gudrun Jacobsen in support of the appeal, 5)  
28 Linette Butt in support of the appeal, and 6) Carolyn Douglas, who commented on the business  
29 license. Murray said the Council had copies of these items of correspondence (copies attached to  
30 original of these minutes).

31

32 Murray thoroughly reviewed the Staff Report (copy attached to original of these minutes), and called for  
33 questions or comments. There was brief discussion.

34

### 35 **Appellants Presentation**

36 Linda Cornilles submitted a petition (copy attached to original of these minutes), read the Schaal's  
37 written testimony (copy attached to original of these minutes) into the record, and engaged in discussion  
38 with the Council regarding her own concerns.

39

40 Fred Cornilles referred to his written testimony (copy attached to original of these minutes) as he  
41 addressed the Council about his concerns.

42

### 43 **Testimony in Support of the Appeal**

44 There was no testimony in support of the appeal.

45

### 46 **Testimony in Opposition of the Appeal**

47 1) Robert Beilin addressed the Council in support of issuance of the business license. He noted that  
48 medical marijuana is a medicine that will be dispensed legally as voted by the people in Oregon in 1999.  
49 He said labs analyze the marijuana, just like they do pharmaceuticals, and said the nearby Samaritan

1 Clinic dispenses pharmaceuticals; and the Shell gas station next door to Neighbors For Kids (which was  
2 protected by Ord. 302), sells alcohol and kids can go in and out of there all day long. He said he has  
3 researched this for years, and there is no proof that marijuana is a gateway drug. He said it isn't easy to  
4 get into the program, which requires a medical doctor's signoff. He said dispensaries have more cameras  
5 than a bank, and everything must be locked up; nobody can get inside or even see any marijuana without  
6 a medical marijuana card. He doesn't want his wife, who has a serious spinal injury, to have to travel to  
7 Newport or Lincoln City to get her medicine. He said it is legal, and people can grow it in their homes,  
8 so stopping a dispensary isn't going to keep it out. He suggested all those who are concerned read the  
9 Oregon Medical Marijuana Act and visit a facility.

10

11 2) Philip Lanegan said the previous speaker pretty much said it all, but added that his family has been  
12 here for 100 years and he has lived here his whole life. They have seen a lot of troubles come and go,  
13 including different drugs, heroin, meth, pills, and abuse. He said many of our gift shops sell bong,  
14 pipes, scales, and more; and the north end gas station sells everything you need to smoke hash oil dabs.  
15 He said ceramics, torches for smoking crack, and crack pipes are all sold throughout town. He said  
16 medical marijuana is highly controlled. It was his opinion that alcoholism presents a greater problem in  
17 our town. A lot of people got killed driving on Hwy 101 when they would drive home after falling off  
18 their barstools, but that doesn't happen anymore. He said there are undercover officers here – the LINT  
19 (Lincoln Interagency Narcotics Team) team, and several police officers and Federal agents live in Depoe  
20 Bay. He said he was retired from the Oregon National Guard after many years, and is a member of the  
21 Oregon Militia Association and used to be a Governor's guard, used to teach State trooper cadets, and  
22 was a recon security specialist. He said he has seen a lot in the black market on the street; there's a war  
23 out here, but it's not in a controlled medical facility.

24

25 3) Lynlei Gilleo said she's smitten with Depoe Bay and loves it. Their goal is to enhance and promote  
26 safety and healing and new studies of medical marijuana, and to kill the black market which does  
27 provide marijuana to children. She said they are a local family who want to do things right by the law.  
28 She said the rules are extensive and it isn't easy to open a dispensary – there is a long list of things to  
29 comply with, and the City's Ordinances are just the tip of the iceberg, and she believes they have met  
30 the legal requirements. Speaking to the Cornilles', she said she feels for their fear, but it's not *Reefer*  
31 *Madness*. They have children themselves, and are not trying to disrupt anyone's life. It hurts her heart  
32 that people have so much fear, and she can't wait to prove that there's nothing to fear. She works on  
33 main street Depoe Bay and sees plenty of police going up and down the highway every day. She stressed  
34 they are trying to do things right. The Council engaged her in further discussion. Mayor Mattila  
35 reminded everyone this is a law that has already been voted in.

36

37 4) Joshua Gilleo said he would keep it short because everything that really needs to be said has been  
38 said. Their intention is to open a clean, secure, local business, and not to bring any undue cloud or  
39 unmitigated dangers to the community or the people that live here. He said it's here, it's coming, and  
40 eventually somebody will open a dispensary. He believes he is the right guy for the job.

41

#### 42 **Testimony from any person neither supporting or opposing the Appeal.**

43 There was no testimony from any person neither supporting or opposing the Appeal.

44

#### 45 **Rebuttal by Appellant(s)**

46 Mr. Cornilles asked Mr. Gilleo about his medical background. Mrs. Cornilles said she had to go to  
47 school for four years to be a nurse and work with dispensing medications. Mr. Gilleo replied that the  
48 licensure that exists for a medical marijuana dispensary is above and beyond the exact licensure that  
49 applies to nurses, who aren't doctors, and doctors aren't surgeons; he said it's much more like a

1 pharmacy. Mrs. Cornilles said a pharmacist can recommend things and talk to you, but you can't buy it  
2 without clearance from a doctor; Mr. Gilleo responded that patients are initially given a prescription  
3 from the doctor.

4  
5 Mayor Mattila re-read part of the opening statement, and asked if there was any request for continuance  
6 or to hold the record open. There was no request. Grant wanted to clarify what the question meant: it  
7 would forego any details in regulations or laws for or against that could be cited; and that you couldn't  
8 appeal on something you find later. Murray asked, with the additional clarification, if anyone wanted to  
9 hold the record open to submit additional evidence. There was no request.

10

11 Mayor Mattila closed the public hearing. Murray explained how to proceed and what the Council's  
12 options were. Grant wanted to enter deliberations.

13

14 Motion 1: Gambino moved to continue with the approval of the City of Depoe Bay business license for  
15 Black and Yellow LLC. Sparks seconded the motion.

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17 Discussion: Gambino said there are laws on the books now that say we will do this. We have a business  
18 license application that has met the standards. Grant doesn't think we've seen the end of the regulations  
19 that will come down, and shared concerns over visibility and the proliferation of a controlled substance  
20 that could affect our youth. He said it looks to him like the applicant has met all the City Ordinances to  
21 be granted a license. Sparks spoke as a 69-year-old trauma survivor with PTSD who has a sense of relief  
22 that there's something legal out there he hasn't tried that might help him with his lifelong healing, and  
23 he was coming at this from a health and wellness standpoint as well as the safety of getting away from  
24 the black market. Olsen asked Mrs. Cornilles how many signatures were on the petition she turned in;  
25 she replied 30. Olsen said at a recent Council meeting where recreational marijuana was discussed, a  
26 petition with 110 signatures was submitted in favor of moving forward with recreational marijuana  
27 sales. He felt confident the Gilleos are local people who aren't here to promote a Sodom and Gomorrah  
28 atmosphere (using Mr. Cornilles' earlier words). He said in November of 2016 this town could, by  
29 petition, raise it to a level of a vote of the populace, and that was an avenue that some citizens might go  
30 after. Teem said he shares a lot of the concerns he's heard and letters he's read, and that he reached out  
31 to a Lincoln City police officer he knows, and asked if the police have seen an increase in crime in and  
32 around the facilities; they have not, although one of the dispensaries was burglarized, but that was no  
33 different than any other business that gets burglarized in Lincoln City. The officer said his concern was  
34 not medical marijuana or recreational marijuana, but identified some other serious drugs that are of  
35 concern and mentioned that Depoe Bay is a key hub for that, so there's bigger fish to fry than medical  
36 marijuana. Mayor Mattila said before this is all settled, there's going to be a lot of things happen.

37

38 Vote: Motion 1 passed.

39 Ayes: Gambino, Grant, Mattila, Olsen, Sparks, Teem

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41 Murray explained the Findings, Conclusions, and Final Order can be prepared for the Mayor's signature  
42 tomorrow, or can be presented at the next Council meeting. She noted there is an additional LUBA  
43 appeal period once the Findings and license are issued.

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45 Motion 2: Sparks moved to have the Mayor sign the document tomorrow morning. Olsen seconded the  
46 motion.

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48 Discussion: There was brief discussion on what goes to LUBA if an appeal is filed.

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1 Vote: Motion 2 passed.

2 Ayes: Gambino, Grant, Mattila, Olsen, Sparks, Teem

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4 Fisher-Brown returned to her seat.

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6 III. BID AWARD

7 • Sanitary Sewer Connection System Repair

8 Weidner recommended accepting the proposal from Trenchless Pipe Repairs, in the amount of \$25,060  
9 (copy attached to original of these minutes). He explained the nature of the repairs that need to be done.

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11 Motion 3: Olsen moved to approve the bid from Trenchless Pipe Repair for \$25,060. Gambino seconded  
12 the motion.

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14 Discussion: Grant asked how many bids were received; Weidner said one. Grant asked how the RFPs  
15 are advertised; Weidner said on the City's website and the newspaper.

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17 Vote: Motion 3 passed.

18 Ayes: Fisher-Brown, Gambino, Grant, Mattila, Olsen, Sparks, Teem

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20 • Scenic Lands Project

21 Weidner recommended accepting the proposal from Quade Commercial Construction, in the amount of  
22 \$12,711 (copy attached to original of these minutes). He explained the nature of the project. There was  
23 brief discussion.

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25 Motion 4: Gambino moved to accept the bid from Quade Commercial Construction for the Depoe Bay  
26 Scenic Lands Project. Fisher-Brown seconded the motion.

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28 Discussion: Grant asked if there were any other bids received; Weidner replied there were not.

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30 Vote: Motion 4 passed.

31 Ayes: Fisher-Brown, Gambino, Grant, Mattila, Olsen, Sparks, Teem

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33 Murray thanked the Council for considering the two proposals at this meeting, which was specific for  
34 the public hearing.

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36 Gambino and Mayor Mattila thanked everyone for showing up.

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39 XV. ADJOURN

40 There being no further business, the meeting was adjourned at 8:37 PM.

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46 A.J. Mattila, President

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49 Emma LuMaye, Recording Secretary