



Mayor
Patricia Smith

Council President
Mark Clark

Councilors
Stanley Dirks

Tim Clark

Scott Harden

**REGULAR MEETING OF THE
WOOD VILLAGE CITY COUNCIL**

January 14, 2014

MINUTES

PRESENT: Mayor Patricia Smith, Council President Mark Clark, Councilors Stanley Dirks and Scott Harden, City Administrator Bill Peterson, Finance Director Peggy Minter, Public Works Director Mark Gunter, and interested parties.

ABSENT: Councilor Tim Clark

MAYOR SMITH CALLED THE MEETING TO ORDER AT 6:00 PM.

PLEDGE OF ALLEGIANCE

PUBLIC SAFETY REPORT

Chief Deputy Jason Gates presented the report. Gates explained that the full report is not ready, but the summary is available. Gates stated that for the month of December the MCSO provided 208 hours of dedicated service. There were 425 calls for service which resulted in 43 written reports and 26 arrests. Gates explained that hit and run collisions were down, which was surprising because of the amount of shoppers that were out. Gates stated that the holiday toy drive went very well, and the MCSO collected 208, 55 gallon drums of toys. The toy drive team personally sponsored 13 families as well. Gates explained that the MCSO will be partnering with Human Solutions next year in addition to SnowCap.

Mark Clark stated that for the first time in many years, there were no holiday traffic fatalities. Gates stated that overall the number of holiday collisions were down 46%, and there were 31 DUI arrests during that time period. Minter stated that a person was arrested outside City Hall today, and asked if Gates knew anything about the incident. Gates stated that he had not heard of anything, but would look into it. Harden asked if there were any leads on the vandalism that has occurred at the Treehill Day School. Gates stated that he has not heard of any new information about that case.

Mark Clark asked if there was any new information about the potential relocation of the Sheriff's Office. Gates stated that the County is starting over, and a new RFP will be developed and sent out soon. Gates explained that that County may be open to building a new building, especially if there is a good deal on the land.

Smith stated that last Friday a social services worker had stopped traffic on 238th, and appeared to be involved in a case in the middle of the road. Gates stated that social workers or even law enforcement should not be stopping traffic in the middle of the road. Gates explained that it could have been related to a vehicle collision or breakdown.

The Council thanked Gates for the report and service to the City.

CONSENT CALENDAR

- a. Review of bills paid in December, 2013
- b. Contracts \$2,500 - \$50,000
 - There were none in December, 2013
- c. Liquor License Application
 - El Torogoz Authentic Salvadorian Cuisine: Karla Bechen
- d. Council Minutes:
 - December 10, 2013

Dirks asked if he could add his removal from the Fire User Board, and put Harden in his place. The Council agreed.

Upon motion by Harden, seconded by Dirks and passing 4-0, the Consent Calendar was approved.

ORDINANCE 1-2014: ACCEPTING FOR THE CITY OF WOOD VILLAGE REVENUE SHARING PROGRAM OF THE STATE OF OREGON

Peterson presented the ordinance and stated that the state requires cities to pass an ordinance if they choose to accept state shared revenues. Peterson stated that staff recommends the adoption of the ordinance.

Upon motion by Mark Clark, seconded by Harden and passing 4-0, the first reading by title only of Ordinance 1-2014 accepting state shared revenue was approved.

Minter gave the first reading by title only of Ordinance 1-2014 accepting state shared revenue.

Upon motion by Dirks, seconded by Harden and passing 4-0, the second reading by title only of Ordinance 1-2014 accepting state shared revenue was approved.

Minter gave the second reading by title only of Ordinance 1-2014 accepting state shared revenue.

Upon motion by Harden, seconded by Mark Clark and passing 4-0, Ordinance 1-2014 accepting state shared revenue was adopted.

ORDINANCE 2-2014: LIMITATIONS ON CREDIT, REBATE OR CITY BACK CHARGES ON WATER/SEWER BILLING OMISSIONS OR ERRORS

Peterson presented the ordinance and stated that this item was first brought forward at the last Council meeting on December 10th. Peterson explained that the ordinance pertains to all three of the City's utilities, and sets the maximum term dates for rebates and under billings. Peterson stated that the Council requested revised language in the code, and those revisions have been included.

Peterson explained that the surrounding cities have various policies and timelines on this topic. Peterson stated that Fairview only goes back one month, and public utilities that are not held by a municipality are required to have a six month period. Peterson explained that this code allows for a 120 day period or about four months.

Peterson stated that the Council does not have to take any action on this item, and decide to handle each case separately. The Council could request further revisions, or adopt the code. Peterson stated that the staff recommendation is to adopt the code as presented.

Upon motion by Harden, seconded by Mark Clark and passing 4-0, the first reading by title only of Ordinance 2-2014 for limitations on credits and back charges on utility billings was approved.

Minter gave the first reading by title only of Ordinance 2-2014 for limitations on credits and back charges on utility billings.

Upon motion by Dirks, seconded by Harden and passing 4-0, the second reading by title only of Ordinance 2-2014 for limitations on credits and back charges on utility billings was approved.

Minter gave the second reading by title only of Ordinance 2-2014 for limitations on credits and back charges on utility billings.

Upon motion by Mark Clark, seconded by Dirks and passing 4-0, Ordinance 2-2014 for limitations on credits and back charges on utility billings was adopted.

RESOLUTION 1-2014: PARK TRAILS GRANT ENDORSEMENT

Peterson presented the resolution and stated that this project has been identified for some time, and the trail extension would connect into Edgefield's trails and then into Troutdale's trail system which goes all the way to the Sandy River. Peterson explained that the financial match would be about \$40,000, but staff is working on other grants to cover all but about \$8-9,000 of

that cost. Peterson stated that staff time can be used for the match as well. Peterson explained during the last round of grant funding, this project was next on the list to be funded before the grant funds ran out. Peterson stated that the City has been encouraged to reapply, and the staff recommendation is to endorse the project.

Harden asked how much of the trail system this project would build. Peterson stated that the project would build to the easterly boundary of the park. Peterson explained that Edgefield has indicated that they will build access through their property to connect into Troutdale's trail.

Upon motion by Harden, seconded by Dirks and passing 4-0, Resolution 1-2014 endorsing the park trails grant was approved.

RESOLUTION 2-2014: AUTHORIZATION FOR ADMINISTRATIVE FILINGS OF BUILDING CODE AMENDMENTS

Peterson presented the resolution and stated that the right to set fees and charges rests with the City Council. Peterson explained that the law recently changed regarding the fees that can be charged for investigating building code violations when the builder has not obtained a permit. Peterson stated that the fee used to be double the permit costs, but a large office complex in Salem was hit with that fee which resulted in tens of thousands of dollars in penalties. Peterson explained that now the investigation fee cannot exceed the actual investigation costs.

Mark Clark asked if the hard dollar amount should be removed, and replaced with a per-hour cost language to avoid refileing the plan every time costs are revised. Peterson stated that is a good idea, and that can be added to the resolution.

Harden stated that he does not like the language of stating that a person has to inadvertently fail to get a permit. Harden stated that he feels that most people know permits are needed, and just choose not to get one. Peterson stated that this code matches the law. Condit explained that there are other penalties that can be assessed such as a stop work order, or removal of work done in addition to the investigation fees. Peterson stated that there are ways to assess a civil penalty if there is a blatant violation.

Upon motion by Dirks, seconded by Mark Clark and passing 4-0, Resolution 2-2014 authorizing the City Administrator to file an amended operating plan with the Oregon Building Codes Division as amended was approved.

DISCUSSION: LEASE AGREEMENT FOR THE CITY'S HAWTHORNE BUILDING

Peterson stated that this item will be pulled because the individual who initiated the conversation is seeking other options, and is no longer interested in a lease agreement.

Mark Clark stated that he thought the Hawthorne building was torn down. Peterson stated that the Council authorized the building's removal, but it has not yet been removed. Peterson explained that staff offered the building for free, but the insurance requirements made the demolition and removal cost prohibitive for smaller firms. Larger firms were not interested in the building. Mark Clark asked about the possibility of donating the building to the fire department for fire training. Peterson stated that the EPA and DEQ have essentially stopped that program because of air quality issues. Peterson stated that the Public Works crew is planning on removing the building this spring.

REPORT: FIVE-YEAR FINANCIAL PROJECTION

Peterson presented the report and stated that this has typically been presented at the annual retreat, but the report is being presented in advance of the retreat this year. Peterson stated that he spent a good deal of time reviewing the economic predictions and trends. Peterson explained that he was able to speak with the economic professionals from the City of Portland, Gresham, and Multnomah County. Peterson stated that while the data was reviewed, the projections will be wrong, and the assumptions will change. This report is simply a projection. Peterson explained that the first five-year projection he created for the City three years ago was found to be just 1% off, which is not typical.

Peterson stated that the economy is predicted to have a slow recovery, but with no further decline. The last half of 2013/14 was predicted to show some growth in the City, and we are starting to see that activity start now. Peterson explained that the full build out of the City is predicted to occur in 2017/18, and then more redevelopment after that time. Peterson stated that the City's employment level was held consistently through the projection period, and no serious thought or consideration was given to the consolidation conversation. Each staff position was analyzed, and a 2% cost of living increase was made for each year. Peterson explained that the contract amounts for police, fire and BOEC were predicted at their current contract rates and increases. The building department was analyzed on a net zero basis.

Peterson stated there is no single major private project identified in the projection. Cost of living adjustments were applied to all three of the cities utilities. Peterson stated that the largest assumption is around property taxes. Peterson explained that the average value for homes has gone up 18%, except for condos which are still down. That means property taxes may increase more than the historical limit of 3.5%. Peterson stated that is because when the real market value dropped below assessed value, you can still tax at the assessed value when property values go up again. Peterson explained that overall revenues are projected to increase by 4.2%, and expenditures are projected to increase by 3.2%. While the General Fund is essentially balanced, any major shift in public safety costs could change that.

Peterson stated that the Street Fund is on track because of the street utility fee that was adopted about two years ago. Peterson explained that the City is getting more work done then what was

initially planned, and the quality of the work has been great. Peterson stated that the gas tax revenue is declining, and the state is looking at alternatives to the traditional gas tax. Peterson explained that the operating revenues for the Street Fund are sound and healthy. The City can invest about \$180,000 annually in the street and stormwater system. Peterson stated that the City will also be providing funds to the County to increase the level of service on County owned roads as well.

Mark Clark asked if any funds have been provided to the County yet. Peterson stated that no funds have been provided to the County. Harden asked if the street utility had a sunset date, and if it had to be reauthorized at some point. Peterson stated that the utility does not have a sunset date. Peterson explained that the projections include some new development. While eventually the projection shows that the fund will be in the red, there are operating reserves that can be used to offset those costs.

Peterson stated that the Water Fund is in excellent condition. Peterson explained that new development is anticipated, but the projection does not include the recent application for 170 multi-family units. Peterson stated that the fund has an average of about \$165,000 a year to reinvest in the water system. There is about \$100,000 of annual work that is anticipated. Peterson explained that the updated Water Master Plan may change some of that, and rate adjustments may need to be made. Peterson stated that overall there can be a good investment in the system while still operating in balance.

Peterson stated that the Sewer Fund is the most expensive utility, and the City's sewer rates are the highest out of the area cities. Peterson explained the City's rates are driven by an intergovernmental agreement which requires at least \$200,000 of inflow and infiltration reduction work a year. Peterson stated that there are at least three more years of work to do before that can be renegotiated. Peterson explained that in 2011, the City Council elected to pay off all the sewer debt which reduced the fund balance.

Peterson stated that there is not enough resource to make the necessary capital improvements as required by the IGA. Peterson explained that there need to be a rate increase within the next few years. Harden asked what I&I improvements are still needed. Peterson stated that the Halsey sewer line will be replaced next year at a cost of over \$400,000. Then the City has to smoke test the system and repair other failed areas. Peterson explained that the Sewer Fund is okay for the short term, but capital projects will have to be funded with fund balances.

Peterson stated that overall the financial outlook looks great, and there has been good historical management of funds. Peterson explained that these projections could easily change if there are significant changes to public safety costs, or legislative action around PERS, healthcare or property taxes.

The Council thanked Peterson for the report.

PRESENTATION: ANNUAL PERFORMANCE PLAN UPDATE

Peterson presented an update of the APP. Peterson explained that he normally provides a brief summary of the progress at a Council meeting, but he wanted to be more thorough on the projects and status before the Council retreat. Peterson stated that the APP is designed around the City's mission and goals, and is intended to stretch the organization while achieving that long term vision. Peterson explained that recently some worthy and good projects have been included in the APP that do not necessarily stretch the organization or achieve that long term vision. Peterson stated that is something to keep in mind for the retreat.

Peterson presented the City's seven goals, and stated that a discussion about the goals will occur at the retreat. Peterson explained that the majority of the day to day work that is accomplished is not part of the APP. While the APP has to stretch the organization, it cannot overcome the focus the focus of the operation.

Peterson presented the items for goal one of the APP. Peterson stated that it took a few attempts to get an applicant for the Brush Up Wood Village program, but the City eventually had an application. The home was not in a condition to paint, so staff coordinated with another agency to make substantial repairs. The home is scheduled to paint this spring. Peterson stated that new community banners have been printed, and they will be installed along with new brackets this spring as well. Peterson explained that the graffiti kits are being promoted in every newsletter, and the Public Works crew is quickly removing any new graffiti from the right of way.

Peterson stated that he has applied for several grants related to various projects, and all of them have been denied. Peterson explained that the grant applications have been done well, but the projects were not accepted. Peterson stated that the City was successful in helping obtain an industrial revenue bond for the Pressure Safe LLC expansion project. Peterson explained that the PGE franchise agreement should be ready by the next Council meeting. The City Council reviewed the Community Garden program, and referred the topic to the Parks Commission. The lower section of the City Hall parking lot has been paved, and the City Hall generator was painted.

Peterson presented the projects for goal two and stated that good work has been accomplished on the fire services study. Peterson explained that the City of Gresham is paying attention to the study, and viable alternatives do exist. Peterson stated that more information on the study will be presented at the retreat. Peterson explained that there has been little interest in the youth police academy program, and the second attempt to sign people up is occurring right now. Peterson stated that the Sheriff's Office is willing to place City logo magnets on their vehicles for events and parades, but it is not a viable option for daily patrol. Peterson explained that there has been

great work on emergency management, and the Sheriff's Office is already starting the conversation for alternative options for the area cities.

Peterson stated that staff is doing a great job staying ahead of the projects under goal three. Peterson explained that events have been going very well. The Water Master Plan update is underway, and will be completed by June. Peterson stated that the water rights have been secured for the City, and the fluoridation discussion has occurred. Peterson explained that the earthquake valve evaluation has been added to the Water Master Plan, and the RFP for the Sewer Master Plan update has been sent out. Peterson stated that the financial software conversion is on track and going well. The first part of the program will be going live by the end of next week. Peterson explained that the finance team and Minter have been doing a wonderful job of getting this project completed.

Peterson stated that the arboretum in the park is progressing, and more trees will be planted this spring. Peterson explained that the staircase near the gazebo is complete, and will look great this spring when the new trees and plants start to bloom. Peterson stated that the playground enhancement project is having some difficulties because of new setbacks required for playground equipment. Staff is currently looking at alternative placement options.

Peterson stated that for goal four staff has quietly marketed the City Hall land, but none of the parties were interested. Peterson explained that staff looked at acquiring a residential parcel at an auction, but the price was not economically viable for the City. Peterson stated that the Town Center Master Plan will be discussed at the retreat, and there are several land use items pending for the Town Center.

Peterson stated that the projects for goal five are moving along. Staff took part in a safety training on updated safety data sheets. A team building session around emergency preparedness was held as well. Peterson explained that staff decided to benchmark the City's cross connection and backflow program. That report will be provided to the Council shortly.

Peterson explained that lots of regional meetings have been attended which helps achieve projects under goal six. Peterson stated that the Council received a legislative update, and Harden will be working with the legislators to keep the Council updated on the short session. Peterson stated that goal seven consisted of installing additional pet waste disposal stations, and planting trees. Peterson explained that those projects have been accomplished.

Peterson stated that this year's APP has a lot of broad projects and items. Peterson explained that the Council will have time to discuss new projects for the 2104-15 APP at the retreat. The Council thanked Peterson for the report.

FINANCE DIRECTOR'S REPORT

Minter provided the report and stated that this report covers the expenses for December. Minter explained that the City is on target for all the parameters, and the full report will be provided at the next Council meeting. Minter asked if there were any questions. The Council thanked Minter for the report.

PUBLIC WORKS DIRECTOR

Gunter stated that as part of the Water Master Plan update, a large flow and pressure test on the waste system will occur next week. Gunter explained that it is very possible that the testing will stir up a lot of sediment which could cause turbid water. Gunter stated that the City will post signs around the community, and post a notice on the website regarding the potential for turbid water. Gunter stated that the testing is scheduled for Thursday the 23rd.

ADJOURN

With no further business coming before the Council, and upon motion by Dirks, seconded by Harden and passing 4-0, the Council adjourned at 8:00pm.



Patricia Smith
Mayor

2-13-14
Date

ATTEST:



Greg Dirks
City Recorder