



*Mayor*  
Patricia Smith

*Council President*  
Mark Clark

*Councilors*  
Stanley Dirks

Timothy Clark

Scott Harden

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

**June 11, 2013**

**MINUTES**

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

**ABSENT:** None.

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

**PLEDGE OF ALLEGIANCE**

**CITIZEN COMMENTS**

There were none.

**PUBLIC SAFETY REPORT**

Sergeant Richie of the Multnomah County Sheriff's Office presented the report. Richie stated that for the month of May the MCSO provided 184 hours of dedicated service with 413 calls for service and 32 written reports. There were no unusual or alarming events, and it was business as usual. Richie explained that there were some issues with kids riding ATV's in the Riverwood subdivision, but that seems to be taken care of. Smith stated that some vehicles were broken into at Treehill, but the owners left their cars unlocked. Richie stated that a person cannot leave any valuables in their car.

Dirks asked about the pedestrian stops that were outlined in the report, and asked if they were related to transients. Richie explained that pedestrian stops typically look for signs of drugs and warrants. The deputies also conduct welfare checks if it is particularly hot or cold outside. Richie stated that the deputies get to know the regular transients in an area, and typically make contact with new people in the area.

Tim Clark stated that he felt a little discouraged about all the theft in the area, but was glad there were not more serious issues. Smith asked about the heroin case. Richie explained that there are more cases of heroin now because of the higher cost of other drugs. Heroin is also a transition drug from prescription medication.

The Council thanked Richie and the MCSO for the report and service.

## **CONSENT CALENDAR**

- a. Review of bills paid in May, 2013
- b. Contracts \$2,500 - \$50,000
  - Dale Britton Inc - Sewer Repair: \$3,675
- d. Council Minutes:
  - May 14, 2013

Harden asked what the payment to the Reynolds School District was for. Minter explained that was for the community banners that the school printed for the City.

Upon motion by Tim Clark, seconded by Harden and passing 5-0, the Consent Calendar was approved.

## **MT HOOD CABLE REGULATORY COMMISSION BUDGET**

Mary Beth Henry the Staff Director for the MHCRC stated that the City's representative Clark Santee is not here this evening, but she will provide the presentation. Henry explained that the MHCRC is a commission providing oversight for the cable franchises, benefits and services for the area. Wood Village has two service providers consisting of Comcast and Frontier.

Henry stated that the community access channels will be among the first in the nation to be converted to HD. The community network is also expanding which will bring cost effective high bandwidth to more users such as schools and libraries. Henry explained that the MHCRC conducted its first standalone audit, and there were no problems. Historically their audit had been in conjunction with the City of Portland.

Henry explained that the main project for the 2013-14 year is redesigning their grant program. Henry stated that currently any public entity can apply for an access grant which gives out about \$4.7 million a year, which is nearly \$50 million over a ten year period. Henry explained that after ten years, the MHCRC would like to see specific programs and projects completed, and a more strategic grant program will help accomplish that goal.

Henry stated that the MHCRC budget has revenues from franchise fees, and they are projecting fairly flat revenues. There is a projected decrease in Frontier, and a slight increase in Comcast. Henry explained that there has not been a lot of growth in users, but in the rates. Wood Village will receive \$9,762 in revenues after the distribution to Metro East. The operating budget for the MHCC is \$822,000 which is about a 3% increase over last year. The City's contribution is \$3,061 which is a good value.

Henry requested that the Council approve the budget, and asked if there were any questions.

Mark Clark stated that he wanted to congratulate Henry on receiving the Mark Hatfield award last year. Mark Clark explained that he appreciates the new layout of their budget which he found easier to read and understand. Mark Clark asked how the MHCRC's budgets are developed. Henry explained that they are regulated by federal law, and the franchise agreements. The majority of funds that are received are pass through funds that can only be used on capital projects. Mark Clark asked about the move into a city of Portland bureau. Henry stated that was for efficiency, and their operating expenses might go down next year. Tim Clark stated that he is impressed with the reworking of the grant process, and linking it into their long term goals.

Upon motion by Mark Clark, seconded by Tim Clark and passing 5-0, the Mt. Hood Cable Regulatory Commission's 2013-14 Budget was approved.

#### **DISCUSSION: INSURANCE COVERAGE AND LIMITS**

Peterson stated that the City's insurance agent of record is here to help present information regarding the City's coverage limits. Peterson explained that the City's insurance carrier is CIS, and the agent of record is Beecher Carlson. The City has a variety of insurance coverage including auto, general liability, worker's compensation, and other coverage.

Peterson explained that the Board of Directors for CIS is made up of elected officials and managers. Their focus is on municipal coverage and exposure. Peterson stated that typically the City's administration takes care of the annual renewal with no issues or questions. Increased limits are being offered this year, and he wanted the Council to weigh in on the renewal options.

Peterson stated that the increased limits are for general liability, and crime coverage. Peterson explained that the GFOA recently announced that about 30% of small companies have some kind of employee fraud or theft. CIS offers crime coverage which includes employee theft, and outside robbery or theft. Peterson stated that the current limit is \$200,000, and the option is to increase that to \$500,000 for an additional \$374 a year. Peterson explained that this coverage is mainly aimed at theft and fraud.

Minter stated that the City has about \$4 million in the bank, and there are many ways to commit fraud. The auditors did recommend increasing the crime liability coverage. Minter stated that the increased cost is low compared to the increase in coverage. Smith asked if the bank would be responsible if money was fraudulently taken from the City's account. Minter stated that it would depend on how the fraud occurred. The City has good internal controls.

Tim Clark stated that he also feels that the City has good internal controls and while the cost of the increased coverage is not a lot, it can increase overtime. Christina Walston of Beecher Carlson stated that the City of Bellingham, Washington had over \$500,000 stolen from their bank account, and the bank did not have to cover that loss. This policy would cover it.

Peterson stated that the other issue is the general liability coverage. The current coverage is \$5 million per occurrence, with a \$15 million annual limit. Peterson explained that the increased coverage would be \$10 million per occurrence with a \$30 million annual limit for an additional \$656 a year. Peterson stated that the real nexus behind the increase is the Forest Grove case where a developer was awarded a \$5.6 million settlement against the city. Peterson explained that both Fairview and Troutdale have increased their limits.

Peterson stated that the marginal cost is low, but the probability of having an award over \$1 million is pretty low. Peterson explained that there are state tort limits of less than \$2 million, and the City has a limited range of services that have a high amount of risk. The City contracts out police, fire and building services, and all of those providers have their own coverage.

Condit stated that he reviewed the Forest Grove case and while the city had defenses, it appears that the city punished one contractor to favor another. They also did not take the advice from their own attorney. Condit stated that he cannot predict what could happen in the City to have a judgment of that size.

Mark Clark asked if there is liability because of the recent reduction in SDC's, and could a developer who paid the former rate sue. Condit stated that while someone could sue, they would not have a case, and there would be liability if the rates were not revised. Condit explained that the people who paid the former rate still receive the benefit, and others have to pay a reimbursement fee. Peterson stated that the formal process was followed, and there were no appeals. Condit explained that once the appeal period has passed, the option to sue has gone away.

Walston explained that she would not have offered the increased coverage two years ago, but the case in Forest Grove changed things. Walston stated that CIS and Beecher Carlson know the risk is low, but that is also why the rates are low. Walston stated that her recommendation is to go with the increased limits.

Harden asked what the chances are that more than \$200,000 could be stolen from the City. Walston stated that she does not have an average dollar amount for theft. Harden asked if Forest Grove is the only case where the award was more than \$5 million. Walston stated that it is. Condit stated that the case could open the door for future cases and awards though.

Harden asked about the costs of legal fees, and who would pay them. Peterson stated that the City's legal team will provide for the defense, and there would be \$5 million available for an award. Peterson explained that a case would have to go to a federal court on a takings claim to get outside the tort limits. Condit stated that essentially an employee would have to go against the City's codes, and affirmatively mess up the process in order to have a claim in a federal

takings case. Condit explained that while he feels there will be additional claims in that area, the question is will the City see additional claims and if the additional costs are worthwhile.

Peterson stated that personally he would not increase the limits, but the coverage is inexpensive. Harden asked if there are any claims against the City. Peterson stated that is included in the background report, and most items were automotive related. Dirks asked about the potential for online theft of the City's funds. Minter stated that many thieves are targeting smaller cities because of the perception of weaker security systems, but the City has good controls and security.

Upon motion by Mark Clark, seconded by Tim Clark and passing 5-0, the Council elected to renew the insurance limits at their current rates.

### **CITIZEN COMMENTS**

Todd Sturdavant of 24133 NE Holladay stated that he has lived in Wood Village for over ten years, and is currently working as a commercial truck driver. Sturdavant stated that it recently came to his attention that there are plans to widen 238<sup>th</sup> to allow for truck traffic up the hill and the grade and curves will remain the same. Sturdavant stated that hill was not designed to handle that kind of truck traffic, and there will be serious issues because of it. Sturdavant explained that he hears accidents all the time on that road, and it was mistake for the Council to endorse that project. Smith stated that it was a compromise to avoid a larger, more expensive and intrusive project that would have cut right through the park. Sturdavant stated that a new route would have been better than the current route which will create a large traffic hazard. Sturdavant stated that he will let Council know every time someone dies on that hill to remind them of their decision.

Smith stated that a lot of research was done on the project, and while truck traffic will be allowed on the roadway, there were no major concerns about the increased traffic or size. Sturdavant stated that he will not argue that, but stated as a commercial drive he will use that route and so will others. It is a direct link to US 26. Studavant stated that it will be a bad mix of pedestrians and trucks. The project will also negatively impact homes and the livability of the community. Mark Clark stated all those issues were discussed, and a compromise was made.

Sturdavant stated that this was never even presented to the Planning Commission. Peterson stated that it was not a Planning Commission decision. There were over 14 public hearings that took place over an 18 month period regarding this project and the East Metro Connections Plan. Peterson explained that the County and the City of Gresham were the primary backers of this project. Peterson stated that the traffic projections do not show a dramatic difference in volume after the project is completed. 257<sup>th</sup> is expected to carry the majority of truck traffic.

Peterson stated that the East Metro Connections Plan was formally adopted two weeks ago, and the plan is finalized. The design process is now underway. Tim Clark stated that the 238<sup>th</sup> Drive project is on the top of the list at this point, and it could be funded within a few years. Sturdavant stated that it was a poor decision by the Council.

**PUBLIC HEARING: FY 2013-2014 BUDGET, STATE REVENUE SHARING, PROPERTY TAX LEVY**

Peterson stated that this is the formal hearing for the adoption of the 2013-14 Budget. Peterson stated that there were some minimal revisions since the Budget. The City received notice that we did not receive the state park trails grant, so that has been removed from the budget, and \$5,000 remaining from the Metro Bond Fund was added to the arboretum. Peterson explained that worker's compensation also increased by \$2,000. Peterson stated that the staff recommendation is to adopt the budget.

Smith opened the Public Hearing.

There were no comments.

Smith closed the Public Hearing.

**RESOLUTION 21-2013 ADOPTING FISCAL YEAR 2013-14 WOOD VILLAGE BUDGET AND MAKING APPROPRIATIONS**

Upon motion by Dirks, seconded by Tim Clark and passing 5-0, Resolution 21-2013 adopting the fiscal year 2013-14 Budget was approved.

**RESOLUTION 22-2013 LEVYING AND CATEGORIZING AD VALOREM TAXES FOR FISCAL YEAR 2013-14**

Upon motion by Mark Clark, seconded by Harden and passing 5-0, Resolution 22-2013 levying and categorizing ad valorem taxes for fiscal year 2013-14 was approved.

**RESOLUTION 23-2013 FOR RECEIPT OF STATE SHARED REVENUE**

Upon motion by Harden, seconded by Mark Clark and passing 5-0, Resolution 23-2013 certifying municipal services provided for the purpose of establishing eligibility for receipt of state shared revenue for fiscal year 2013-14 was approved.

**RESOLUTION 24-2013: WATER RATES**

Minter presented the resolution and stated that it is for the annual cost of living rate adjustment. The rate adjustment is a 2% increase with an effective date of January 1<sup>st</sup>. The effective date was selected for when consumption is lower, and would be less of an impact on users. Minter stated that average home will see an increase of about \$1.49 a month.

Harden asked when the updated street utility fee becomes effective. Peterson stated it take effect July 1<sup>st</sup>. Harden stated that he likes the January 1<sup>st</sup> effective date.

Upon motion by Harden, seconded by Mark Clark and passing 5-0, Resolution 24-2013 setting revised water user fees to be effective January 1, 2014 was approved.

#### **RESOLUTION 25-2013: SEWER RATES**

Upon motion by Harden, seconded by Dirks and passing 5-0, Resolution 25-2013 setting revised sewer user fees to be effective January 1, 2014 was approved.

#### **RESOLUTION 26-2013: MCSO CONTRACT**

Peterson presented the resolution and stated that the contract was revised by the County, which is based off of the 2008 contract. Peterson explained that the contract provides for three FTE officers, which is about 89% coverage for the City. Peterson stated that because there is a satellite office at City Hall, there are actually more officers in the City then what is purchased via the contract. It is a good value, and the increase this year is 2.1%. Peterson stated that staff recommendation is to approve the contract.

Upon motion by Dirks, seconded by Mark Clark and passing 5-0, Resolution 26-2013 authorizing the City Administrator to sign amendment number 5 to Intergovernmental Agreement Number 0709008 with the Multnomah County Sheriff's Office was approved.

#### **2012-2013 ANNUAL PERFORMANCE PLAN PRESENTATION**

Peterson gave the presentation and stated that it covers the projects that were completed this year as part of the APP. Peterson stated that he would like to thank the Management Team and City Staff for all their hard work accomplishing the projects. The purpose of the APP is to stretch the organization, and to stay focused on the City's goals while holding management accountable.

Peterson stated that the majority of what staff does every day does not appear on the APP. New projects are added to the APP every year. Peterson stated that the Brush Up Wood Village program was added this year. There is an applicant pending, but there were some issues with the home that complicated the matter. Peterson explained that staff is working with the homeowner to get those issues resolved so we can paint the home. Peterson stated that it is a good program.

Peterson explained that the community banner project is nearly complete, and the banners should be installed by the end of the month. The 230<sup>th</sup> – 231<sup>st</sup> sidewalk project is underway, and it will also be completed by the end of the month. Peterson stated that a few residents from the area have expresses some concerns, but it is a good project with a good design.

Peterson explained that the fire service study was pushed back a bit because Fairview decided to join in on the study. Peterson stated that the first product out of the study should be completed in August. Harden asked if there will be any cost savings from having Fairview join. Peterson stated that the cost of the study increased, but the City will not have to pay any additional fees.

Peterson explained that the MCSO likes the idea of holding a police academy for teenagers, and we will try to get something running this fall. The estimated cost to the City for the program is \$1,000. Peterson stated that disaster preparedness has been featured in every newsletter this year, as well as several events. Peterson explained that electronic building permits were evaluated, but the cost was prohibitive considering the number of permits that the City processes.

Peterson stated that the arboretum tree planting has begun, and more plantings will continue. The City's events have grown, and they have all gone very well. The City may also be participating in the planning of the 100<sup>th</sup> birthday celebration of the historic highway. Peterson explained that the City has tried to work the Boys and Girls Club, and the school district was able to secure a summer club for the area. A permanent club may be located in the Rockwood area.

Peterson stated that the monthly utility billing conversion went really well, and staff is now able to complete a billing cycle in about two days instead of five. Peterson explained that project was well managed and implemented. Peterson stated that the earthquake valves will be added to the water system master plan update. The water and sewer line extension project from Arata to Halsey was completed.

Peterson stated that the accounting software implementation is underway and is taking up a good deal of time. The process will also move the City to a cloud based computing system. The overall implementation date will probably be pushed back from October to after the first of the year because of the provider's schedule. Peterson stated that the water valve exercise machine was purchased and a program is underway. A valve replacement program will also begin in the 2014-15 year once the fire hydrant replacement program is finished. Peterson explained that 11 fire hydrants were replaced this year.

Peterson stated that there has not been a lot of movement on the meet or beat economic promotion. Staff has met with several manufactures, but there has been difficulty getting a large group meeting together. Peterson explained that the Street Utility Fee is underway, and the first project was completed before the second bill was sent out. Harden stated that there seemed to be a lot of interest in our Street Utility Fee program at the recent small cities meeting.

Peterson stated that cooperative meetings with area city managers and elected officials has been occurring. Smith stated that she brought up the idea of a shared economic development

professional, but the idea did not go anywhere and now Fairview is advertising for their own professional. Harden asked if information is really shared, or just mined from other cities. Peterson stated that there is a lot of good information flow between the cities. Peterson stated that the economic development plan has failed. Peterson explained that he still intends to complete the C3 Corporation, and setup the framework so it can be of a benefit one day.

Peterson stated that two all staff safety trainings have occurred, but the team building has not. Peterson explained that the goal is to complete a team building exercise by the end of the month. Peterson stated that the City's safety practices were benchmarked against other cities and best practices. Some adjustments to the City's program were made. Peterson explained that a reengineering award was given out for the water meter recycling idea, and one project is pending regarding electrical savings. Peterson stated that a revised reengineering program will be presented to the Council in July.

Peterson stated that there have been lots of work around Metro and various regional meetings. Peterson explained that the Multnomah County Coordinating Committee idea is essential dead. Peterson stated that Wood Village businesses are linked on the City's webpage. Dog waste stations have been installed in the park.

Peterson stated that overall two items have not been accomplished. One item will be accomplished by the end of the year, and the meet or beat economic promotions are being worked on.

The Council thanked Peterson for the presentation and work on the APP.

#### **RESOLUTION 27-2013: 2012-13 BUDGET REVISION**

Minter presented the resolution and stated that there are two budget revisions. The first is to public works for materials and services. Minter explained that there were some higher than anticipated building repair costs as well some code enforcement abatement costs. Minter stated that the other revision is in the sewer fund to pay for higher than anticipated treatment costs.

Upon motion by Mark Clark, seconded by Harden and passing 5-0, Resolution 27-2013 revising the fiscal year 2012-13 budget was approved.

#### **RESOLUTION 28-2013: REMOVAL OF NON-STANDARDIZED SIGNS**

Peterson presented the resolution and stated that it is based on the conversation that was held at the last Council meeting regarding removing children at play signs.

Upon motion by Dirks, seconded by Tim Clark and passing 5-0, Resolution 28-2013 establishing a Wood Village Roadway Sign Policy, reaffirming the direction from the Manual on Uniform

Traffic Control Devices and eliminating "Children at Play" or similar warning signs was approved.

### **REPORT: WOOD VILLAGE CLEANUP DAY DEBRIEF**

Records Manager/HR Specialist Greg Dirks presented the report. Greg Dirks stated that the Wood Village Clean Up day occurred on Saturday, May 18<sup>th</sup>. To execute the event the City partnered with Metro, Waste Management, the Baptist Church, and Frontier. Greg Dirks explained that this was the first year of holding a drop off event, and it went well. Assistance was available for elderly or disabled residents, and two households took advantage of that option.

Greg Dirks stated that a variety of items were accepted at the event including furniture, scrap metal, plumbing fixtures, appliances and tires. In all, the City collected just over ten tons of bulky waste, three tons of yard debris, and over a ton of scrap metal. Greg Dirks explained that when the event was a pickup event, the average for bulky waste was over 40 tons. There was a reduction in bulky waste, but an increase in scrap metal. Greg Dirks stated that there was also a reusable item area which attracted a lot of attention. Several bicycles and furniture items were taken from that area. The City was also able to collect a full barrel of food for the Oregon Food Bank.

Greg Dirks stated that the overall cost was about \$775 and that included custom t-shirts, food for the volunteers and signs. A reimbursement grant was put in to Metro for \$219, which could reduce the City's costs. Greg Dirks explained that the sponsors and volunteers liked the event, and did not have any recommendations for revisions. Greg Dirks asked if the Council had any questions or comments.

Mark Clark asked about the possibility of having the yard debris drop off at the event site instead of the transfer station. Greg Dirks stated that Waste Management did not recommend that because of the time it would take to clean everything up. Greg Dirks explained that while the transfer station is not easy to find, maps were handed out and were available on the City's webpage.

The Council thanked Greg Dirks for the report.

### **AWARD NOMINATION**

Upon motion by Mark Clark, seconded by Tim Clark and passing 5-0, the Council nominated Peterson for the League of Oregon Cities Herman Kehrl Award for his work on the Street Utility Fee process.

Peterson thanked the Council for the consideration and nomination.

**JULY COUNCIL MEETING SCHEDULE**

Peterson stated that he would like to propose only one meeting to be held in July. That meeting would be on the 23<sup>rd</sup>.

The Council agreed.

**ADJOURN**

With no further business coming before the Council, and upon motion by Tim Clark, seconded by Dirks and passing 5-0, the Council adjourned at 8:20pm.

  
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Patricia Smith  
Mayor  
  
8-1-2013  
Date

ATTEST:

  
\_\_\_\_\_  
Greg Dirks  
City Recorder