



*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 24, 2014**

**MINUTES**

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

**ABSENT:** City Attorney Jeff Condit.

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

**CITIZEN COMMENTS**

There were none.

**PRESENTATION: EMPLOYEE REENGINEERING AWARDS**

Peterson presented the reengineering awards and stated that the City's recent financial software conversion was on track, on time, and under budget. Peterson explained that a lot of that was because of the great contract development and oversight provided by Minter. Peterson stated that staff took a lot of effort to ensure a quality project, and the Finance Department took the lead on the effort.

Peterson stated that the Finance Department consists of Minter, Finance Assistant Debbie Norman, Office Assistant Becky Gallien, and Utility Clerk Karen Hansen. Peterson stated that the Council adopted a City goal to recognize and reward employees for exemplary work, and efforts that save the City money. Peterson explained that these three staff members are receiving a reengineering award because they were able to avert \$48,685 in IT contractor costs. Peterson stated that staff had the skills and ability to conduct work that would have been contracted out to an IT professional. That cost is roughly \$130 an hour.

Peterson stated that he presented the project to the personnel committee, and the Council authorized the awards. Peterson explained that even after the awards, the City still saved over \$38,000.

Smith presented a project reengineering award to Gallien for \$4,500.

Smith presented a project reengineering award to Norman for \$2,500.

Smith presented a project reengineering award to Hansen for \$1,700.

The Council thanked the Finance Team for their work and efforts on the financial software conversion project.

#### **PRESENTATION: GOLD AWARD NEIGHBORHOOD USA NEWSLETTER**

Peterson stated that when he first came to the City, the newsletter was pretty simple and basic. A new employee was hired, and was told to make the newsletter vibrant and interesting. Peterson explained that since that time, staff has received numerous compliments from the Council, citizens, and even other cities about our newsletter. Peterson stated that staff entered the newsletter into a nationwide competition sponsored by Neighborhoods USA, and the City won the gold award. Peterson explained that the newsletter is written by staff members, but Gallien is the editor and puts the entire thing together.

Smith presented Gallien with the Gold Neighborhood USA Award certificate.

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

Harden introduced program manager for the Mt Hood Cable Regulatory Commission Julie Omelchuck. Harden stated that he sits on the MHCRC board on behalf of the City, and wanted to talk about the accomplishments from this past year and the plans for this upcoming year. Harden stated that the MHCRC has authority over the cable franchises in Portland, Gresham, Troutdale, Fairview, the County and the City. Harden explained that the MHCRC provides franchise oversight which includes consumer protection, managing the public benefits, and uses of the rights of way. Harden stated that the City has two cable providers, and they are Comcast and Frontier.

Harden stated that this is the 20<sup>th</sup> year for the MHCRC, and thanked the City and Council for being part of the organization for 20 years. Omelchuck stated that the full descriptions of activities are in the packet, and the MHCRC funded over \$1.7 million in grants for local schools, libraries and non-profit agencies to support public services. Omelchuck explained that two community access channels were launched in HD format this past year. The MHCRC is the first agency in the nation to have community access channels in HD. Omelchuck stated that if the Council elects to televise their meetings, they would be in HD. Omelchuck explained that the backbone of the I-Net was also upgraded. That project provided needed capacity for users without increasing their costs.

Omelchuck stated that the latest audit of the MHCRC found that the financial statements accurately represented the funds, and the full audit document is on the MHCRC website. Omelchuck explained that the MHCRC will continue to focus on franchise management, consumer protection, and managing the public benefits of the franchise agreements.

Harden stated that the City will receive about \$9,000 in cable franchise fees after the disbursement to Metro East and the MHCRC. Harden explained that the contribution to the MHCRC is \$3,017 which is a good deal for the level of service provided to the community. Harden stated that the MHCRC budget is larger this year because of the educational funding initiative program that is underway.

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Harden explained that the educational initiative grants program is one of the largest disbursements of funds in the budget. Harden stated that he is excited about this program because he feels it will help revolutionize education in the area. Harden explained that the funds schools receive from the state and property taxes barely keep the status-quo. This program will help pay for innovation, and the development of technology in the classroom. Harden stated that he feels it will revolutionize education by providing more learning options for children.

Harden stated that these grants will be distributed along with partnerships from other programs and agencies. Harden explained that one of the proposed programs is a kindergarten readiness program. East County has a high poverty rate, and these programs will help a lot of people. Harden stated that he recommends the MHCRC budget be approved not because of the revenue the City will receive, but because of the benefits the community will receive.

Mark Clark asked how many people from the City complain about their cable service. Omelchuck stated that she does not have the specific numbers, but stated that there are some complaints from residents.

Dirks stated that he agrees with Harden about the need for early education programs, and anything that can support those efforts should be done. Tim Clark asked where the money for these programs is coming from. Omelchuck stated that the funds are not coming from a new source, but rather the MHCRC has changed their grant program. Omelchuck stated that those funds are provided by franchise fees, and the I-Net fees.

Tim Clark asked how the MHCRC has changed the grant program. Omelchuck stated that the MHCRC has decided to focus on educational programs, but there is still the option for a competitive grant. Omelchuck explained that the MHCRC has partnered with the All-Hands Initiative to help administer and identify education grant programs and opportunities. The MHCRC is partnering with the school districts to develop the proposals and programs. Omelchuck stated that while most of the grant money is going to education, there are still opportunities for smaller projects for non-profits and government agencies.

Smith asked if there is more information on the types of educational programs that will be funded. Harden stated that one of the proposals is to create a student learning center. This grant would purchase the technology for the students, and the training needed for the faculty.

Upon motion by Mark Clark, seconded by Harden and passing 5-0, the 2014-15 MHCRC budget was approved.

## **FINAL FINDINGS AND DECISION ORDER IN THE MATTER OF APPROVAL OF A DESIGN REVIEW APPLICATION FOR A FRED MEYER FUELING FACILITY**

Hossaini stated that the Council held a hearing regarding this matter, and the hearing was closed. Hossaini stated that she understands that the Council reached a decision at the hearing, and staff wrote findings consistent with the decision. Hossaini explained that the Council is to review the findings, and either adopt them or ask staff to modify them.

Tim Clark stated that he was impressed on how well staff put together the findings based on the conversation. Dirks stated that he wanted to go on record and state that he does not feel that approving this development achieves the City's goals, and smaller businesses may go out of business because of it.

Upon motion by Dirks, seconded by Tim Clark and passing 5-0, the final findings and decision order for the Fred Meyer Fueling Station application was approved.

## **WATER MASTER PLAN REVIEW: KELLER AND ASSOCIATES**

Gunter introduced Peter Olsen from Keller and Associates. Gunter stated that Keller and Associates has been working on the Water Master Plan update for about six months, and they are ready to present the draft document.

Olsen stated that the study area and land uses were evaluated, as well as the population projections. Olsen explained that they used Portland State's population estimates for the County, and projected them onto the City. Olsen stated that the City's water system was reviewed, and a model for future growth was developed.

Olsen stated that the per capita demand for water has decreased the past few years. The population projection went through 2044, and that is what the computer modeling was based on. Olsen explained that fire flow, peak demand, and overall flows were modeled. Olsen stated that water users were evaluated, as well as the highest users. Olsen explained that they also evaluated the system loss which was determined to be less than 10%. Anything under 10% is great, and some systems have loss as high as 40%.

Mark Clark asked if the new meters helped with the evaluation. Gunter stated that the new meters, and rebuilding of the well production meters helped provide reliable data. Olsen stated that water production was evaluated for all four wells. Olsen explained that well one is offline, and would only be used in the future for irrigation purposes. Well two is up at Cherry Park, and well three is the second largest producer. Olsen stated that well four is the newest well, and the largest producer. Recent improvements have allowed well four to serve both pressure zones.

Olsen stated that the City has enough production capacity and water rights through 2044. The maximum daily demand can be met through 2044. Olsen explained that the City has good water storage capacity, and no additional capacity is required.

Olsen stated that the distribution system was evaluated, and the recommendation is to replace some existing cast iron pipe within the next 20 years. Olsen presented a map of the current piping system. Olsen presented a map of the fire hydrant coverage, and the current deficiencies based on the model. Olsen explained that there is only one area of the City that does not have adequate flow, and there are improvements that can correct that.

Olsen stated that high pressure areas were also evaluated, and the Town Center development has high water pressure. Olsen explained that is normal for that area, and is corrected with pressure reducing valves. Olsen stated that there are not a lot of improvements to be made to the overall system, and the City's system is in good shape. Olsen explained that improvement projects include placing the Treehill development on its own pressure system, placing additional fire hydrants, and using well one as an irrigation well for the park.

Olsen presented an itemized list of the capital improvement plan. Olsen explained that there are improvements to the facilities in the plan as well. Olsen presented that annual preventative maintenance budget, and stated that the big item is to replace the cast iron pipe. Olsen explained that money should be set aside in this fund every year, but it may not be spent every year. As items need replaced, the City will have the funds to complete the project.

Olsen stated that their process also included a system development charge evaluation. Olsen explained that the SDC rates were evaluated, and the fee structure is based on the entire system, the equivalent share, and percentages based on the City's projected growth. Peterson stated that the SDC work is great, and builds off of the recent SDC work that was completed. Peterson explained that the big value is the certified engineer's replacement value of facilities. Olsen explained that overall the recommendation is an annual 3% increase in fees to cover the cost of updating and maintaining the water system. Olsen stated that it is rare that a City does not have to plan for large loans to complete big projects. The City's water system is in great shape through 2044.

Mark Clark asked about the water rights reevaluation that is occurring in some parts of the state, and if that would impact the City. Peterson explained that those cases have involved ground water rights, and the potential to affect riparian areas. Peterson stated that Oregon is a prior rights state, and that is being challenged to preserve flows in streams. Olsen stated that those cases should not impact the City.

Dirks asked if the cast iron pipe was located mainly in one area of the City. Olsen stated that he cannot remember off hand all the locations, but it was spread throughout the City. Peterson stated that as the City does structural overlays to the roadway, the underground utility system will be evaluated and

repairs will be completed as needed. Peterson explained that the utility upgrades and road upgrades will be completed as a package.

Peterson explained that after a master plan is completed, the typical thing to do is spend the next year figuring out how to pay for all the necessary projects. Peterson stated that the Council and previous administration has done a great job with finances and management. The City has a great water system ready for the build out of the City. Peterson stated that the Master Plan will come back at the next meeting for adoption, and the capital project list and SDC updates will come back later in July.

The Council thanked Olsen for the work and report.

#### **ORDINANCE 4-2014 PGE FRANCHISE AGREEMENT**

Peterson presented the Ordinance and stated that there was a lengthy but amicable franchise negotiation. Peterson explained that the City partnered with Fairview because the City's attorney had a conflict of interest. The legal fees for the City were just under \$6,000 which is a good deal. Peterson stated that the largest item for discussion was the relocation of services when there is a new development. Peterson explained that this topic would probably not impact the City, but there were big impacts for Fairview. Peterson stated that the staff recommendation is to adopt the ordinance.

Dean Funk with PGE stated that it was good working with the City, and Peterson. Funk explained that the issue of relocation was an important section to them, and it took some time to negotiate. Funk stated that they are happy with the agreement, and PGE has a good track record in this area.

Upon motion by Mark Clark, seconded by Tim Clark and passing 5-0, the first reading by title only of Ordinance 4-2014 approving the franchise agreement with PGE was approved.

Minter gave the first reading by title only of Ordinance 4-2014 approving the franchise agreement with PGE.

Upon motion by Harden, seconded by Mark Clark and passing 5-0, the second reading by title only of Ordinance 4-2014 approving the franchise agreement with PGE was approved.

Minter gave the second reading by title only of Ordinance 4-2014 approving the franchise agreement with PGE.

Upon motion by Dirks, seconded by Harden and passing 5-0, Ordinance 4-2014 approving a franchise agreement with PGE was adopted.

### **RESOLUTION 25-2014 CITY UTILITY COST OF LIVING RATE ADJUSTMENTS**

Minter presented the resolution and stated that this resolution is for the annual rate adjustment for water, sewer and street fees. Minter explained that it is a 2% increase to cover the cost of living. Tim Clark asked about the recommendation coming out of the Water Master Plan for a 3% increase. Peterson stated that he is not adverse having a 3% increase for water, and 2% for sewer and streets. Mark Clark stated that the Sewer Fund is in worse shape than the Water Fund. Peterson explained that he wanted to present what the Budget Committee had adopted.

Tim Clark stated that he would like to ensure that the Water Fund gets the needed funding. Mark Clark stated that there is also the capital facilities plan to keep in mind, and the potential to convert private lines. Peterson stated that there is time to fund the projects identified in the draft plan.

Upon motion by Harden, seconded by Tim Clark and passing 5-0, resolution 25-2014 adjusting the City's utility rates for the cost of living was approved.

### **RESOLUTION 26-2014: EXTENDING WORKERS COMPENSATION COVERAGE TO VOLUNTEERS**

HR/Records Manager Greg Dirks presented the resolution. Greg Dirks stated that this is an annual resolution to cover the City's volunteers with workers compensation. Greg Dirks explained that volunteers include the Council, the other boards and commissions, and the event volunteers. Greg Dirks stated that the annual cost is about \$68.00, and the recommendation is to approve the resolution.

Upon motion by Mark Clark, seconded by Dirks and passing 5-0, Resolution 26-2014 extending workers compensation coverage to volunteers was approved.

\*Hossaini left the meeting at 7:30pm.

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

Greg Dirks stated that this event was held on Saturday, May 17<sup>th</sup>, and it was the second time for a drop off event. Greg Dirks explained that the City received just over 12 tons of debris, and just over a ton of scrap metal. Greg Dirks stated that there was also a reuse area which was once again very popular. Greg Dirks explained that this event was sponsored by Metro and Waste Management. Volunteers came from the Wood Village Baptist Church, Frontier, and the Fraternal Order of the Eagles. Greg Dirks stated that this event cost about \$628 and the bulk of the expense was on the custom shirts and hats. Greg Dirks explained that he also applied for a \$200 grant from Metro, would bring the out of pocket cost down to about \$400.

The Council thanked Greg Dirks for the report, and work on the event.

## **DISCUSSION: STREET SLURRY SEAL PROJECT**

Peterson presented the discussion and stated that there is a unique set of circumstances for the next round of slurry seal work. Peterson stated that the first project was in the Original Village, and a lot of things were learned with that project. A lot of those learnings were applied to the second project which occurred in the Lower Village. Peterson explained that the slurry takes hours to cure, and can leave people stranded. Peterson stated that only a few companies do slurry seal work, and we have to fit into their schedule as filler work. The process has been good, and the product has been great.

Peterson stated that the Upper Wood Village and Riverwood neighborhoods are the last areas to complete. There is also a small section of 240<sup>th</sup> off of Halsey as well. Peterson explained that these last areas are larger than the first two projects, and there are lots of cul-de-sacs with no other access. There is a section of steep roadway which takes longer to cure, and there is no connectivity in the Upper Wood Village area. Peterson stated that the first two projects had area parking for residents, but that is lacking in this project area.

Peterson stated that a different process could be applied, and there are positives and negatives to each application. Peterson explained that a chip seal could be used, and traffic can get on that application a lot quicker compared to a slurry. Peterson stated that it is about the same cost, but the chip seal provides a rough surface, there are flying rocks, and there is a problem applying a chip seal to hills. Peterson explained that there are also issues with clogged storm drains from all the rocks.

Peterson stated that an overlay is a structural section of roadway, and traffic can get on the roadway within hours of the application. Peterson explained that an overlay is a full structural repair of the roadway. The disadvantage is there is a lot of preparation work, and the cost is about five times the cost of a slurry treatment.

Peterson stated that a fog coat also has quick access to the roadway, but no real protection is provided. The treatment lasts only a few years at best, and the treatment can create an uneven surface. Peterson stated that just doing a crack seal would slow the structural damage to the roadway, but it looks like spider webbing on the roadway. Peterson explained that there is also no protection from surface oxidation.

Peterson stated that the slurry seal has mineral filler for a wearing surface, and it is very cost effective. Peterson explained that the disadvantage is the long cure time. Harden asked if the Port of Portland would allow parking on their property. Peterson stated that he was provided a verbal agreement as long as the City provides insurance. Peterson explained that the largest issue is the lack of sidewalks to get where cars can be parked. Smith stated that it has been done before.

Peterson stated that the staff recommendation is to do the slurry seal application. Harden stated that people may complain for that day, but that may be better than people complaining for the different levels of service.

Peterson stated that staff came up with options for the project. Peterson explained that one option is to get the project completed in one shot. The other option would be to complete the project except for Holladay, and every other cul-de-sac, and then finish those streets next year. Tim Clark stated that he would rather get the project done in one shot, and potentially save some money. Harden asked if the response from the contractor would be better because of the larger area. Peterson stated that the City might have better options on the timing of the project because of the larger area. Peterson explained that at best the City has had 15 days' notice. The Council stated that 15 days is pretty good notice.

Peterson stated that the City places three advanced notifications on each door, and there will be informational signs at the entrance to each neighborhood. Peterson explained that the section on 240<sup>th</sup> may be difficult because of all the small businesses in that area. Peterson stated that staff will work on options for that section of roadway to reduce the impacts to the businesses.

Dirks asked if there is enough money in the budget to cover the cost of this project. Peterson stated that there is \$190,000 in the budget for this project, and that should be enough. Peterson stated that he understands that the Council would like the entire project completed in one day. The Council stated that is correct.

Tim Clark asked if the roads are in good enough shape for the slurry application. Peterson stated that there is only one section that is in bad shape, but it is a private road and will not be part of this project. Gunter stated that there may be small areas that need repaired, and they will be properly repaired before the slurry is applied. Mark Clark stated that the 237<sup>th</sup> hill is degrading again, and asked when that roadway will be redone. Peterson stated that will probably be one of the first sections for an overlay within the next few years.

## **PUBLIC WORKS DIRECTOR'S REPORT**

Gunter presented the report and stated that work on the Waste Water Master Plan has started, and staff will be working with the engineering firm to complete the project. Gunter stated that the Shea lift station is becoming very problematic, and staff is working on solutions to resolve the problems. Gunter explained that the initial idea to convert the station to submersible pumps is not financially viable, and other options are being evaluated.

Gunter stated that the Bridge Street flodar is having issues as well, but the new funding will resolve those issues. Gunter explained that the valve replacement project is going very well, and the results have been great. Gunter stated that the Consumer Confidence Report has been published, and postcards were mailed to all residents. Tim Clark stated that he thought the postcards should have contained if the water is good or safe. Gunter stated that is a great suggestion, and will be included next year. Gunter explained that the law changed, and the City was able to mail post cards instead of the full report. The idea for next year is to include the information in the May newsletter.

Gunter stated that the yard debris structure for City Hall was completed, and the Hawthorne Building has been removed. Gunter explained that the City was also able to acquire air testing equipment through the RDPO grant process.

The Council thanked Gunter for the report.

#### **FINANCE DIRECTOR'S REPORT**

Minter presented the report, and stated that the reports are back on track since the Tyler conversion. Minter explained that the revenues are on track, and a little above the budgeted amount. Expenses are within the parameters including the sewer treatment costs. Minter stated that even though there are still three months of sewer treatment bills to come in, staff expects that they will fall within budget.

Minter stated that the investments are right around \$4.8 million. There was a recent error on the bills from Waste Management. Minter explained that she has contacted them, and the billings should be corrected for residents. Minter thanked the Council for the recognition on the Tyler project.

The Council thanked Minter for the report, and for her work on the Tyler project.

#### **CITY ADMINISTRATOR'S REPORT**

Peterson stated that the Annual Performance Plan is in the packet, and a formal presentation on the accomplishments will be done at the second meeting in July. Peterson stated that Council is aware of the items not completed, and he is very proud to be associated with this City and staff.

#### **CITY COUNCIL REPORTS**

Mark Clark stated that work on the Troutdale Airport Master Plan has begun. It will be a two to three year process, and it should go well. Mark Clark stated that he will be touring the Oregon Air Guard facilities as part of his work on the Citizen's Noise Advisory Committee.

Tim Clark stated that there was an EMCTC meeting on June 9<sup>th</sup>, and Tri-Met discussed updating routes, and potentially adding new routes. Tim Clark explained that one new route was to have a bus on Glisan that would go to the college. Tim Clark stated that ODOT also presented at the meeting and stated that there is little federal grant money remaining to complete roadway projects. That affects the state distribution for local roads.

Tim Clark stated that that SW Corridor Study is underway, and improvement projects are being evaluated. Tim Clark explained that there was a joint session on the Climate Smart Communities Initiative, and most items were just reiterated from the first meeting. Tim Clark stated that the section on education was reviewed, which increased the groups importance of that item.

Smith stated that EMEA had a presentation by the Big Brother and Sister program. Smith explained that the organization is transporting kids to various workplaces to be mentored by the employees.

Smith stated that it looks like a unique program to help get kids involved. Smith stated that she held a neighborhood watch meeting the other week, and there will be more patrols in the park area to help reduce the amount of recent vandalism.

Harden stated that the principal from Fairview Elementary will be at the second meeting in July to discuss the TAG project. Harden stated that he suggested something historical to the area, and he has volunteered to help be a mentor in the project.

Smith stated that she talked with Peterson and Dirks about having a free lunch program for kids sometime in the future. Smith explained that the idea has not been reviewed a whole lot, but the idea is to start it off fairly small and simple. Smith stated that she talked with Mayor Weatherby about the idea and he was supportive. Harden stated that he likes that idea.

Tim Clark stated that he saw that the Mayor's letter was picked up by the Outlook, and thought it was really good. Dirks asked how the Concerts in the Park Program was going. Greg Dirks stated that was a bit rough at first, but things have improved. Dirks asked if flyers could be developed and posted at area stores. Peterson stated that he will have staff work on that.

Peterson asked if the Council would only like one meeting in August. The Council cancelled the second meeting in August.

**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 8:35pm.



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Patricia Smith  
Mayor

7-8-14  
Date

ATTEST:

  
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Greg Dirks