



Mayor
Patricia Smith

Council President
Mark Clark

Councilors
Stanley Dirks

Timothy Clark

Scott Harden

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

March 25, 2014

MINUTES

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

ABSENT: Tim Clark.

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

PLEDGE OF ALLEGIANCE

CITIZEN COMMENTS

There were none.

DISCUSSION: MULTI-FAMILY WATER/SEWER RATES

Peterson presented the discussion, and stated that the Council was approached by the owner of the Wood Village Mobile Home Park regarding the utility rates. Peterson presented the water meter information at that location dating back to 2008. Peterson explained that the consumption was consistently decreasing until the new meter was installed in 2013. Peterson stated that the overall increase has been about 60%.

Peterson stated that the owner of the park presented rate information to the Council at their last meeting. The request was to provide a rate change or modification. Peterson explained that the specific request was to be billed as a single family unit from the time the new meter was installed, to the time he can place individual meters on the homes in the park. Peterson explained that there is a statutory provision that requires a notice period before landlords can change their utility billing system. Peterson stated that essentially the owner has been paying for the increased consumption with no way to recover the cost.

Peterson explained that the owner had presented a series of arguments for the rate revision. The arguments included that the park has to maintain the system, not the City. The City has a savings by only billing one customer instead of 90, and that there is water loss in any system. Peterson stated that a developer has the choice at the time of the development to construct an independent system, or a City maintained system. The system was not constructed to the City's standard, so

it is an independent system. Peterson explained that there are 19 independent systems with a master meter in the City, and another 26 independent systems for fire lines only. Peterson stated that in his experience, developers chose to have an independent system because it is less expensive to construct.

Peterson stated that there are five manufactured home parks, five multi-family complexes, five commercial developments, and four condominium complexes that have an independent system behind a master meter. Peterson explained that if revisions are made for one owner, they should be made or at least considered for the other owners as well. Peterson stated that the system should be fair and equitable.

Peterson stated that the current water and sewer rates were not developed by individual cost element. Instead the rate was developed by using the total consumption and cost. Peterson explained that even though the system was not developed using a cost center, he was able to conduct a cost analysis of the system. Peterson stated that the overall cost to read and bill the meters is about \$14 per billed unit, and the per unit cost goes down as more accounts are added. Peterson explained that the City could add about 250 additional accounts without adding additional personnel.

Peterson stated that the cost for this particular manufactured home park is higher than a single family home, and that is mainly because the consumption is higher than the average single family home. Peterson explained that the average use per unit in the park is over 1,000 cubic feet. The average use for a single family home is about 600 cubic feet. Peterson stated that the overall use in manufactured home parks is high at around 990 cubic feet per unit. Peterson explained that average is driven primarily by the two larger parks in the City, and they both are master metered. Peterson stated that the individually billed units in other parks have less consumption.

Peterson stated that the marginal cost to add 90 additional units would be low. Even though there would be some users who are late, go to collections or get shut off, it would not increase the overall costs dramatically. Peterson explained that if the rate system were changed, over 800 units would then be added, and that would be a significant change.

Peterson stated that there is water loss in every system. Peterson explained that the owner of the park indicated that there is about a 6% loss in the park. Peterson stated that the City does not have a solid figure on the water loss, but the most recent calculation had about 8% loss compared to production and consumption meters. Peterson explained that the City passes that water loss through to each customer. Smith asked how the loss is spread in a master metered situation. Peterson stated that it is up to the property owner on how to handle that situation. Peterson explained that water loss in the system affects all users.

Peterson stated that the City does save money by having master metered properties. Peterson explained that there are several properties that utilize that approach. If discounts were provided to one owner, there is an increase in the other users to make up that cost. Peterson stated that in this case, the burden would fall on single family users.

Peterson stated that he calculated the single family rates for each manufactured home park. Both Wood Village Green, and Wood Village Mobile would save money. Poplar Mobile and Greenway Park would have increased bills. Peterson explained that is because Poplar and Greenway do not use a lot of water. The more water a park consumes, the more the costs are to treat the wastewater. That revenue would have to be made up somewhere else.

Peterson stated that he does not want to discount the arguments that were made by the property owner. Peterson explained that if the Council were in the process of a rate evaluation, there would be real merits to the cost allocations. Peterson stated that is not the case, and when exceptions are made the loss is made up by the other users. Peterson explained that even if the rate structure applied just to the manufactured home parks, there would be inequity between the large and small consumers. Peterson stated that the City's code provides for a four month retroactive period. If a discount is applied, it could be applied only to the previous four months, and then into the future.

Peterson stated that there are a series of alternatives that can occur. The Council can establish the single family rate for all the manufactured home parks in the City, the Council could direct that a new rate structure be evaluated, the Council could not act on the request, or the Council could deny the request. Peterson stated that the staff recommendation is to deny the request. Peterson explained that he also wanted to correct an error in the first staff report. Peterson stated that the first staff report indicated that there was a leak at the park, and the flow was directly going into the sanitary sewer system. Peterson stated that while there was a leak, it could not be confirmed that it was going into the sanitary sewer system.

Smith invited the owner of the park Ron Danielson to present his case. Danielson owner of the Wood Village Mobile Home Park stated that once he heard of the leak, he went out to investigate it. Danielson explained that their sewer system is a closed pipe system from the unit to the underground pipe, and unless the pipe was broken water could not flow in.

Danielson stated that he would like to get into a position like Poplar Mobile Manor where they have individual meters. Danielson stated that consumption decreases when each unit is metered. Danielson explained that they are going through the 180 day notification process to individually meter and bill each unit. The park will be ready to go on September 1st. Danielson stated that he spoke with the manager of Poplar Mobil Manor, and their meter is about 10 years old, which could attribute to some of their lower readings. Danielson stated that the water and sewer system

at his park is not a junk or cheap system. They installed schedule 40 PVC pipe which is good pipe, and they are continuously upgrading their system. Danielson stated that a year or so ago a utility worker made the comment to him that his system was junk. Danielson explained that he was upset by that comment, and wants the Council to know that the system in the park is not junk.

Danielson stated that he is installing Neptune T-10 water meters at the park. The first reading will be July 15th through August 15th, and the new bill will be sent out September 1st. Danielson explained that he reviewed their consumption in the staff report to national averages, and according to the EPA they have average consumption. The hope will be to reduce the overall consumption with the new meters. Danielson stated that he compared his Wood Village bill to what his bill would be in Gresham. Danielson explained that according to the person he talked with in Gresham, he would have a 26% savings compared to a single family home with the same consumption. Danielson stated that Gresham recognizes the economy of scale, and this current system is not fair or equitable. The multi-family users are subsidizing the single family rate.

Danielson presented the Council with a written report. Danielson stated that before his meter was replaced, the consumption was at 69,200 units. Danielson explained that after the meter was installed there were several billing errors. Once the errors were resolved, the consumption increased to over 100,000 units. Danielson stated that he called the City regarding the increased consumption and was told there was probably a leak. Danielson explained that he investigated, but could not find any leaks. Eventually he was informed about the new meter, and how the old meter probably was not providing an accurate read.

Danielson stated that even providing four months of a rate relief would be appreciated. Danielson explained that he feels that everyone is working for the benefit of the residents, and this will have a positive effect on his tenants. Danielson stated that he is here to advocate on behalf of them because the current rates are not fair, and they should be compensated for having an economy of scale.

Smith stated that once each unit is metered, the consumption should decrease. Danielson stated that it will be the tenants who should see the decrease. Danielson explained that as the utilities have increased, so have the rental rates. This should help the tenants take a more active role in keeping costs down.

Mark Clark stated that there are probably several silent leaks in the park. These are things such as leaky toilets and faucets. Those types of leaks rarely get noticed or addressed unless the unit is individually metered. Mark Clark stated that leaking toilets can increase consumption dramatically.

Harden asked Danielson if any rebates were provided, would that money go back to the tenants. Danielson stated that according to the state statute, they have to drop the current rent by the average billing amount once the units are individually metered. Harden stated that if their consumption remained the same, then there may not be any savings.

Peterson stated that on average, the units at Poplar Mobile Manor pay about 70% of what a single family user pays. Smith stated that an exception made for Wood Village Mobile would impact other users. The rates need to be fair to everyone.

Danielson stated that he agrees that leaking toilets are the cause of a lot of water leaks. Danielson explained that when he was adding meters to the units, he did not notice any leaks when the units were turned back on. Danielson stated that he would be surprised if they had any leaks of any significant quantity.

Dirks stated that if a rate revision were made, it would have to apply to other similar users. Dirks asked how long it would take staff to restructure the rate system and recover the costs. Peterson stated that it depends on the priority that Council makes the project, but it would take at least 90 days to restructure the rate system.

Upon motion by Dirks, seconded by Harden and passing 3-0-1 with Smith, Dirks and Mark Clark Yea, and Harden abstaining, the Council denied a rate revision or relief for the Wood Village Mobile Home Park.

Danielson stated that he does not agree with the decision, but thanked the Council for their time and effort.

RESOLUTION 9-2014: OREGON DEPARTMENT OF LAND & WATER CONSERVATION PARK GRANT ENDORSEMENT

Peterson presented the resolution, and stated that this resolution would endorse the grant application to complete the park trail improvement project. Peterson explained that the grant would be used as the matching funds required by the Metro grant that was applied for. The total project cost is \$66,000, and if both grants were received the City's cost would be about \$11,000.

Dirks asked if the project would proceed if the grant did not go through. Peterson explained that staff placed \$11,000 in the propose budget for the City's portion of the project. The remaining funds were added in as grants. Peterson stated that staff is fairly confident about receiving the grant from Metro, but the state grant is more competitive. Peterson explained that if the City did not receive the state grant, then staff would scale back the project to fit within the budget.

Harden asked what would happen to the \$11,000 in the budget if nothing occurred. Peterson stated that the funds would move into the ending fund balance, or they could be placed into a reserve system for the park. Peterson explained that there is also about \$23,000 in gas tax proceeds which must be spent on pedestrian and bicycle projects. Harden asked if the motion could be made to ensure that those funds are still in place next year if the grant is not approved this year. Peterson stated that it can be, but stated that the funds could also be used to kick start the trail project even without the grants.

Upon motion by Harden, seconded by Dirks and passing 4-0, Resolution 9-2014 authorizing the City Administrator to file a grant application with the Oregon State Parks and Recreation Department for park trail improvements at Donald Robertson Park was approved.

DISCUSSION: COMMUNITY GARDEN PROGRAM

HR/Records Manager Greg Dirks presented the discussion. Greg Dirks stated that the Council requested a review of the Community Garden program, and the first review was conducted at their November meeting. The Council then directed a review by the Parks Commission. Greg Dirks explained that the Parks Commission reviewed the program at their meeting in February, and came up with a series of recommendations.

Greg Dirks stated that the recommendations included reducing the size of the garden, revising the fee and fee structure, and building raised beds. Greg Dirks explained that the Parks Commission recommended reducing the size of the garden from 25 plots to 20 plots. The average occupancy has been about 80%, and the front row of the garden has never been utilized. Greg Dirks stated that several fee structures were recommended. The first idea would be to increase the fee from \$20 a season, to \$25 a year. The Current garden season is from April 1st through October 31st. The new yearly fee would run on the calendar year, and the \$25 fee is still within the recreational immunity limits. Greg Dirks stated that the other idea would be to still charge the \$25 fee per year, but the fee would be reduced to \$10 after July 1st. The fee reduction could help attract additional gardeners to vacant plots. Greg Dirks stated that the last idea would be to have a three-year payment for \$75 with a \$10 annual renewal fee. The idea behind that structure would be to secure graders for multiple years.

Greg Dirks stated that the Parks Commission recommended constructing raised beds. Greg Dirks explained that constructing raised beds was identified by the community gardeners during a fall survey. Greg Dirks stated that the raised beds could be constructed by two different methods. The first method would be to purchase the materials, and gather a group of volunteers to construct the beds. The advantage of this method would be the ease of construction and uniformity of the garden. The downside is the increased cost without a guarantee of increased garden usage or participation. Greg Dirks stated that other method would be to construct a raised bed for those who sign up for a three-year term. The advantage of that method would be the \$75 fee would essentially cover the cost of the raised bed. The downside is the beds would have to

be constructed one at a time as people sign up for a three year term. There would also be complications for those who sign up for multiple plots. Greg Dirks stated that the estimated cost to construct 20 raised beds is about \$1,000.

Greg Dirks stated that the Council has a series of alternatives to choose from. The Council could revise the fee structure to any of the one proposed, or leave it the same. The Council could elect to construct all the raised beds, build raised beds for those who sign up for three years, or not provide raised beds. The Council could also elect to not revise the program at all, or to eliminate the Community Garden program altogether.

Harden stated that the raised beds should not be wider than four feet to allow people to reach the center of their plots. The layout would need to be revised to allow for two raised beds per plot. Peterson stated that would increase the cost of the project. Dirks asked how many gardeners used the garden last year. Greg Dirks stated that the garden has averaged 13 gardeners per year over the last four years. Dirks asked how many gardeners helped with the garden cleanup this year. Greg Dirks stated that only one community gardener volunteered to help clean up the garden. Dirks asked how many gardeners attended the season wrap up meeting. Greg Dirks explained that no gardener showed up for the meeting, so an email survey was sent out, and about half of the surveys were returned.

Dirks stated that he is concerned about the lack of volunteer efforts by the gardeners to set up, maintain, and clean up the garden. Dirks stated that since it is getting late in the year, the City should just layout the plots, and provide them free of charge with the understanding that the City is no longer responsible for the care and maintenance. The plots would be provided for a year, and the gardeners would provide the sweat equity to keep the garden maintained. Dirks stated that if those gardeners do their part, then the City could possibly add the raised beds, and make additional improvements next year.

Harden stated that it is a unique idea, and asked if the gardeners could build their own raised beds. Greg Dirks stated that the rules already allow for smaller structures, and they could be modified to include raised beds.

Upon motion by Dirks, seconded by Harden and passing 4-0, the Community Garden was revised to include no fees, year round gardening, and the ability for gardeners to construct raised beds to City established standards.

DISCUSSION: SUMMER CONCERTS IN THE PARK PROGRAM

Greg Dirks presented the discussion. Greg Dirks stated that he was approached by the Fraternal Order of the Eagles to have another concert in the park series this coming summer. Greg Dirks explained that the Fraternal Order of the Eagles approached the City last year to hold a summer

concert series. About four concerts were held in the gazebo, but the attendance was minimal. Greg Dirks stated that the City supported the project last year by providing the gazebo and advertising. The Fraternal Order of the Eagles arranged for bands to play free of charge.

Greg Dirks stated that the Club President Carl Wilson wanted to expand the program this year, and pay the bands to perform. Greg Dirks explained that the event was proposed to run for eight Sundays starting June 15th. The concerts would begin at 2pm, and go until about 5pm. The cost would be \$200 per band. Greg Dirks stated that the Portland Youth Philharmonic has agreed to play four of the weekends, and the other four concerts would be played by other family friendly bands. The total out of pocket cost to the City would be just over \$1,000, and staff would work with area stores to help get sponsors.

Greg Dirks stated that the Eagles would be responsible for arranging the bands, setting up a sound system, and essentially running the day of event. Greg Dirks explained that if the Council approves the event as proposed, a contract will be needed between the City and the Eagles to help ensure a quality event. Greg Dirks stated that the Council could chose to not have the event, have staff operate the event, or try to find bands to play for free.

Dirks stated that he likes the event, and having the Portland Youth Philharmonic play in the park is a big deal. Dirks stated that he feels this event could help kick off other events in the park. Mark Clark stated that he likes the event as well.

Upon motion by Mark Clark, seconded by Harden and passing 4-0, the City Administrator was directed to develop an event contract with the Fraternal Order of the Eagles for a summer concert series in the Donald L. Robertson Park.

RESOLUTION 11-2014: GORGE HUB PROJECT ENDORSEMENT

Greg Dirks presented the resolution, and stated that it is an endorsement for the Gorge Recreational Hub project concept. Greg Dirks explained that the Gorge Recreational Hub project is a joint effort between the cities in the Gorge, and the Oregon State Parks, Oregon Department of Transportation, and other agencies. The idea behind the project is to provide a unified experience down the historic highway and trail system.

Greg Dirks stated that the hubs will act as a welcoming center to each city, and provide information and amenities such as maps, drinking fountains, and seating areas. The hubs could even feature cell phone charging stations, or bike repair stations. Greg Dirks explained that each hub can be unique to each area, but the signage and maps would all be identical. Greg Dirks stated that the resolution would endorse the project, and no funds are needed at this time. The endorsement will be used in grant applications to help create a master plan for the hub network.

Greg Dirks explained that some staff time would be involved in contributing to the master plan work.

Upon motion by Harden, seconded by Dirks and passing 4-0, Resolution 11-2014 authorizing the Mayor to endorse the Gorge Recreational Hub project was approved.

PUBLIC WORKS DIRECTOR'S REPORT

Gunter provided the report and stated that they are still in negotiations for the Waste Water Master Plan. The initial proposal came in very high, and staff has been unable to bring the cost and scope of the project to a more reasonable and affordable area. Gunter explained that staff will work with the firm to get a last best offer, and then negotiate with the second qualified firm if the cost is still too expensive.

Peterson stated that because of the extended negotiations, the project will most likely have to roll over into the next APP year. Harden asked if the waste water master plan needed to be accomplished this year, or if it could be held off for a few years. Harden stated that if it has to be done, then it should be considered a day to day item, and not an APP item. Peterson stated that the plan is ten years old, and essentially complete. There is no legal trigger to get the plan accomplished right now, but it does need updated soon. Harden stated that he is okay with a delay. Smith stated that she is as well because there are legitimate delays.

Gunter stated that the water master plan is going very well. There will be another progress report on the plan in April. Gunter explained that there was a water line break on Arata, and the pipe was schedule 40 PVC. The City's crew is in the process of determining if there is more schedule 40 pipe in the ground. Gunter stated that will need to be replaced before the Arata Road project is constructed.

Gunter stated that the staff is removing graffiti when it occurs, and there have not been a lot of new occurrences lately. Gunter explained that the park is in great shape, and the restrooms have been repainted as well.

The Council thanked Gunter for the report.

FINANCE DIRECTOR'S REPORT

Minter stated that she does not yet have the final numbers for February because of the conversion to the new financial software. Peterson stated that the conversion is going really well, and Minter and her staff have gone above and beyond in the work that has been accomplished. Peterson explained that staff has been able to save the City about \$18,000 in consulting work because they have been able to get the work completed in house.

CITY ADMINISTRATOR'S REPORT

Peterson stated that the APP is in the packet, as well as the Council Calendar. Peterson stated that the MCSO has been able to secure enough participants for the Youth Police Academy. The program will start April 2nd, and go until the end of the month. Peterson explained that the MCSO inquired about the City helping pay for the some of the program costs which includes overtime for their deputies. Peterson stated that the Council originally allocated \$1,000 for the program. The total program cost is about \$3,000.

Upon motion by mark Clark, seconded by Harden and passing 4-0, the Council authorized a payment of \$2,000 for the Youth Police Academy.

Peterson stated that he would like to request that the Business Incentive Program be extended for 30 days. Peterson explained that the program expires at the end of the month, and additional time is needed to provide a report to the Council.

Upon motion by Mark Clark, seconded by Harden and passing 4-0, the Business Incentive Program was extended for 30 days.

CITY COUNCIL REPORTS

Mark Clark stated that he was elected Chair of the Citizen's Noise Advisory Committee. Mark Clark explained that the City was one of only a few other cities that allowed the CNAC to present at a Council meeting. Only Portland and Vancouver were the other cities that wanted the presentation.

Smith stated that the East Metro Economic Alliance meeting was good. The speaker focused on gang prevention in communities. Smith stated that she still does not have a regular deputy for their neighborhood watch meetings. Peterson stated that he has been unable to set up a meeting with the Sheriff for over two months.

Peterson stated that the regional transportation plan is out for comments. There are a number of projects that will have an impact on the City. Peterson explained that the 238th project has been moved forward to 2016/17, which is a lot sooner than anyone thought. Smith stated that Troutdale had their first reading to vacate the 242nd right of way, and it passed. The second reading will be in April. Peterson stated that the City received a notice from Metro that the City is out of compliance for the TSP. Peterson explained that because of the corridor study that occurred, the City was only able to update the pedestrian portions of the plan. Overall the City is in good shape.

Dirks asked how the Council likes the time on the agenda. Harden stated that he would like to remove the time allocations. Smith stated that she would like the full Council here to discuss

that item. Dirks stated that he feels it inhibits the conversation and discussion. Harden agreed. Mark Clark stated that he does not want the times either.

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 8:07pm.



Patricia Smith
Mayor

4-9-14

Date

ATTEST:



Greg Dirks
City Recorder