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**PUBLIC WORKS COMMITTEE
MINUTES**

February 5 and 12, 2015
3:12 PM

The meeting was called to order on February 5, 2015, at 3:12 p.m. at the Public Works meeting room, 1515 Willow Lane, Philomath.

ROLL CALL:

COMMITTEE: Jason Leonard, Doug Edmonds, and Eric Niemann (3:24 p.m.)

TREE ADVISORY BOARD: Jason Leonard, Doug Edmonds and Eric Niemann

STAFF: Kevin Fear, Public Works Director; Garry Black, Public Works Operations Supervisor; Joan Swanson, Finance Director; Ruth Post, City Recorder.

GUEST: None

ELECTION OF COMMITTEE CHAIR:

Councilor Edmonds nominated Councilor Leonard as Committee Chair. Councilor Leonard second. Motion APPROVED 2-0.

MINUTES:

Councilor Edmonds moved, Councilor Leonard second, to approve the minutes of the September 4, 2014, meeting as presented. Motion APPROVED 2-0.

TREE BOARD BUSINESS:

Arbor Day discussion – Mr. Black reviewed the Tree City USA requirements. Philomath is headed towards its 21st year as a Tree City USA and was the Oregon Tree City of the Year last year. He recommended Friday, April 24, for the Arbor Day celebration. Councilor Edmonds questioned what the benefit is for being a Tree City USA. Mr. Black explained that it is for the betterment of the community at minimal expense. He also explained problems with the plum trees along the bike path heading towards Corvallis that make a slick mess on the bike path. He is waiting for the new trees to grow up more before removing more of the plum trees. Consensus was to hold the Arbor Day celebration on April 24.

Discuss recommendation for Mayor to appoint Jerry Mock as citizen member of the Tree Board – Mr. Fear explained that Mr. Mock is an arborist and has advised the City on tree issues for at least the past 8 years. Mr. Black explained the benefit of having an arborist on the Committee.

Councilor Leonard moved, Councilor Edmonds second, to recommend Mayor Sloan appoint Jerry Mock as citizen member of the Tree Board. Motion APPROVED 2-0.

Other business – None.

(Councilor Niemann arrived at 3:24 p.m.)

PUBLIC WORKS BUSINESS:

Annual utility rate review – Ms. Swanson reviewed the staff memo and the long-standing philosophy that we raise rates consistently each year to keep up with costs. She explained the rate comparison sheet and the distribution of funds between the water and sewer funds. She noted that there has not been a rate increase in the water rate for the past three years and that the focus has been on sewer rates to manage the debt

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service for the new sewer lagoons. She explained how the system development charges should be helping pay for the bonds that paid for the sewer upgrades. However, the lack of housing starts means there have not been enough SDC's paid to keep up with the debt service on the bonds. She explained that a small rate increase in sewer rates would enable a transfer of approximately \$75,000 to Land, Building, & Equipment towards the 1952 sewer line replacements.

She explained the status of the water fund, including increased water usage over the past several years at GP due to increased production. She expressed hesitancy in relying on the usage of one customer and the benefit of a rate increase to raise enough money to set aside \$100,000 towards debt service on any upcoming water treatment plant upgrade expenses. She explained the use of a low base rate and high per unit rate to benefit seniors and those on fixed incomes.

Councilor Edmonds questioned how many years remained on the sewer bonds. Ms. Swanson stated 10 years remain. Councilor Edmonds questioned how much debt the City has as a total. Ms. Swanson explained the sewer bond is the major debt and there is a water debt that is scheduled for payoff six to seven years early.

Councilor Niemann questioned the message being sent to the community with the rate increase. He noted the visibility of the sewer system upgrades. Councilor Niemann questioned what percentage of the 1952 lines has been completed. Mr. Fear stated that 36% of those lines have been replaced. Councilor Niemann noted problems with degradation of the system, fines for failure to upgrade, and the need for the system to work.

Mr. Fear noted that Lebanon was faced with having to upgrade both water and sewer facilities at the same time and resulted in 15% increases per year for several years. Councilor Edmonds stated there is a balancing act between the need for SDC's and the need to expand the system. Councilor Edmonds stated that capacity is a top concern. Councilor Niemann stated there is uncertainty with any negotiations with Corvallis on the Rock Creek water. There was discussion about reaching capacity on the water treatment plant. Ms. Swanson stated that the Council will ultimately be faced with a decision of either relying on Rock Creek or expanding the water treatment plant. Either decision will have expense attached to it. Councilor Niemann stated the need to set money aside incrementally to be prepared for whichever decision is arrived at.

Councilor Edmonds questioned if we have sufficient land for a water treatment plant expansion. Mr. Fear stated the property exists, but there are issues regarding the point of diversion for the water rights, which is where discussions with Corvallis come into the picture. There was additional discussion about the short-term advantage of a water reservoir on the west side.

Ms. Swanson explained that raising the rates in water would hopefully be sufficient in approximately in three years to meet the debt service on sale of bonds for the water plant.

MOTION: Councilor Leonard moved, Councilor Leonard second, to recommend a 8.2% 2015-2016 utility rate increase to the City Council for approval. Motion APPROVED 3-0.

There was discussion about tabling the balance of the agenda and set a second meeting. 2:00 p.m. next Thursday. It was agreed to reconvene the meeting at 2:00 p.m.

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on Thursday, February 12, 2015, at the Public Works Building meeting room, 1515 Willow Lane, Philomath.

MEETING SUSPENDED:

Meeting suspended at 4:09 p.m.

RECONVENE:

Meeting reconvened on Thursday, February 12, 2015, at 2:00 p.m. at the Public Works building meeting room, 1515 Willow Lane, Philomath, by Chair Jason Leonard.

ROLL CALL:

COMMITTEE: Jason Leonard, Doug Edmonds, and Eric Niemann (3:24 p.m.)

STAFF: Kevin Fear, Public Works Director; Garry Black, Public Works Operations Supervisor; Joan Swanson, Finance Director; Ruth Post, City Recorder.

GUEST: Robert and Jeannie Gay

OTHER BUSINESS:

Jeannie Gay, Philomath, OR – Ms. Gay requested that the Committee consider making South 30th Street and Southwood Drive parking on one side of the street only. She stated that congestion on those streets is a problem. She stated the Philomath Connection seems to have problems sometimes coming through. There was discussion about the problems.

Robert Gay, Philomath, ,OR – Mr. Gay stated there is just enough space for a fire truck to get through when cars are parked on both sides of the street.

Capital Improvement Plan approval – Ms. Swanson handed out a replacement page for the Street schedule.

Facility Improvement Schedule – She recommended that funding allocations for the City Hall, Library and Police buildings be reduced due to constrictions on the General Fund. Councilor Edmonds questioned if those are in a restricted fund. She explained that monies that originate in a specific fund, such as the Water Fund, are kept matched up when they are transferred to the Land, Building, and Equipment Funds.

Equipment Schedule – Ms. Swanson explained that the only equipment with an allocation from the General Fund is the Administration vehicle. There was discussion about the vehicle replacement plan. Mr. Fear stated that in many cases, trucks are able to live beyond the 10 year replacement plan. There was discussion about the basic model of the vehicles and the government discount obtained. Councilor Niemann questioned how the vehicles are disposed of. Mr. Black stated that the city has successfully used OSU Surplus. Mr. Swanson explained that the 2004 Dodge 4x4 pickup will show up in the budget this year for replacement. There was discussion about replacement of the 2007 John Deere mower for the parks department. Ms. Swanson reviewed the water, sewer and street funds that will be budgeted to be transferred to Land, Building and Equipment. She explained that the play equipment allocation was used to finish funding the mower.

Infrastructure Schedule – Ms. Swanson explained that the infrastructure schedules include transfers from the System Development Fund. She explained the differences between SDC improvements and reimbursements. She explained that the current lack of funds prevents any projects being scheduled for the current year. In the sewer fund, she

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explained the use of the SDC dollars to transfer to the sewer fund towards the sewer bond debt service. She noted that the projects are based on 10 new single family dwellings for the year. Ms. Swanson reviewed the state revenue estimate that was originally received for gas tax compared to the actual, which was significantly reduced. She explained the revisions this creates in the sewer infrastructure schedule. Councilor Edmonds questioned if there is a need to look at all revenues, fees and expenses. Ms. Swanson stated some of that is part of the visioning goal for the community and stated that most of the SDC methodologies need to be reviewed and adjusted. Councilor Niemann questioned if SDC's are an impediment to construction. Ms. Swanson stated that contractors will say that they are but also continue to build here. Ms. Swanson explained that the overlay project on 24th Street is on hold due to a lack of funds in water and sewer needed to complete those upgrades first. There was discussion about park projects, including completing the landscaping near the park shelter and beginning work on a new park on North 11th Street. Ms. Swanson explained that the new park would qualify for SDC funds. There was further discussion about the North 11th Street. There was discussion about availability of park grants. Ms. Swanson reviewed the storm drain schedule and the effect of the lack of SDC's and storm drain work in the Applegate Street reconstruction project that wasn't anticipated. There was discussion about maintaining the budget with limited construction going on. Ms. Swanson reviewed the bike path/footpath schedule and the 1% that is designated by the state from gas tax revenues. She stated that a project is anticipated this year and will be budgeted for.

MOTION: Councilor Niemann moved, Councilor Edmonds second, the Public Works Committee forward the 2015-16 Capital Improvement Plan to the City Council for approval. Motion APPROVED 3-0.

Chapter 2.40 Tree Board ordinance review – Mr. Fear reviewed the proposed amendments. He stated that the ordinance calls for four citizen members and we only have typically had one. Four seems to be too many for our needs. The recommendation was to reduce that to two citizen members. He explained that review of the arboricultural specifications manual and urban forest plan every five years was overkill and is currently updated on an as needed basis.

Other recommended amendments included removing a member of the tree advisory board as exempt from permit requirements, adding door hangers as an acceptable notification method, and changing the nuisance remedy from 30 days to 15.

MOTION: Councilor Edmonds moved, Councilor Leonard second, the Public Works Committee forward amendments to Chapter 2.40 Tree Board ordinance to the City Council for approval as presented. Motion APPROVED 3-0.

Chapter 6.10 Animals ordinance review – Mr. Fear explained that this amendment creates a maximum leash length and requires that the leash be controlled by a person.

MOTION: Councilor Niemann moved, Councilor Edmonds second, the Public Works Committee forward amendments to Chapter 6.10 Animals ordinance to the City Council for approval as presented. Motion APPROVED 3-0.

Chapter 12.10 Parks ordinance review – Mr. Fear explained that this amendment creates uniformity with the amendment in Chapter 6.10 Animals regarding leash length and control.

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MOTION: Councilor Leonard moved, Councilor Niemann second, the Public Works Committee forward amendments to Chapter 12.10 Parks ordinance to the City Council for approval as presented. Motion APPROVED 3-0.

Chapter 12.15 Rights of way ordinance review – Mr. Fear explained the addition of a new section to specify who is responsible for right-of-way maintenance. This section will clarify the responsibilities of property owners with adjacent public rights-of-way.

MOTION: Councilor Niemann moved, Councilor Edmonds second, the Public Works Committee forward amendments to Chapter 12.15 Rights of way ordinance to the City Council for approval as presented. Motion APPROVED 3-0.

Chapter 13.20 Sewer ordinance review – Mr. Fear reviewed the proposed amendments to the sewer ordinance. He explained the need to clarify what waste the City can accept, particularly with regard to businesses that dispose of materials that could cause damage to the system. The amending language specifies pre-treatment responsibilities. He also explained the need to clarify what constitutes an unauthorized connection. He stated this amendment works hand-in-hand with an amendment the Police Committee is considering regarding living in a recreational vehicle.

There was additional discussion regarding the definition of “Director” to clarify that it means “Public Works Director or designee.” Mr. Fear was directed to make that amendment.

MOTION: Councilor Niemann moved, Councilor Leonard second, the Public Works Committee forward amendments to Chapter 13.20 Sewer ordinance to the City Council for approval as amended. Motion APPROVED 3-0.

Chapter 13.30 Water ordinance review – As a carry-over from the sewer chapter discussion, Mr. Fear stated he would fix the definition of “Director” in the water chapter. He explained the need for clarification of connecting to the water system, particularly unauthorized connections.

The City’s backflow prevention program was reviewed, including the process of sending out letters for annual tests and shutoffs for those who do not get their backflow devices tested. The shutoff procedure is proposed to mirror the system for unpaid water bills.

There was discussion about Section 13.30.110 and the proposed amendment requiring property owners to obtain a permit before performing maintenance and/or repairs on a water line in the city right-of-way. There was discussion about the amendment declaring the use of an abandoned service as an unauthorized connection and more clearly defining the City’s option to remove an abandoned service.

Councilor Edmonds questioned the use history available on the water meters. Mr. Black explained that 35 days of history can be read on a meter. There was discussion about the amendment that clarifies there is no reimbursement of base fees due to shutdowns.

MOTION: Councilor Edmonds moved, Councilor Leonard second, the Public Works Committee forward amendments to Chapter 13.30 Water ordinance to the City Council for approval as amended. Motion APPROVED 3-0.

Other business – None.

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ADJOURNMENT: The meeting was adjourned at 4:47 pm.

Recorded by: Ruth Post, MMC, City Recorder