

PUBLIC WORKS COMMITTEE

March 2, 2017

5:00 p.m.

ROLL CALL:

City Councilors Eric Niemann and Doug Edmonds and Mayor Rocky Sloan
Staff: City Manager Chris Workman, Public Works Director Kevin Fear, Finance Director Joan Swanson, City Recorder Ruth Post, and Public Works Operations Supervisor Garry Black.

APPOINTMENT OF PUBLIC WORKS CHAIRMAN:

MOTION: Councilor Edmonds moved, Mayor Sloan second, to appoint Eric Niemann as Chair. Motion APPROVED 3-0.

MINUTES:

MOTION: Councilor Edmonds moved, Mayor Sloan second, to approve the minutes of April 7, 2016, as presented. Motion APPROVED 3-0.

Because Mr. Workman needed to leave the meeting early, Chair Niemann moved the Committee directly to Public Works Business.

PUBLIC WORKS BUSINESS:

Georgia Pacific Leak Adjustment Request -- Mr. Workman summarized the City's leak adjustment policy and process for typically identifying leaks. He stated a letter was received from Georgia-Pacific requesting a leak adjustment for a leak that extended over a substantial period of time. He stated GP has been aware they had a leak for many months and even acknowledges in the letter that they were aware of it. The letter states the leak was finally repaired in October 2016 and they are just now requesting reimbursement for the loss. Ms. Swanson reviewed the section of the Philomath Municipal Code in Chapter 13 relevant to leaks and adjustments. Mr. Fear stated that staff identified and documented the existence of a potential leak in January 2016. Ms. Swanson reviewed the usage from June through September 2016 that could be estimated as being due to the leak. She called to the Committee's attention the note in the utility billing account history from January 11, 2016, in which the customer contacted the City and confirmed that they thought they had a leak.

Mayor Sloan stated there are companies that will locate leaks and they could have used one of those. He stated that the fact that they ignored the situation and are now requesting reimbursement is problematic. He noted customers that contact the City when rates increase by as little as \$2.00 because they are paying attention to their bill. Councilor Niemann stated the ordinance gives them 10 days after the customer has been notified of the possibility of a leak to repair it and request reimbursement but it has been four months since they repaired the leak. Mr. Workman stated the entire reason for that provision is to protect the City from this very situation. On those grounds, he recommended G-P be notified the request is denied, but he wanted the Committee to weigh in on it.

Mayor Sloan questioned if the customer ever contacted Public Works saying they needed assistance in locating the leak. Mr. Black stated they did not. Mayor Sloan stated he agreed with Mr. Workman's recommendation. Ms. Swanson stated the increased usage has been going on for a couple of years and Mr. Workman contacted G-P over a year ago to verify the increased usage was due to production and not some other condition. Councilor Niemann stated the

substantial difference between identifying the possibility of a leak in January 2016 and coming back with a reimbursement request in February 2017 supported his recommendation to adhere to the City ordinance. Councilor Edmonds concurred.

MOTION: Councilor Edmonds moved to concur with application of PMC 13.30.130 Section 4 in denying the request. Motion APPROVED 3-0.

(Mr. Workman departed at 5:20 p.m.)

Councilor Niemann moved the Committee back to the regular agenda.

TREE BOARD BUSINESS:

Informational Briefing on Tree City USA Requirements: Mr. Black summarized the Tree City USA program and expansion of Philomath's tree program to include an on-staff arborist. He stated that next year other employees will be trained on initial tree care so they can answer basic tree trimming questions for the public. He stated this will ensure good advice being given on tree pruning. He stated they did apply for and receive the new Growth Award this year on their first application because of this commitment to the City's trees. He stated Arbor Day will be April 27 and described the tree planting program to be held with the students again this year. He stated that Dunn Company Tree Service will assist again this year with the program and invited the Committee members to volunteer as well. Councilor Niemann requested that promotion of the Arbor Day Celebration be included on the City website. Mr. Fear explained the investment the City is required to make in trees to be awarded the Tree City USA status and stated the City exceeds that figure substantially.

Councilor Edmonds questioned the value of receiving the additional Growth Award. Mr. Fear stated it is an additional accreditation for extra commitment to the City's trees. As a community at the base of the Oregon Coast Range, Mayor Sloan stated it is important to be a Tree City USA. Mr. Black confirmed there is no additional expense or overhead for the Growth Award as it was already work being done and just required documentation.

Tree Relocation and Replant Request 1320-1322 Applegate – Mr. Black reviewed the request received from the adjacent property owner to remove the trees so he could widen the driveway to allow for additional parking spaces. He confirmed that the property owner has been notified that he has to receive ODOT approval for the wider driveway. There was discussion about the parking situation with the duplex. Mr. Black stated approval wouldn't be granted unless he had the ODOT approval. Mr. Black stated the owner's intent is to replace the trees with two new trees on the east side on his private property.

MOTION: Niemann/Edwards second, that the trees should be removed to allow for the expansion of the driveway on the following conditions:

- 1) Owner is permitted permission from ODOT to expand driveway
- 2) Owner agrees to replant trees that meet city requirements
- 3) Owner agrees to have trees removed.

Motion APPROVED 3-0.

Tree Board Business closed at 5:36 p.m.

PUBLIC WORKS BUSINESS:

Water and Sewer Rate Discussion – Ms. Swanson described the effect of the G-P leak on revenues. She reviewed the current average utility bill and the rate study comparison with other Mid-Valley cities. She cited the challenge of adjusting the utility rates in conjunction with the proposed Public Safety Service Fee. Councilor Niemann questioned the status of the new water purchase agreement with the City of Corvallis. Mr. Fear described the status of negotiations being conducted by Mr. Workman. There was additional discussion about the contract. Councilor Edmonds questioned what the timeline is for completion of the agreement. Mr. Fear stated he couldn't address that. Ms. Swanson stated her recommendation is to always make a cost-of-living adjustment and the reason it is considered at this time of year is to be able to complete the budget development. Councilor Niemann suggested staying with a cost-of-living adjustment at this time. Mayor Sloan stated the need to set aside funds to address the water treatment plant needs. There was discussion about the plant's age resulting in parts being obsolete. Mayor Sloan credited Operator Dennis Lewis for dealing with the parts issue and finding ways to keep the plant running. He noted the effort to keep the plant running despite the recent flooding conditions and this saves the City money by not resorting to the inter tie system.

Councilor Edmonds questioned the number of times the inter tie has been used in the past year. Mr. Fear stated it is exercised every month. Mr. Black stated it is intermittently used if the plant needs to be shut down for repairs or during flushing. Mr. Fear stated the inter tie is used less than 5% of the time. Councilor Edmonds questioned the funding currently in the plant replacement set-aside. Ms. Swanson stated it will be reviewed in the CIP in conjunction with discussing projects in that infrastructure schedule. There was additional discussion about water treatment plant expansion options and funding. There was discussion about limiting the increase to meet customers partway. There was discussion about reserves for the water fund. Ms. Swanson reviewed the CIP Water Infrastructure Improvement Schedule. Mr. Fear reviewed the need for the North 12th Street water line upsizing project and the lack of fire hydrants beyond Grant Street. Ms. Swanson stated it is a project eligible for use of System Development Charge fees. Mr. Fear stated that this project has been combined with the upcoming Urban Renewal Agency downtown project to go out to bid and save money.

MOTION: Councilor Niemann moved, Mayor Sloan second, the Committee recommend a 2.5 percent increase to the City Council. Motion APPROVED 3-0.

CIP Discussion – Ms. Swanson explained that approval of the CIP will result in the budget being developed to include the equipment and projects as listed for the 2017-18 year. She noted that the improvements for City Hall would be put in the budget but the Budget Committee may make a decision to delay those. She stated that the projects listed on the various schedules are expensive and the funding is limited. There was discussion about limited grant funding that the City qualifies for. Mr. Fear described additional regulations coming in the future. There was discussion about the recently issued annual water quality report.

Councilor Edmonds questioned if a new water treatment plant will have subsequent impacts on other systems. Mr. Black described issues with the current water intake location that will probably require additional improvement.

The sewer infrastructure improvement schedule was reviewed, including 2017-18 projects for the replacement of 1952 sewer pipe from 15th to 18th in conjunction with the Urban Renewal downtown project and the Timber Estates gravity line replacement. Mr. Fear described issues with the Timber Estates line, particularly during heavy rainfall when intake and infiltration levels

are high and the subsequent effect on the pump station. Mr. Fear reviewed the project listed under 2018-19 to extend the lagoon irrigation line to the east side of Bellfountain Road which will enable the City to expand land application from the sewer lagoons. There was discussion about the land application process.

Mr. Fear reviewed the street schedule including the 2017-18 project to resurface Cedar Street from 13th to 15th. Mr. Black described the failure of the street surface. Mr. Black described improvements to South 13th Street anticipated by Benton County. He also described chip seal repairs to be done on North 10th Street.

The Park schedule was reviewed, including the new North 11th Street park construction and City Park restrooms project. The Storm Drain schedule had no anticipated projects listed. Councilor Niemann questioned if there were any storm drain issues related to flooding to be addressed. Mr. Fear stated that sewer is the big issue during flooding. The bike path schedule did not have any planned projects. There was discussion about the new lighting on the Hunsaker Bike Path.

The equipment schedule was reviewed. Ms. Swanson credited Mr. Fear and Mr. Black with extending the useful lives of the Public Works equipment. Mr. Fear described issues encountered with the sander of the winter.

MOTION: Councilor Edmonds moved, Mayor Sloan second, to forward the 2017-18 Capital Improvement Plan to the City Council for approval. Motion APPROVED 3-0.

Other Business – Parking Lot at 14th & Applegate – Mayor Sloan questioned if the Cambridge Apartments parking lot south of 14th and Applegate was in any way a public right-of-way. He stated he's received comments that mapping programs lead people astray thinking that parking lot is a through street and, if they're pulling an RV, they can't get turned around. Mr. Fear confirmed that it is private property and there is no public ownership. There was discussion about the property owners being free to add signage that it is not a through street.

Meeting adjourned at 6:36 p.m.

Minutes recorded by Ruth Post, City Recorder.