

PUBLIC WORKS COMMITTEE

March 6, 2018

Meeting Minutes

ROLL CALL:

Committee Present: Mayor Rocky Sloan, Councilor Doug Edmonds.

Committee Absent: Councilor Eric Niemann.

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

APPROVAL OF MINUTES:

Minutes of February 1, 2018 –

MOTION: Councilor Edmonds moved/Mayor Sloan second, to approve the meeting minutes of February 1, 2018. Motion APPROVED 2-0 (Yes: Edmonds and Sloan; No: None).

TREE BOARD:

Trees at 1010 Main Street -- Mr. Black followed up on the issue from the February 1 meeting regarding the property owner's concerns that the tree roots were raising the sidewalk on Main Street. Mr. Black stated that the City's arborist checked the location and reported that an elevation change in adjacent grade was the reason for the sidewalk condition, not the tree roots. The Committee determined no further action was needed.

Tree City USA – Mr. Black reported the City has received Tree City USA status for the 24th consecutive year and its second year of receipt of the Growth Award. The Growth Award is an above-and-beyond program and the City was able to receive it this year with the simple addition of a budget line item for tree maintenance to identify those expenses. Each year the Growth Award requires taking the City's program farther than the year before. Mr. Black stated that 2019 will be a milestone year for the City to receive its 25th Tree City USA designation and will receive additional attention from the program. Typically, a representative from the Oregon State Forestry Department will be present for that award. The City's Arbor Day program will be on April 25 and will again include a hands-on program with local elementary school students in which they will receive a free tree to take home. Mayor Sloan and Councilor Edmonds reported they would both be attending and assisting with the program.

Tree Board business closed at 5:05 p.m.

PUBLIC WORKS BUSINESS:

Transferring ownership of sewer laterals to homeowners -- Councilor Edmonds questioned the motivation of staff's recommendation. Mr. Black described his recent attendance at a City County Insurance Services (CIS) presentation and explained issues related to the maintenance of sewer laterals between the cleanout and the mainline. There was discussion about people getting their line plugged between their private sewer cleanout and the City mainline. There was further discussion about liability for a sewer backup due in these situations. Mr. Black stated that the CIS presentation argued that the City should change its policy to make maintenance of the private sewer lateral the property owner's responsibility all the way to the City mainline connection. Mr. Black stated the location where the lateral meets the mainline is a common location for plugs to clog the line. Councilor Edmonds requested

clarification that the transfer is only for cleanout maintenance and breakage between the cleanout and mainline is still the City's obligation. Staff confirmed that was correct.

Councilor Edmonds stated Item #6 on the proposed policy related to Public Education would be important. Ms. Post questioned what amendment process was required for this potential transfer. Mr. Fear stated, in addition to the proposed policy, amendments to the City sewer ordinance would be required. Councilor Edmonds questioned the frequency of plug up events like this. Mr. Black stated they occur several times per year. Mayor Sloan stated other cities have already made this change and was concerned that the City should take action.

Ms. Swanson described the importance of keeping claims costs down. Next steps were discussed. The Committee requested that Mr. Fear bring a proposed amending ordinance and proposed policy reviewed by the City Attorney back to the next meeting.

There was discussion about using other cities as resources for public education outreach and that the action was better described as transferring sewer lateral maintenance to owner responsibility.

Other Business:

Street Sweeper purchase -- Mr. Black provided background on the current street sweeper and throttle mechanical issues that have reached the point of making it unsafe to operate. He stated a sweeper has been borrowed from the City of Corvallis as of this week. He stated they have been anticipating replacement for some time and have already conducted demonstrations of new sweepers. He described the smaller sweeper that staff is recommending and its advantages in cleaning tight cul-de-sacs and bulb outs. There was discussion about a recent demonstration held at the Public Works Compound. Mr. Black stated this unit has a third broom that will sweep sidewalks and clean out weeds in curbs. He has contacted the city of Newport regarding maintenance of the one they purchased in 2015 and stated the feedback was positive.

Ms. Swanson reported on the status of funds available in street equipment in the Land, Building & Equipment Fund. She stated that funds are had not been specifically budgeted, but there are funds available in this fiscal year. There was discussion about the quote for a 2015 model with a trade-in. Mr. Black stated he has reached out to the city of Corvallis to see if they are interested in the old sweeper. He described concerns about selling it on the open market with the mechanical issues. There was discussion about the price of \$195,000, less \$30,000 if the old unit is traded in. There was discussion about ongoing maintenance and replacement part costs. Ms. Swanson suggested Mr. Black get more information about those issues prior to City Council consideration of the purchase.

MOTION: Mayor Sloan moved/Councilor Edmonds second, to forward the recommendation to purchase the 2015 RAVO Sweeper with the added information requested from Mr. Black. Motion APPROVED 2-0 (Yes: Edmonds and Sloan; No: None).

Mr. Black described the improved hopper dumping process this sweeper uses.

Capital Improvement Projects -- Ms. Swanson reviewed the proposed Facility Improvement Schedule. She explained the change to the schedule for the Public Works parking lot around the shops due to a need to rehabilitate the asphalt within the next two years. Mr. Black explained the way that dumpster days have heavily impacted the wear and tear on the parking lot. There was discussion about failure issues with the current parking lot. Mr. Black stated that storm drainage needs to be added via catch

basins. There was discussion about trying to relocate dumpster days to somewhere else and the need to have security and supervision for that event to prevent people from dumping junk inappropriately. There was discussion about the parts of the lot that are still in good condition that won't need rehabilitation.

Mr. Fear reviewed the project to re-chip seal North 12th Street in the Water Infrastructure Improvement Schedule. There was discussion about efforts by the "F" Street Road District to improve that street to a fully improved asphalt street. Ms. Swanson explained the sourcing of those funds from System Development Charge (SDC) dollars. She reviewed the allocation for preliminary engineering for a new water treatment plant anticipated to be built in 2021.

On the Sewer Infrastructure Improvement Schedule, Ms. Swanson reviewed the Timber Estates Gravity Line project and other projects identified in the sewer schedule. She explained the unknown timing for receipt of SDC funds from the two apartment complexes and that they may have an impact on timing of some of the projects. Mr. Fear reviewed the lagoon irrigation project to continue the line to the east for additional land application of treated sewer water.

On the Street Infrastructure Improvement Schedule, there was discussion about the bid opening that occurred earlier in the day for the Cedar Street repaving project. Mr. Fear stated that North Santiam Paving was the low bidder. There was discussion about the increased cut-over traffic that uses Cedar Street which has led to its deterioration.

On the Park Infrastructure Improvement Schedule, Ms. Swanson reviewed the allocation from SDC funds for the City's match on the North 11th Street Park project. There was discussion about replacing the City Park restrooms to meet ADA standards by 2021.

On the Storm Drain Infrastructure Improvement Schedule, Ms. Swanson explained it appears there will be sufficient SDC funds to complete early pay-off the South 13th Street storm drain line loan that is currently financed at 6% interest.

On the Bike Path/Footpath Infrastructure Improvement Schedule, there was discussion about repaving the City Park loop. Mr. Black reported on the estimate he has received from Holderman Paving. Ms. Swanson suggested adding sufficient funds to cover the estimated amount.

On the Equipment Replacement Schedule, Mr. Black reviewed replacement of the 2004 Dodge vehicle. He reviewed different options available and experience with different brands. He noted the prices being considered are all state bids figures. The 2004 Ram will be kept in the fleet and the older Ford Ranger will be sold. Ms. Swanson reviewed changes to the water fund dump truck replacement schedule. The dump truck is used for sanding during icy weather events. There was discussion about the street sweeper malfunction that has delayed cleaning up the sand. In the Park Department, Ms. Swanson explained that the mower replacement was extended out a year because they recently purchased a new deck for the current mower.

Councilor Edmonds stated appreciation for the effort Public Works puts into maintaining equipment and the use of SDC dollars to fund projects. Mayor Sloan agreed that staff serves as good stewards of the City's money and that this isn't necessarily the case at other local governments. There was discussion about ways to promote that stewardship. There was discussion about re-chip sealing of North 12th Street instead of paving the construction repairs being an example of a way of saving money.

MOTION: Mayor Sloan moved/Councilor Edmonds second, the Public Works Committee forward the 2018-2019 Capital Improvement Plan to the City Council for approval. Motion APPROVED 2-0 (Yes: Edmonds and Sloan; No: None).

Water & Sewer Rate Review -- Ms. Swanson distributed rate potential adjustment scenarios compiled by staff. She explained that water usage has gone down from 122,800 to 114,800 units for the first eight months of the year with no clear explanation for the reduction. She stated that the tight margins make that \$34,000 in reduced revenue in the water fund significant. She stated the reduced usage was down across all of the classes of usage. There was discussion about possible reasons for a usage decline. Ms. Swanson suggested the General Fund fee could remain for two more years to complete its intended purpose and with anticipated growth, then be able to go away before construction of the new water treatment plant. In addition, the anticipated plant replacement would be able to be spread across additional users from developments building out during that period and subsequently reduce the burden on current ratepayers.

Ms. Swanson reviewed the potential to establish a PERS side fund, taking advantage of the matching funds being offered by the State. She stated the legislation to approve the side fund program was approved last week. She reviewed the difference between the purpose of funds received from the General Fund Fee and the unanticipated revenues from property sales, marijuana tax and building permits that could be allocated to a PERS side fund.

Mayor Sloan stated a preference to stay with the minimum increase in water and sewer rates possible. Councilor Edmonds agreed and stated he really wants to see the General Fund fee go away as promised to the citizens. The Committee directed staff to present the 3% increase to the City Council as presented.

Ms. Swanson distributed the current Schedule B, Multi-Residential/Commercial Industrial utility fees schedule. She noted a potential equity issue in the base charge for a 3/4" commercial water meter compared to the residential base rate. There was discussion about making those base fees match at \$14.00. She distributed a proposed base fee methodology for larger meters based on the gallons per minute flow rate and explained that the current base rates for larger meters is substantially low. She noted that the new apartment complexes will be using meters 4 inches and larger, and there needs to be a schedule for those. There was discussion about the base fees comparison to other area cities. Ms. Swanson distributed information regarding customers using larger meters that would be impacted by an adjustment to the base rates. There was discussion about the base fee representing an obligation to deliver the prescribed amount of water that a particular meter size can flow. There was discussion about the theory of calculating the actual cost of producing water. There was discussion about impacts adjustment would have on current users such as the School District and potential discount scenarios. There was a discussion about a 30% reduction on the 2 inch and 3 inch meters for the School District. There was discussion about phasing in the increase over two years for the other 2 inch and 3 inch meter users by 50% each year.

Ms. Swanson reviewed staff's proposed 3% irrigation rate increase for the School District to match the increase for other ratepayers. The Committee approved the recommendation and the request from the School District to expand the irrigation rate to include June usage on their irrigation meters.

Ms. Swanson reviewed staff's recommended increase to the fee for turning water on without authority to deter that action. After discussion, the Committee recommended increasing the fee to \$120.

MOTION: Mayer Sloan moved/Counselor Edmonds second to forward the rate adjustments to the City Council as follows:

- Water base rate for ¾ inch meter to \$14.00
- Water per unit usage increase of 5 cents per unit
- Commercial ¾" base fee changed to \$14.00
- Sewer per unit usage increase of 25 cents per unit
- Large meter base rates as presented with rate phased in
- School District discount of 30% on large meter base fees
- School District Irrigation rate increase to 95 cents per unit for first 1,500 units and \$1.35 per unit over
- School District irrigation rate added June to eligible billing months
- Fee for turning on water without authority increased to \$120 Water meter
- Water meter installation fee for meters up to 1 inch \$990, larger meters at actual cost

Motion APPROVED 2-0 (Yes: Edmonds and Sloan; No: None).

Meeting adjourned at 7:21 p.m.