

City Council Meeting Minutes

THURSDAY, FEBRUARY 17, 2011

CITY HALL COUNCIL CHAMBERS

CITY OF COLUMBIA CITY, COLUMBIA COUNTY, OREGON

AGENDA ITEM 1 **CALL TO ORDER/ROLL CALL:**

CONVENED:

Council President Marson called the regular meeting to order at 6:00 p.m. Council President Marson delivered the invocation and led the flag salute.

COUNCIL MEMBERS PRESENT:

Council President Sally Ann Marson
Councilor Shannon Fitzgibbons
Councilor Josh Fromm
Councilor Casey Wheeler (by phone)

COUNCIL MEMBERS ABSENT:

Mayor Cheryl A. Young

ALSO PRESENT:

Micah Rogers, Public Works Superintendent (arrived 6:05 p.m.)
Michael McGlothlin, Chief of Police
Lisa Smith, City Planner (departed 6:25 p.m.)
Leahnette Rivers, City Administrator/Recorder

ATTORNEY PRESENT:

None.

A quorum was present and due notice had been published.

AGENDA ITEM 2 **PUBLIC HEARINGS:**

2.1 Public Hearing: To receive written and oral testimony about an application to annex 8.34 acres of vacant property described as tax lots 5128-DB 3100 and 5128-D0-1600, generally located to the south of Eighth Street and west of Highway 30, as applied for by Mark Melchert, to the City. If approved, the property would be rezoned from Columbia County RR-2 (Rural Residential) to Columbia City R-2 (Moderate Density Residential).

Public Hearing opened:

Lisa Smith said this is a quasi-judicial land use hearing on an application involving an annexation and re-zoning. She said the applicable criteria includes the Columbia City Development Code Chapters 7.145 and 7.162 and ORS 222. She said all testimony and evidence must be directed toward the criteria which apply to the application. She said if a person is of the belief that other criteria or ordinances apply which have not been addressed, that person may address them as well. She said that Oregon law requires that any issues or concerns be raised at this hearing, or they are waived. She said the

failure to raise an issue accompanied by statements or evidence sufficient to afford the City Council and the parties with an opportunity to respond to the issue precludes appeal to the Land Use Board of Appeals on that issue.

Lisa said the Public Hearing will begin with a staff report. She said then the applicant and those in favor of the application will have an opportunity to testify and present evidence in favor of the application. She said those who oppose the application will have an opportunity to testify next. Finally, she said those in favor of the application will have an opportunity to present evidence which tends to rebut the evidence that was presented by those in opposition. She said the Council will then close the hearing and deliberate towards a decision, and may carry over the matter for consideration and announce a decision at a later date. She said the decision will not be considered final until it is put in writing and notice is sent to all of the parties that participated in the hearing. She said failure to raise constitutional or other issues relating to the proposed conditions of approval will preclude actions for damages in Circuit Court.

Lisa asked the Council if there are any ex parte contacts, biases or conflicts of interest to declare.

Council President Marson said she visited the site on two occasions, but that will not affect her ability to make a decision based upon the information presented at the hearing.

Lisa asked if there were any objections to anyone on the City Council hearing this application. No objections were heard.

Lisa delivered the staff report dated January 3, 2011. She said the Planning Commission conducted a hearing on February 7, 2011, and the Planning Commission's recommendation that the City Council approve the application was included in the City Council packets. She said this application is limited to annexation and rezoning the property. She said there is a conceptual development plan included, as required, but the conceptual plan is not being approved as a part of this application.

Lisa noted that the property owner could currently obtain building permits from Columbia County to build two homes (one on each tax lot).

Lisa said the Council has the authority to conduct or waive an election related to this annexation.

Lisa said the City Engineer used an assumption of 25 homes when calculating the impact of this property upon City services, but it is highly unlikely that the property will support a development of 25 homes considering the existing topography.

Lisa said the Council does have the authority to initiate the annexation of property surrounded by City limits (e.g. the island that is functionally created by this annexation), but it is governed by another process and would be handled separately from this application.

Lisa said after the Planning Commission's hearing, an e-mail was received from Tommy Coleman dated February 9, 2011, and she asked that it be entered into the record as testimony. Leahnette noted that the Council has received copies of the e-mail.

Terry Booke of Portland, representing the applicant, Mark Melchert, spoke in favor of the application. Terry said they are not looking at developing a subdivision; they are just interested in annexing the property. He said they have been working to clean up the property by removing blackberries. He said they have had some interest from a few people in putting a few high-end homes on the property. He said they submitted a conceptual plan for a subdivision as required, but they are not at all interested in subdividing the property at this time. He said it would create too many lots, and there is no money available for that at this time. He said they believe the annexation of the

property would benefit the City and add to the tax base. He said they have met all of the criteria and followed all of the rules. He said this annexation will create a County island within the City, but there are other existing County islands within the City at this time.

Joe Turner of Columbia City said there is no infrastructure on the property at this time. He asked who will assume the responsibility of building the infrastructure when the property is annexed.

Terry said that would be the developer's responsibility.

Leahnette Rivers said the developer would build the infrastructure, and the City would be responsible for maintaining the infrastructure in the future.

Jean McBride of St. Helens asked how they plan to access the property from Highway 30.

Council President Marson said Highway 30 access will be determined when they decide to subdivide the property in the future under a separate application.

Lisa noted that this application involves only an annexation and rezoning. She said as the property sits today in the County, the applicant qualifies for building permits for two homes within the County. She said once the annexation takes place, the applicant will qualify for building permits for two homes within the City, and the developer will need to extend City services to the site.

Jean asked if they will be required to extend the City sewer within one year of annexation.

Lisa said they will not need to extend the sewer until development occurs.

Jean said for the record, she does not want her property annexed to the City.

Lisa said the record currently includes letters from Jean McBride and Tommy Coleman stating they are not interested in annexation at this time. Lisa said the City Council has the authority to initiate the annexation of County islands within the City. She said if the Council decides to exercise that authority at some point in the future, the effective date for City-initiated annexations is a minimum of 3-years from the date of Council action, and the Council can choose to extend the effective date for up to 10-years from the date of action, except that the annexation takes effect immediately in the event of any change of ownership.

Public Hearing closed.

Leahnette noted there are two action items pertaining to this application under the New Business section of this meeting. She suggested the Council may want to jump forward to handle those items in the interest of those present at this meeting for that particular subject. Council President Marson agreed, and heard no objections.

AGENDA ITEM 7

NEW BUSINESS:

7.3 Council Bill No. 11-578; Resolution No. 11-994-R: A Resolution waiving the election relating to the annexation of property to the City of Columbia City as applied for by Mark Melchert.

MOVED (FROMM), SECONDED (WHEELER) AND CARRIED UNANIMOUSLY TO APPROVE COUNCIL BILL NO. 11-583.

7.9 First reading of Council Bill No. 11-584: An Ordinance annexing property to the City of Columbia City and re-zoning annexed property.

Lisa said if the Council is ready to approve the annexation application and accept the findings of fact, they should first make a motion to that effect so the applicant can leave this meeting with a decision.

MOVED (FROMM), SECONDED (WHEELER) AND CARRIED UNANIMOUSLY TO APPROVE THE APPLICATION AND ACCEPT THE FINDINGS OF FACT.

The Council completed the first reading of Council Bill No. 11-584.

Lisa noted that the annexation will take effect on April 2, 2011, provided the Council completes the second reading and adopts Council Bill No. 11-584 at the March 3, 2011 meeting.

AGENDA ITEM 2

PUBLIC HEARINGS (continued):

2.2 Public Hearing: To gather public testimony relating to a proposal to increase water and sewer rates.

Public Hearing opened:

Leahnette explained that the proposal before the Council is to increase the monthly water base rate by \$5.00, representing a 9% increase for a residential customer with water usage of 1,000 c.f. per month, and to increase the monthly sewer base rate by \$10.00, equal to a 35% increase for a residential customer based upon 650 c.f. per month of water usage, effective February 26, 2011. She said the monthly base fees for a residential customer within the City would increase from \$30.75 to \$35.75 for water, and from \$24.50 to \$34.50 for sewer.

Leahnette said when determining rates, the Council's goals include minimizing increases for customers, adequately funding utility operations and maintenance, maintaining required debt coverage, and funding capital projects as needed.

Leahnette identified the following drivers associated with the proposed rate increases:

- Increases in personnel costs associated with PERS benefits, employment tax, health insurance costs and step increases.
- Increases in maintenances costs as a result of unanticipated well rehabilitation work, a 12% increase in the St. Helens wholesale water rate, a 32% increase in the St. Helens sewer treatment rate, increases in sewer system inflow and infiltration, and unanticipated wholesale water purchases.
- Revenue reductions due to vacant housing, water conservation, cool summer months in 2010, and increases in uncollectible accounts.
- Unanticipated major capital improvements consisting of the emergency A-E Street (1600 linear feet) and RCE (800 linear feet) sewer main replacement projects.
- Debt service requirements associated with the water reservoir loan (\$2.2 million) and the water investigations and development loan (\$1.2 million) requiring annual debt payments equal to \$144,148, and a debt ratio requirement of 1.10, which requires an annual net operating income for the water utility of \$158,563 or more.

Leahnette reviewed the contents of the model forecasts for water and sewer with the Mayor, Council and members of the audience at length. She noted that the model forecasts project the need for another \$5.00 water rate increase on February 26, 2012, in order to meet the debt ratio requirement of 1.10 within the Water Fund. She also noted that even after implementing a \$10.00 per month sewer rate increase in February, the Sewer Fund's projected ending fund balance drops to just \$7,739 at the end of June 30, 2011. She said no further increases are projected for sewer rates until July 1, 2014. However, she said both water and sewer fund projections will need to be revisited periodically and are subject to change.

Joe Turner, who just purchased a home in Columbia City, said it appears as though the proposal is to increase the water base rate by \$5.00 this year, and by another \$5.00 next year.

Leahnette said the projections show we will need to impose another \$5.00 increase next year in addition to the \$5.00 increase this year. However, she said the Council is only being asked to take action on the \$5.00 increase for this year, and the need for the second increase will be revisited again next year.

Joe said his utility bill from Pendleton shows the base water and sewer rates for the month, the number of units used, and the additional charges for those units. He said the Columbia City bill only shows a total charge for water and for sewer, and he needs to figure out on his own that he used more or less water or there were more or fewer days in the month. He said it would make more sense to customers if they could see the base rates and the usage amounts listed separately.

Leahnette said the computer program is currently setup to show the total water and sewer charges each month, but she will check with the software vendor to see what it would cost to make modifications to the setup that would separate the base rates from the usage fees on the monthly billing.

Joes said he's a disabled veteran, and President Bush stopped their cost of living increases. He said the last increase he received was back in January 2007. He said when the City considers raising rates, they need to look at who makes up their town - there are fixed income people and working class people. He said in Pendleton, 75% of everyone in town is a Federal, State, County or City employee, and there's very little business there. He said in Columbia City there are more business owners.

Council President Marson said Columbia City also has many retired residents.

Troy Tindall of Columbia City asked if system age contributed to the recent sewer main failures.

Leahnette said the City's sewer system was constructed in 1992 with a life expectancy of 50 to 100 years.

Micah Rogers said the problems with the 6" gravity collector main along Highway 30 between "A" and "E" Streets were discovered because we were having trouble with sewer blockages and with sewer surging back into the system. He said the pipe was improperly installed - the slope was wrong, there was a 200-foot belly in the pipe, there was a rolled gasket, and in places the 6" pipe was crushed to 4" high and 8" wide.

Micah said the RCE sewer main was built as part of a subdivision before the property was annexed into the City. He said when we experienced the first break in the system, we discovered that the pipe in the ground was not of the same grade as the pipe shown on the as-builts. He said the existing pipe is a schedule 40 PVC pipe with a thin wall. He said he's talked with various engineers and several people in the pipe business about the type of pipe that was used. He said he recently spoke with one person that said this particular type of pipe should not have been used as a force main because it could not withstand constant changes in pressure, and it would only last about 15 to 20 years in that application. Micah said the class rating on the pipe it would have been approved, but anyone paying attention would not have recommended it for this application. Micah said the as-builts specified the pipe as being a class C100 PVC pipe, which has a much thicker wall than schedule 40.

Troy asked if there is any way to go back on the contractor.

Leahnette said it's possible the pipe may have been approved for this use. She said the information Micah just shared is brand new according to the recent expert he spoke with. Prior to that conversation, the City has been told that the schedule 40 PVC would work in this application. She said the City's Engineer has not identified the specific cause of the failures - he's said it could be faulty pipe, or a problem with one or more air release valves within the system, or it may have something to do with the impact of one or more of the three separate pump stations on the system, etc.

Troy asked if this sewer main serves residents outside of Columbia City, such as those in Deer Island.

Leahnette said the sewer main only serves Columbia City services.

Jill Tindall of Columbia City said they've seen fire trucks come in from Rainier and load up with City water from Pacific Street, and she asked if we bill the Fire Department for that water.

Leahnette said we do not bill the Fire Department for the water they take from our hydrants.

Councilor Fromm said the Fire Department is supposed to report the amount of water they remove from our system.

Micah said the concept is that the Fire Department will arrive with a full truck of water from another community to fight a fire within Columbia City, and they try to fill their trucks from various sources with the hope that it will all even out in the long run. He said the Fire Department is supposed to let us know how much water they remove from our system for leak monitoring purposes, but we don't bill them for the water.

Troy said they own and operate a trucking business and they've had issues with truck wrecks requiring the fire department's application of water to extinguish a fire, and they were billed by the municipality for the water that was used.

Leahnette said she will check to see if that is a local practice.

Joe said his utility bill from Pendleton shows a monthly fee of \$1.75 for hydrants.

Troy expressed concern about the amount of water the City will use to water the new park area around the entrance sign, as well as the amount of water the City uses to water the lawn around City Hall. He said many citizens have allowed their own yards to dry up because they cannot afford the water costs, yet the citizens are also paying for the City's water usage and the City's usage should reflect the same conservation efforts.

Micah said we are discussing cutbacks of that nature.

Public Hearing closed.

2.3 Public Hearing: To discuss the Supplemental Budget for fiscal year July 1, 2010 to June 30, 2011 with interested persons.

Public Hearing opened.

Leahnette said this Supplemental Budget is needed to appropriate funds for the emergency RCE Sewer Replacement Project as follows:

Sewer Fund Revenues and Other Resources:	Increase (Decrease)
Beginning Fund Balance	\$21,000
Risk Management Incentive Program	3,623
Sewer Collection Fees	26,000

	Increase (Decrease)
Net Increase:	\$50,623
Sewer Fund Expenditures:	
High Pressure Sewer Main Replacement	\$79,687
Unappropriated Ending Fund Balance	(29,064)
Net Increase:	\$50,623

No comments were heard from the public.

Public Hearing closed.

AGENDA ITEM 3 CITIZEN INPUT:

None.

AGENDA ITEM 4 COUNCIL REPORTS:

4.1 Parks Committee: Chair Fitzgibbons said the Committee met on February 15 and discussed the entrance sign project. She said they are working on identifying the location for the flagpole, and adding lighting for the sign and flagpole. She said they discussed the irrigation system at the site.

Chair Fitzgibbons said the Committee is working on finding a rock to mount the Harvard Anderson memorial plaque on. She said the Committee is very interested in the large rock that sits along Highway 30 across from the Mini Mart.

Chair Fitzgibbons said the drip system needs to be finished along the wall at the Public Works Shop site, and the empty containers need to be planted.

Chair Fitzgibbons noted that the Committee plans to address the sign in Datis Park, which is beginning to rust again.

Council President Marson noted that the St. Helens Senior Center donated the flagpole for use at the entrance sign site. She said the Harvard Anderson memorial plaque is really nicely done.

4.2 Water Source and Development Committee: Chair Fromm said Micah is working on increasing the capacity of the well. Micah said they are trying to locate a smaller diameter pump motor that will still provide the needed pumping capacity. He said lowering the pump further into the well casing may increase our pumping capacity by 70 gpm.

4.3 Street Committee: No report.

4.4 Sewer Committee: No report.

4.5 Audit Committee: No report.

4.6 Library Report: Liaison Marson said she met with the Librarian on Monday night, but she'll report on that at a later date. Leahnette said the Friends of the Library will hold a book sale at the Community Hall this Saturday.

4.7 Hazard Mitigation Planning Group: Team Leader Fromm said he missed the last meeting. Leahnette noted that the minutes from the recent meeting are in the packet. Member Fitzgibbons said two ham radio operators attending the meeting and provided a very interesting presentation to the group.

4.8 Other Reports: Chief McGlothlin said he recently rescinded a conditional offer to one of the new reserve officers due to an internal personnel issue.

AGENDA ITEM 5 **CONSENT AGENDA:**

- 5.1 **Minutes of the Regular City Council Meeting of January 20, 2011.**
- 5.2 **Bills paid during the month of January 2011 with check numbers 15586 through 15653.**
- 5.3 **Financial report for the month ending January 31, 2011.**
- 5.4 **Written report from the Public Works Superintendent.**
- 5.5 **Written report from the Chief of Police.**
- 5.6 **Oregon Liquor License Application for a new outlet with limited on-premises sales as applied for by Kifayat Khan for the Columbia Deli & Lottery, LLC.**

MOVED (FROMM), SECONDED (WHEELER) AND CARRIED UNANIMOUSLY BY ROLL CALL VOTE TO APPROVE THE CONSENT AGENDA.

AGENDA ITEM 6 **UNFINISHED BUSINESS:**

None.

AGENDA ITEM 7 **NEW BUSINESS (continued):**

- 7.1 **Grant Award Agreement: Grant Award Agreement between the State of Oregon Military Department.**

Leahnette said this agreement pertains to a \$40,390 Homeland Security Fund grant award to be used for the purchase of a backup generator mounted on a tandem axle trailer capable of operating various City facilities during power outages, such as a sewer lift station, or the Emergency Operations Center and the Community Hall (which serves as a Red Cross Shelter), etc. She said the generator will also be made available to other communities within the County when it is not already in use in Columbia City.

MOVED (WHEELER), SECONDED (FROMM) AND CARRIED UNANIMOUSLY TO AUTHORIZE SIGNATURE TO THE AGREEMENT.

- 7.2 **Change Order No. 1: Change Order No. 1 for the RCE Forcemain Replacement Project.**

Leahnette noted that this change order does not result in a change in the contract price.

MOVED (WHEELER), SECONDED (FROMM) AND CARRIED UNANIMOUSLY TO APPROVE CHANGE ORDER NO. 1.

- 7.4 **Council Bill No. 11-579; Resolution No. 11-995-R: A Resolution adopting the supplemental budget and making additional appropriations for the 2010-11 fiscal year.**

MOVED (WHEELER), SECONDED (FROMM) AND CARRIED UNANIMOUSLY TO ADOPT COUNCIL BILL NO. 11-579.

- 7.5 **Council Bill No. 11-580; Resolution No. 11-996-R: A Resolution authorizing a transfer of appropriations within the General Fund, Water Fund, Sewer Fund, and Sewer Development Fund during the fiscal year beginning July 1, 2010.**

Leahnette said this Resolution provides appropriations for the purchase of the generator, provides some appropriations for the emergency RCE Sewer Replacement Project, and appropriates some system development fees from the Sewer Development Fund to pay for upsizing costs in one section of pipe within the RCE project.

MOVED (FROMM), SECONDED (FITZGIBBONS) AND CARRIED UNANIMOUSLY TO ADOPT COUNCIL BILL NO. 11-580.

7.6 Council Bill No. 11-581; Resolution No. 11-997-R: A Resolution providing for water rates and charges for the City of Columbia City, Oregon; rescinding Resolution No. 10-972-R.

Leahnette said this Resolution provides for a \$5.00 per month increase in the base fee for a residential account within the City limits, and it increases the monthly base fees for other types of users in similar proportions.

MOVED (WHEELER), SECONDED (FROMM) AND CARRIED UNANIMOUSLY TO ADOPT COUNCIL BILL NO. 11-581.

7.7 Council Bill No. 11-582; Resolution No. 11-998-R: A Resolution adopting sewer charges and rates for the City of Columbia City in accordance with Ordinance No. 470; rescinding Resolution No. 10-978-R.

Leahnette said this Resolution provides for a \$10.00 per month increase in the base fee for a residential account within the City limits, and it increases the base fees for other types of users in similar proportions, including the equivalent dwelling unit value that is applied to commercial accounts.

MOVED (FROMM), SECONDED (FITZGIBBONS) AND CARRIED UNANIMOUSLY TO ADOPT COUNCIL BILL NO. 11-582.

7.8 Council Bill No. 11-583; Resolution No. 11-999-R: A Resolution calling a measure election to submit to the electors of the City of Columbia City the question of authorizing a five-year local option levy in the amount of \$0.67 per \$1,000 of assessed property value for police protection services beginning in fiscal year 2011-12.

It was the consensus of the Council that the last paragraph be struck from the Explanatory Statement contained in Exhibit C

MOVED (WHEELER), SECONDED (FROMM) AND CARRIED UNANIMOUSLY TO ADOPT COUNCIL BILL NO. 11-583 AS AMENDED.

AGENDA ITEM 8

OTHER BUSINESS:

Columbia County Sheriff's proposal: Leahnette said Sheriff Jeff Dickerson is interested in presenting a cost and service-sharing proposal to the Council. She asked the Council to consider hearing the Sheriff's proposal during a workshop session next week. It was the consensus of the Council that a workshop session be scheduled for 6 p.m. on Wednesday, January 23, 2011, to hear the Sheriff's proposal.

Donation request: The Council reviewed a request from Micah Rogers dated February 17, 2011 pertaining to the donation of a three-wheeled bicycle. In his request, Micah explained that a St. Helens resident was involved in a car accident a few years ago, which left her unable to drive and unable to maneuver a two-wheeled bicycle without difficulty, so she resorted to using a three-wheeled bicycle for transportation to her job. He said her three-wheeled bicycle was recently stolen, so now she's been walking to and from her job. He said he remembered seeing a tricycle stored under the Community Hall, and thought it might be surplus property that could be donated to the St. Helens resident.

Chief McGlothlin confirmed that the stored three-wheeled bicycle does qualify as surplus property.

MOVED (FITZGIBBONS), SECONDED (FROMM) AND CARRIED UNANIMOUSLY TO APPROVE THE DONATION OF SURPLUS PROPERTY AS REQUESTED.

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AGENDA ITEM 9 ADJOURNMENT:

There being no further business to come before the Council, the meeting adjourned at 7:33 p.m.

APPROVED:

Sally Ann Marson
Council President (in the absence of the Mayor)

ATTEST:

Leahnette Rivers
City Administrator/Recorder