



CITY of LA PINE CITY COUNCIL WORK SESSION AGENDA

Wednesday, February 22, 2017

5:30 p.m. Work Session

La Pine City Hall

16345 Sixth Street, La Pine, Oregon 97739

A. Work Session – 5:30 p.m.

1. Call to Order
2. Establish Quorum
3. Pledge of Allegiance
4. Added Agenda Items

Any matters added to the Agenda at this time will be discussed during the “Other Matters” portion of this Agenda or such other time selected by the City Council.

5. Public Comments
6. Discussion on Final Report for Water and Wastewater System Development Charge Study
7. Discussion on Water/Wastewater Funding Scenarios and Resulting Customer Rates
8. Comments from Newberry Habitat for Humanity on Letter of Support
9. Discussion on Contract Amendment with Anderson Perry for Water and Wastewater Funding Applications
10. Update on City FTE Salary Survey and Schedule
11. Public Comments
12. Other Matters: Only those matters properly added to this Agenda under line item No. 4
12. Staff Comments
13. Council and Mayor’s Comments

14. Adjourn

Pursuant to ORS 192.640, this notice includes a list of the principal subjects anticipated to be considered or discussed at the above-referenced meeting. This notice does not limit the ability of the City Council to consider or discuss additional subjects. This meeting is subject to cancellation without notice. The regular meeting is open to the public and interested citizens are invited to attend. The public will not be permitted to attend the executive session; provided, however, representatives of the news media and designated staff will be allowed to attend the executive session. Representatives of the news media are specifically directed not to report on any of the deliberations during the executive session, except to state the general subject of the executive session as previously announced. No decision will be made in the executive session. The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to Patti Morgan (541-536-1432). For deaf, hearing impaired, or speech disabled dial 541-536-1432 for TTY

CITY of LA PINE CITY COUNCIL WORK SESSION MINUTES

Wednesday, February 22, 2017

5:30 p.m. Work Session

La Pine City Hall

16345 Sixth Street, La Pine, Oregon 97739

A. Work Session – 5:30 p.m.

1. Call to Order

Mayor Scott called the meeting to order.

2. Establish Quorum

Mayor Dennis Scott
Council President Stu Martinez
Councilor Karen Ward
Councilor Connie Briese
Councilor Don Greiner
Student Councilor Treydon Plamondon
City Manager Cory Misley
Public Works Manager Jake Obrist
Accounting Clerk Ashley Williams
Administrative Assistant Patti Morgan

Quorum established

3. Pledge of Allegiance

Ashley Williams led the Pledge of Allegiance.

4. Added Agenda Items

Any matters added to the Agenda at this time will be discussed during the “Other Matters” portion of this Agenda or such other time selected by the City Council.

- BPAC Sidewalk Maintenance for Snow Removal Nominations

5. Public Comments

None

6. Discussion on Final Report for Water and Wastewater System Development Charge Study

John Ghilarducci from FCS Group gave the presentation to the Council. He said he would talk about the methodology he had created. Mr. Ghilarducci participated through Skype from his offices. He then addressed how they calculated system development charges. There are two components. The first component is the reimbursement fee. It is the cost of unused capacity in the existing system divided by the growth it will serve. The second component is the improvement fee. It is based on planned projects that will be constructed to meet the needs of growth. They are intended to represent one share

of system capacity needed to serve that new connection. Moving forward the City will use the size of the meter for the calculation rather than an EDU (Equivalent dwelling unit). Most residential homes have a 5/8 inch meter size.

Councilor Briese asked about when the last time the rates were increased. Ms. Williams said they did a rate increase in sewer SDCs in 2004. Councilor Greiner asked about how often the SDCs could be raised. John said they could be adjusted yearly based on inflation. He also said that the depreciation schedule is only for the original cost of the system. Mayor Scott said he appreciated that, unlike the previous presentation, that the proposed SDCs were lower now. John said the biggest change was that they found that there were projects that were servicing already existing customers. The new SDCs were reduced from an original amount of \$15,000 down to a little over \$10,000 now. Mr. Misley said that a 90 day hearing notice needs to be posted 90 days before the hearing date. A report on the SDCs will also be available both on the website and also at City Hall.

Public Comment

Bea Hatler, real estate agent, asked about the one meter per unit. She said she did not understand how townhouses would share the same meter even though some residents would use more water than other residents. John told her that some complexes have master meters. Jake Obrist said that an HOA (Homeowners Association) could provide individual meters for each unit. Vic Russell said the rates are going up by 50% for SDCs and that he wants the Council to really consider how it is phased in. Mayor Scott said the Council has been reviewing this issue for a long time and will continue to review it. Jake said if the economy went into a recession, they could always reduce the SDCs. Councilor Greiner asked about homeowners in the City that are not hooked up to the system but could be using the services. Mr. Misley said those people are going to need to hook-up in the very near future.

7. Discussion on Water/Wastewater Funding Scenarios and Resulting Customer Rates

Brandon Mahon and Brad Baird from Anderson Perry said they would give the Council an update on funding sources for the water/wastewater expansion. Mr. Mahon said that they identified some maintenance projects that need to be addressed as well as the expansion project. He then discussed the various grants that were available for the projects. He said the City has already received a CDBG grant for \$1.2 million. USDA has stated that the City is available for \$2.5 million in a grant. Mr. Mahon said they submitted two applications through DEQ with ClearWater. He expects a grant of about \$500,000. IFA Wastewater Program was applied for and the City should receive about a \$750,000 grant. The City will be contributing about \$1 million dollars for the projects. From IFA it is expected the City will receive a \$1 million dollar grant. There is also another grant for \$2.5 million that the City will probably receive from USDA. Mr. Misley said the service rates for water and wastewater will need to be adjusted to cover the costs of the projects. There are two funding packages that Anderson Perry has determined. In funding package number one, the base rate for water would be \$40.17. For package number two the base rate for water would be \$42.58. For wastewater, package number one, the rate would be \$24.93. Package number two for wastewater would be \$28.42. The packages would be determined by how many grants the City ends up receiving.

It was discussed that at the Wastewater/Water Open House, the attendees seemed to be okay with the increase in rates for water and wastewater service. It was also discussed that many of the wells in the Cagle neighborhood are going dry and also some septic tanks need to be replaced with the new required septic tanks that cost several thousand dollars. The Council expressed a strong desire for the City to find ways to reduce the cost of service for those individuals that are low income, disabled, etc. The City will be looking into funding assistance for these people.

Mr. Mahon and Cory Misley both emphasized the need for the Council to give the go ahead for the projects in order to receive the CDBG grant or it will be awarded to another entity. Mr. Misley said he would like to bring projects before the Council for approval, at the March 8th Council Meeting. Mr. Misley said this year the concentration is on finding the

funding, then another year or two for engineering and design, and then a couple of years for construction of the new system. Councilor Briese and Councilor Martinez said they would like a little time to think about the expansion project over the next two weeks. Councilor Greiner said he did not see that the City had much choice but to move ahead with the project. Councilor Ward expressed serious concern about the cost of the service for the low-income, disabled, etc. She said many people in the Cagle neighborhood have expressed their concern to her about the cost of the water and sewer bill. Councilor Ward said she could not vote on it yet. Councilor Martinez said there are agencies out there that can help with low-income people to pay their utilities.

Public Comments

Kitty Shields stated that people in the Cagle neighborhood are very concerned about the poor condition of their septic tanks and the huge cost to replace them. Vic Russell encouraged the City to keep an efficient operation for the costs.

8. Comments from Newberry Habitat for Humanity on Letter of Support

Duane Krumme, representing Newberry Habitat for Humanity, spoke to the Council about the letter of support that the City wrote and sent to Deschutes County on Habitat's behalf. He thanked the Council for the letter. He said, unfortunately, at the last paragraph, the letter stated that only one parcel should be released to Habitat, not two parcels. He said not getting the two parcels at the same time will cause them to have to go through the whole process twice which will add 20-25% to the total cost. Mr. Krumme said that it is this second parcel that is the best for the single story units they want to build. Also, these units would be handicap accessible unlike the townhouses they are building on the other parcel. Mr. Krumme said that because of high demand, it will not take them very long to build-out the project. He said 3-4 homes will be built a year. Mr. Krumme said the project will also work nicely with the Housing Works development. They do not anticipate any problems with an HOA (Homeowner's Association). In addition, it was discussed that the homes will bring in new taxpayers for the City.

9. Discussion on Contract Amendment with Anderson Perry for Water and Wastewater Funding Applications

Mr. Misley stated that this amendment is similar to the one that was done in December 2017 for funding application work by Anderson Perry. This contract will not exceed \$15,000. Mr. Misley said that the work is about 90% completed. The funding for the work with Anderson Perry has been exhausted and is why the amendment is needed. The amendment will be brought back to the Council at the March 8, 2017 Council Meeting for approval.

10. Update on City FTE Salary Survey and Schedule

Cory recommends moving forward with LGPI (Local Government Personnel Institute) as there are not many companies that do this work. He said they will work on the salary schedule and it should be in place by the next fiscal year. He also recommended that the City join LGPI as they offer other resources. Councilor Greiner asked about where the funds would come from for this work. Mr. Misley said that there are current funds to cover the cost. The cost for the work done by LGPI is \$5,000. Councilor Briese and Mayor Scott said the salary schedule was needed.

11. Public Comments

Kitty Shields, area resident, said she is especially interested in the water and sewer expansion and the concerns people have about costs. She said she has a lot of sympathy for people who are struggling with their finances but the replacement cost of a septic system now is exorbitant because of the new systems that Deschutes County requires. Ms. Shields said that having the system maintained by the City is a real plus for homeowners. She suggested the City have a hardship rate for low income households and that it be well vetted. Gary Gordon, area resident, suggested creating a task force to look at funding assistance opportunities to help low income people with paying their water and wastewater bill. Tony Urioste,

Bend resident, said that this was one of the best government meetings he has been to and was encouraged with how transparent everything was handled.

15. Other Matters: Only those matters properly added to this Agenda under line item No. 4

Mr. Misley stated that the Deschutes County BPAC (Bicycle Pedestrian Action Committee) is looking for nominations of individuals or businesses that make their sidewalks free of debris and snow. He said he would like to nominate some of the businesses that have kept their sidewalks clear. It was decided that Mr. Obrist will make the recommendations.

16. Staff Comments

Mr. Misley said he has received three sign proposals for the welcome to the City of La Pine monument. The initial construction would be at City Hall with another one for the north end of town to be done, eventually. Council asked to see the three proposals at a future work session. Mr. Misley also said he would like to have the City Attorney, sometime in March, come to a special meeting where he could discuss staff and council relations. He said he might invite the Planning Commission to also attend. Mr. Misley said he would additionally like to schedule a goal setting session.

Jake Obrist said he only received one bid for the mosquito abatement contract. It was from Three Rivers Mosquito and Vector Control. He said there has been a lot of interest in the 1st Street and Highway 97 Pedestrian and Landscaping Improvements and the bid closed March 1st.

17. Council and Mayor’s Comments

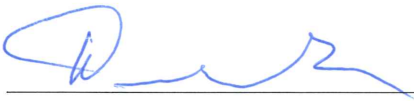
Mayor Scott said he would prefer Councilors ask questions to staff at the meetings rather than have one on one with the City Manager so that all the Council can be informed. Councilor Briese and Ward thought the meeting was very productive. Mayor Scott encouraged the Councilors to really think about the sewer and wastewater expansion before the March 8th Council Meeting. Treyton stated that the same mosquito abatement company should not have to bid again, next year, for the contract.

18. Adjourn

A motion was made by Councilor Briese and seconded by Councilor Ward to adjourn the meeting.		
<i>Vote as Follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Councilor Ward</i>	<i>X</i>	
<i>Councilor Martinez</i>	<i>X</i>	
<i>Councilor Briese</i>	<i>X</i>	
<i>Councilor Greiner</i>	<i>X</i>	
Motion passed unanimously.		

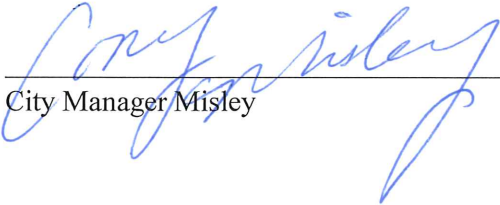
Mayor Scott adjourned the meeting.

Signature page to follow



Mayor Dennis Scott

attest



City Manager Misley