



L A P I N E

O R E G O N

CITY OF LA PINE CITY COUNCIL WORK SESSION MEETING MINUTES

Wednesday, July 26, 2017

6:00 p.m. Work Session

La Pine City Hall

16345 Sixth Street, La Pine, Oregon 97739

Work Session – 6:00 p.m.

1. Call to Order

Meeting called to order @ 6:00 p.m.

2. Establish Quorum

Present: Mayor Scott, Councilor Martinez, Councilor Greiner, Councilor Briese

Absent: Councilor Ward

3. Pledge of Allegiance

Led by Dennis Scott

4. Added Agenda Items

None

5. Public Comments

None

6. Discussion on Water and Wastewater Improvements and Expansion Projects – 6:10 p.m.

a. Update on Funding Package

Brandon Mahon with Anderson Perry gave a summary of where the City is at with regard to our funding for the water and wastewater improvement and expansion projects. There has been significant progress with grants and loan approval. The City budgeted 1.6 million for these projects. Cory stated that if we bring more money to the table, we can get more grants.

Brandon summarized by saying that we've received \$8.4 million in grants. We've been approved for great interest rates on the loans. The deadline to remonstrate ended two days ago on July 24th. He stated that the USDA requires cities to get interim financing. On the

waste water side of things, the City applied for interim financing through DEQ. On the water side of things, the City will need to apply through a bank for the interim financing.

Cory hopes to have these out to bid in the next month or so for a firm to design these projects. Staff would like to do another open house in October possibly (this would be the 3rd open house).

b. Borrowing Resolution for Safe Drinking Water Revolving Loan Funds

Brandon talked about the funding sources – this is a resolution that will be accompanied by a legal opinion. The legal opinion is for them to review the City's ability to meet the contract requirements. They will then submit those documents to the state. The resolution will be back on the table in August.

c. CDBG Grant Administration Contract with NeighborImpact

This contract was prepared by the City's legal counsel. Neighborimpact was the only firm that responded to the RFP. The contract will not exceed \$25,000. Those funds are coming from the CDBG grant itself. This will be on the agenda on August 9th.

d. Engineering and Design RFQ

This RFQ will go out in the next month and be open for 60-90 days. We will then enter into contract and there will be a year of design. The City is working with legal on the RFQ. Construction bidding should happen around fall 2018 and breaking ground in Spring 2019.

7. Discussion on BioGreen Water and Wastewater Services Agreement: 6:40 p.m.

a. FCS Group Large Industrial User Analysis

Cory Misley: Paid for by BioGreen and contracted between City and FCS, which was outlined in the MOU entered into a year ago. 1) BioGreen needs the land to build on; 2) they need land use approval; 3) they need water and sewer services agreement from the city; and 4) they need a power purchase agreement because they will generate 24.9 wats of electricity.

A year ago, a new option agreement was made on the land. A land use decision was made 7-8 years ago. The land use agreement is still good because it's sitting in appeals. They are working to settle that and it would be ok to build. Usually it's a two year agreement, but because it's in appeals, the clock never started. A few months ago, BioGreen contacted the City saying they're working on finalizing power agreement. They still need to do the water/sewer services agreement with the City. FCS looked at Biogreen's demands on our system and came out with an annual payment (utility for water and sewer services) and the equivalent of an SDC.

b. Draft Services Agreement

There were concerns from the Council about going over capacity if we take them on. Cory stated this does not put us in jeopardy, especially with the new water projects. Councilor

Briese asked about all the marijuana facilities going in, whether that would affect things water-wise, and Jake and Cory both said they actually don't use much more water than a regular household. There was discussion about whether BioGreen was environmentally friendly. Councilor Martinez said there is still push back from BioGreen on closure. They did not want to meet the City's requirements for clean-up if the plant were to shut down. Cory stated that he'll send out the MOU that the City reached with BioGreen last year. One of the elements that the legal team mentioned in the email was that piece – that the City would be protected should there be a shut down. The legal team has carefully reviewed the contract and found several things that need revising. Mayor Scott would like to speak with the other mayors at the OMA who have plants in their cities and see what the public feedback is. Cory stated the Ryan Culp has some insight he would like to share at the next work session.

8. Discussion on Landscape Design for US 97 Westside Streetscape Project: 7:25 p.m.

Update from Cory Misley: Final design plans from ODOT to the state should happen in November. They need to know from the City if we're going to include the landscape plan in the overall bidding of the project. You can include it now and pull it later, but it's more difficult to bid it and add it later. Or, the City can bid it ourselves. Staff recommends working through the City's engineer of record to find architects. We need to decide on sod, cinder, maple trees – those type questions – are we going to keep them or go with something different? Is the Council ok with using Eric Huffman to put this together? We set aside several hundred thousand dollars to pay for this – depending on the landscaping plan, we can spend more or less but we need to decide on what we want to do. We spend between \$9,000 and \$10,000 per year to maintain the lawns throughout the City. Mayor Scott mentioned that the original plan was to carry on the design from 1st St, but with the harsh weather, maybe opinions have changed. There was discussion regarding landscape in front of the ODOT building. ODOT has been working on a right-of-way acquisition for several years. Cory wants direction on whether it's ok to have Eric work with the City next month to brainstorm through ideas. There needs to be a decision on what we want to keep, change or add, and then come up with a draft set of plans. Cory mentioned that we need to get a plan to ODOT in the fall. The Council agreed for Cory to work with Eric on ideas.

9. Other Matters: This item concerns any matters that were added to the Agenda under the Added Agenda Items portion of this Agenda.

None

10. Public Comments: 7:35 pm

Gloria Fleming: Discussed the BioGreen agreement. She stated that originally, the plan was supposed to be for them to use the waste water and ponds for their water source. That was a huge selling point to the public. Jake said the delivery aspect and sampling might be an issue. Cory will look into it further.

Kitty Shields: Stated that it wasn't fears of BioGreen being a dirty industry that stalled the project – it was that they didn't have a buyer for their power. There were also issues regarding their union. Jim Fleming also added that there was a lot of union issues.

Russell Smith asked what kind of power BioGreen would they be putting in. He was concerned whether they would bury their power, and also their water/sewer. He was concerned they'll give a fake maximum demand and was also curious how much water/sewer capacity they will have.

11. Staff Comments 7:40 pm

Cory Misley received a couple of draft letters of support from Teri Meyers for tourism grant applications. They got their first grant and these letters are for the 2nd and 3rd grants. The Council would like to see them before they put their name on them. Cory said they need them by next Tuesday.

Ashley Williams discussed Velox' bid to migrate emails from the old to the new system. The quote was \$1800. The Council said that's not worth it, so do not move forward.

Holly Smith stated that registrations for the LOC's Annual Conference need to be submitted. She requested the Council get back to her before the end of the week with whether they are attending, what tours they want, workshops, dietary needs, etc.

Cory sent out several code enforcement letters regarding sign code enforcement. He also sent out letters regarding TRT not being paid, i.e. airbb.com houses.

Jake Obrist stated that the new guy (Reed Campbell) is working out really good and he is able to catch up on a lot of projects now that he's here. Staff is appreciative of the new on-call system that Council approved. He had a good meeting with ODOT yesterday regarding the street scape project. There is a noxious weed bag site at the public works building. Councilor Martinez suggested that the bags be disposed of once a week. Jake will work with the County on that.

12. Council Comments

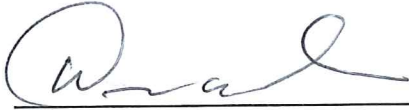
Councilor Briese stated she is excited about water/waste water projects and it's great that it's coming in less financially than what the public was expecting. Councilor Martinez stated that Glenwood acres and Cagle is moving forward. Growth is not going to stop anytime soon, so La Pine is moving forward and we have the right staff in place to help achieve that and excellent support to help guide us. Student Councilor Tennant is also excited for the future of La Pine.

13. Mayor's Comments

Mayor Scott stated that he will be meeting with BioGreen tomorrow for a tour and business meeting. He said the knapweed is really bad this year and mentioned that the public works building needed to be cleaned up. Cory mentioned spraying down the weeds and will discuss with Jake further. Councilor Martinez said he has herbicide that we can use.

14. Adjourn Meeting

Councilor Briese motioned to adjourn. Councilor Martinez seconded. No objections.



Dennis Scott, Mayor

Attest



Cory Misley, City Recorder

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 Holly Smith (541-536-1432). For deaf, hearing impaired, or speech disabled dial 541-536-1432 for TTY.