

CITY OF LA PINE UTILITIES COMMITTEE MEETING AGENDA

Thursday, March. 18, 2010

4:00 PM

51340 Highway 97, La Pine, OR 97739
South County Building Meeting Room

1. Call to Order
2. Pledge of Allegiance
3. Introductions
4. Approval of February 18, 2010 Meeting Minutes
5. Added Agenda Items
Any matters added to the Agenda at this time will be discussed during the “Other Matters” portion of this Agenda.
6. Update on the Intergovernmental Agreement between the City and the Special Districts – Councilor McAfee
7. Update on Insurance and Legal Fee costs – Jayne Benner and Councilor McAfee
8. Update on Biogreen Purchase of Potable Water from the La Pine Water District - President Barbeann Nelson-Dodson
9. Discussion on Water and Sewer Districts Insurance Policies
10. House Bill 3617 – Councilor McAfee
11. Chris Marko presentation from RCAC (Rural Community Assistance Corporation)
12. Public Comments for Items Not on the Agenda
13. Other Matters
Only those matters properly added to this Agenda under line item No. 4 will be discussed at this time.
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 of La Pine Utilities Committee to consider or discuss additional subjects. The meeting is subject to cancellation without notice. The meeting is open to the public and interested citizens are invited to attend. 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 Luana K. Damerval at (541) 536-1432.

CITY OF LA PINE UTILITIES COMMITTEE MEETING MINUTES

Thursday, March. 18, 2010

4:00 PM

51340 Highway 97, La Pine, OR 97739
South County Building Meeting Room

1. Call to Order

Chair Ted Scholer called the meeting to order at 4:00 pm.

2. Roll Call

Present Were:

Chair Ted Scholer
Vice Chair Jayne Benner
Councilor McAfee
Ms. Barbeann Nelson-Dodson

3. Pledge of Allegiance

Vice Chair Jayne Benner led the Pledge of Allegiance

4. Introductions

Councilor Barbara Hedges was present for the meeting.

5. Approval of February 18, 2010 Meeting Minutes

A motion was made by Vice Chair Benner and seconded by Councilor McAfee to Approve the February 18, 2010 Utilities Committee Minutes.

<i>Vote as follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Chair Ted Scholer</i>	<i>X</i>	
<i>Vice Chair Jayne Benner</i>	<i>X</i>	
<i>Councilor McAfee</i>	<i>X</i>	
<i>Ms. Barbeann Nelson-Dodson</i>	<i>X</i>	

Motion passed unanimously.

6. Added Agenda Items

Any matters added to the Agenda at this time will be discussed during the "Other Matters" portion of this Agenda.

Item # 13a) Chair Scholer requested an update on the Water and Sewer District Meeting that was held on March 9th.

Item #13b) Ms. Barbeann Nelson-Dodson requested a review of Committee policy.

00:03:21

7. Update on the Intergovernmental Agreement between the City and the Special Districts – Councilor McAfee

Councilor McAfee stated that the Council recommended that there be a couple of changes to the agreement. She said one would be to make it for only one year. Councilor McAfee also said it was suggested to have a Councilor hold a seat on a District Board. She also said another change is to make sure the City's objectives and goals align with the Water and Sewer District's goal and objectives.

Ms. Barbeann Nelson-Dodson stated that the Board positions are elected positions and also the person has to live within the District's borders. Councilor McAfee stated that the City Attorney will be looking at the pros and cons of all suggested revisions to the agreement from the City.

Chair Scholer suggested maybe having an ex officio member from the Council on the Board that would not be able to vote. Vice Chair Benner also suggested maybe amending the District's by-laws to allow for a Council member to have a seat on the Board.

Ms. Barbeann Nelson-Dodson said that the Districts have not heard anything back from their attorney in regard to a meeting or conversation with the City's attorney on revisions to the agreement.

00:10:50

8. Update on Insurance and Legal Fee costs – Jayne Benner and Councilor McAfee

Vice Chair Benner said she was unable to contact Art Uecker, registered insurance agent for the City of La Pine. She then discussed the request for the insurance policies from the Districts so that Mr. Uecker could make comparisons between them.

Ms. Barbeann Nelson-Dodson then passed out letters from the Sewer District and also the Water District regarding their insurance premiums, etc. Ms. Morgan, Admin Ass't, stated that Chair Scholer had sent her an e-mail requesting that the City obtain copies of the District's insurance policies. Ms. Nelson-Dodson stated that the Special Districts would not waive fees for copying and labor charges which would be approximately \$250 for the Water District's policies alone. She said she did spend several hours of her time compiling the information obtained in the two letters she had just presented. Vice Chair Benner said that this information may not be enough for Mr. Uecker to make comparisons between the various policies. Ms. Nelson-Dodson said the District's would not waive the fees because they thought the request was just from a specific person, Ted Scholer, not the entire committee.

Councilor McAfee requested she ask the Board again about waiving the fees. Ms. Nelson-Dodson said she may be able to just copy the policies and bring them to the committee, herself.

00:21:00

Councilor McAfee stated that she received Council approval for City Attorney Green to start working on a memorandum that will line out all the pros and cons for the absorption. She said as much as we can we can estimate legal fees. Councilor McAfee said it will be presented at a future City Council meeting and then forwarded on to the Special District's attorney for review before it comes back to the utilities committee.

00:22:55

9. Update on Biogreen Purchase of Potable Water from the La Pine Water District - President Barbeann Nelson-Dodson

Ms. Nelson-Dodson discussed the new offer from Biogreen for Water and Sewer Services. She said they offered \$1 million in cash or a new well and also a new pipe line. Ms. Nelson-Dodson said Biogreen agreed to accept the offer but would prefer the new well and a larger line down the hill rather than the money. She said the District has enough SDC monies to buy the water rights they would need or get a loan for them with very reasonable interest rates. Ms. Nelson-Dodson said the majority of the water for Biogreen will come from the potable water (effluent) produced by the Sewer District. She said they will add a little of the regular water to the potable water for running their boilers.

Ms. Nelson-Dodson said that Biogreen will also pay about \$50,000 a year for services which will mostly go the Sewer District for the potable water usage. She said that Biogreen is looking to save money and they did suggest they could go to Gilchrist if they were unsuccessful with their renegotiations with the Special Districts. Ms. Nelson-Dodson said they have not heard back from Biogreen about the District's request for infrastructure instead of cash monies. She said that Biogreen has indicated they could go over the \$1 million for infrastructure some, but not by several hundreds of thousands of dollars.

Councilor McAfee asked about the new lines in the Master Plan for the Districts. Ms. Nelson-Dodson said that a 14 inch main line is in their future plans. She also said that having another well and pump would be helpful in an emergency situation when a pump went down for example. Ms. Nelson-Dodson said a well would help them service other areas but they are still limited by the gravity flow. She said this will allow them to keep the good flow pressure they have already.

10. Discussion on Water and Sewer Districts Insurance Policies

This item was discussed earlier in the meeting.

00:34:28

11. House Bill 3617 – Councilor McAfee

Councilor McAfee stated that she did not feel that this Bill really applied to the work of this committee and the City of La Pine. She said it really only related to cities that were currently

in the incorporation process, as well. Councilor McAfee said she asked the City Attorney to review it and he also said it did not apply to La Pine.

00:37:15

12. Chris Marko presentation from RCAC (Rural Community Assistance Corporation)

Chris Marko, RCAC, discussed what his organization does for communities and also how they are organized. Mr. Marko said that he wanted to remind the committee that they are a resource for them and are a nonprofit organization. He said he has been with RCAC for 12-1/2 years, helping move drinking and waste water projects forward.

Chair Scholer stated that he has asked the City to move forward and request these grants and RCAC was one of the organizations that could provide assistance with the grants. He said the committee may be calling on Chris Marko in the future for assistance. Mr. Marko said he is also working with the City regarding economic development planning and discussion. He said they do not believe in coming in and telling a community what to do and prefer to just work with the community to move forward with activities. Mr. Marko said their role could be more than the economic aspect, in response to a question from Councilor McAfee. He said he would like to strengthen their relationship, maybe at the City level so people are aware of us and things we are doing.

Vice Chair Benner asked Mr. Marko about what other types of funding out there he works with for financing other than USDA? He said there are State programs, Community Development Block Grants (CDBG) program, Water and Wastewater Grant/Loan Fund Program and also the Safe Drinking Water Program through Business Oregon, formerly OECDD (Oregon Economic Community Development Department). Mr. Marko said that RCAC has not taken on a lot of management of these grant programs. He said he could help the City apply for the grants but they would probably need some additional resources and those are usually provided for under administrative costs in the grant.

00:47:40

13. Public Comments for Items Not on the Agenda

Item # 13a) Chair Scholer requested an update on the Water and Sewer District Meeting that was held on March 9th.

Ms. Nelson-Dodson stated that she did not bring an agenda of the recently held Water and Sewer Districts monthly meeting and could not remember much about specific details of the meeting. She said the meeting was quite long and mostly concerned the Biogreen negotiations. Ms. Nelson-Dodson said she could bring in a meeting agenda next time from the Special Districts monthly meeting.

Item #13b) Ms. Barbeann Nelson-Dodson requested a review of Committee policy.

Vice Chair Benner said that this committee is only about the feasibility of the City taking over the Special Districts. Ms. Nelson-Dodson said that there had been confusion about

Chair Scholer's request for the policies but that she can probably provide a copy for the City's insurance agent to use for comparison, at no cost.

14. Other Matters

Only those matters properly added to this Agenda under line item No. 4 will be discussed at this time.

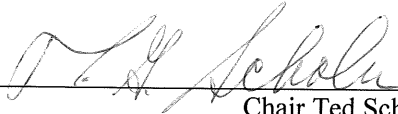
Public Comment

Vicky Jackson, area resident, asked a question about the combined medical, dental and vision costs listed in the letters. Ms. Nelson-Dodson said that the totals were for all employees combined not individual premiums.

15. Adjourn

The next meeting of the committee will be Thursday, April 15th at 4:00 pm.

Chair Scholer adjourned the meeting at 4:59 pm.



Chair Ted Scholer

Attest:



City Recorder Luana Damerval