

# CITY OF LA PINE UTILITIES COMMITTEE MEETING AGENDA

Wednesday, December 16, 2009 - 1:00 p.m.

51340 Highway 97, La Pine, OR 97739

South County Building Meeting Room

1. Call to Order
2. Pledge of Allegiance
3. Introductions
4. Election of Officers
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. Naming of the Committee
7. Discussion of Goals and Parameters
8. Public Comments for Items Not on the Agenda
9. Other Matters  
Only those matters properly added to this Agenda under line item No. 4 will be discussed at this time.
10. 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

Wednesday, December 16, 2009 - 1:00 p.m.  
51340 Highway 97, La Pine, OR 97739  
South County Building Meeting Room

### 1. Call to Order

The Meeting was called to order by Ted Scholer at 1:00 pm

### 2. Pledge of Allegiance

Jayne Benner, Chamber Economic Development Committee, led the Pledge of Allegiance.

### 3. Introductions

City Councilor Adele McAfee introduced herself; Dennis Carter from the Water & Sewer District Boards also introduced himself. Tony DeBone from the Park & Rec District introduced himself. Jayne Benner, Chamber Economic Development Committee introduced herself.

Ted Scholer stated that Clark Jackson and County Commissioner Alan Unger were unable to attend the meeting but will be acting as consultants for the committee. City Recorder Damerval and Administrative Ass't Patti Morgan were also in attendance for recording purposes.

### 4. Election of Officers

Ted Scholer stated that it is the committee's duty to elect a Chair and Vice Chair. City Recorder Damerval stated that either she or Admin Ass't Patti Morgan will be recording the meeting.

Jayne Benner nominated Ted Scholer to be Chairman of the Committee. Councilor McAfee seconded the motion. Jayne Benner moved that Ted Scholer be elected Chairman by Acclamation and Councilor McAfee seconded the nomination. All answered with Ayes.

Jayne Benner was nominated by Councilor McAfee as Vice Chair by Acclamation and Tony DeBone seconded the nomination. All answered Ayes.

Chair Scholer mentioned that Clark Jackson, Business Development for the State of Oregon, and Alan Unger, County Commissioner, are consultants to the committee but could not make the meeting today. Chair Scholer also suggested that Mike Solt, Oregon Economic and Community Development Department, be a consultant to the committee since he is an expert on water issues. The committee agreed to have Mike Solt as another consultant for the committee.

Chair Scholer discussed an e-mail he received from Clark Jackson that Mike Solt had prepared regarding City of La Pine acquisition of the Water and Sewer Districts.

Tony DeBone stated that it is shame with such a small population that it is necessary to need thirteen different people for leadership from the City and Water and Sewer Districts. He said he would like to see one City Council and all the staff underneath them.

Chair Scholer stated that in order to incorporate the City had to have five of the seven essential services and sewer and water was one of those five. Vice Chair Benner said the City is providing them through an intergovernmental agreement. Dennis Carter stated that it is a given that the City will assume the Water and Sewer Districts and their Board members understand this will eventually happen.

Regarding the loans that the City will need to assume from the Water and Sewer Districts, Dennis Carter stated that those loans would have to be re-applied for in order for them to be transferred to the City. Tony DeBone stated that the work of the committee should be to get things organized so that when the Water and Sewer Districts are absorbed it will be an easy transition for everyone, especially business owners.

Chair Scholer stated that all three entities, the City, Water and Sewer Districts have to agree to the acquisition. Vice Chair Benner said one of the things the committee needs to determine is the financial cost of the acquisition including attorney fees, insurance, etc.

5. Added Agenda Items

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

None

6. Naming of the Committee

00:16:40

Councilor McAfee moved to rename the committee the City of La Pine Utilities Committee, Vice Chair Benner seconded the motion. Motion passed, all Ayes.

7. Discussion of Goals and Parameters

Chair Scholer discussed goals for the committee. Tony DeBone stated that this committee will help to answer the questions that the City Council needs answered before proceeding with the acquisition. Dennis Carter stated that the committee needs to know the bottom line on the financing for the acquisition. Vice Chair Benner stated that the acquisition costs could possibly be included in the 2011 fiscal year budget committee for planning purposes.

Chair Scholer then discussed the possibility of obtaining grants for the acquisition. Tony DeBone suggested that, in the near future, perhaps there could be an agreement that the Water and Sewer Districts maintenance department to perform maintenance on the City vehicle. Councilor McAfee discussed the Manager of the Community Development Block Grant (CDBG) for the City of Bend that manages a regional fund. She said it might be possible to do a pass through or partnership on a

CDBG. Chair Scholer stated that the committee could do a lot of leg work and then the City could apply for those grants.

Dennis Carter stated that both the Water and Sewer Districts are very conservative on raising rates. He said the last rate increase was about three years ago for the Sewer District. In response to a question from Councilor McAfee, Mr. Carter stated that there have been many rate studies performed for the Districts. Vice Chair Benner said that System Development charges paid for by homeowners could bring in considerable monies. City Recorder Damerval asked if the current loans for the Water and Sewer Districts require income to be used to pay back the loans first. Dennis Carter stated that the System Development charges and rate payer monies go into the general fund to run the Districts.

Dennis Carter suggested that committee members come to a Water and Sewer Districts Board Meeting. Councilor McAfee stated that it is important to get input from the Boards regarding the direction for the committee to explore. In response to a question from Councilor McAfee, Dennis Carter stated that if the Water District becomes a City entity, acquiring water rights will not be any easier to obtain than they are currently.

The committee then discussed a good date and time for the next meeting. It was decided that 3 pm on the third Thursday of the month would be a good date and time. The next meeting will be held on January 21, 2010 starting at 3 pm at the South County Building Meeting Room. Chair Scholer stated that he will work with City staff to prepare the Agenda.

00:43:29

City Recorder Damerval asked about the Water and Sewer District boundaries and if they were in alignment with the City. Chair Scholer stated that both Mike Solt and Alan Unger told him that the boundaries for each entity did not have to be the same.

Dennis Carter stated that the advantage of having the Special Districts is they have their own attorneys, their expertise, and their insurance rates through the Special Districts of the State of Oregon.

Councilor McAfee suggested she contact the League of Oregon Cities and see if they have a City that recently acquired a Special District and what their experience was like. Tony DeBone stated that there would be more City employment opportunities as additional jobs were created from acquiring the Districts.

Tony DeBone offered to do a press release about the activities of the committee on a monthly basis. Vice Chair Benner will contact Mike Stoltz about the availability of grants for the acquisition. Also suggested to be performed was a cost analysis of the current legal and insurance fees of the Districts versus the City of La Pine's legal and insurance fees.

Chair Scholer stated that he looks at the goals of the committee as being cooperative and not adversarial.

8. Public Comments for Items Not on the Agenda

None.

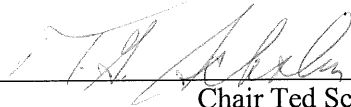
9. Other Matters

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

None.

10. Adjourn

Chair Scholer adjourned the meeting at 1:59 pm.



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Chair Ted Scholer

Attest:



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City Recorder Luana Damerval