

# Minutes of the Veneta City Council

## August 13, 2012

Present: Sandra Larson, Brittany Boothe, Thomas Cotter, and Marion Esty

Others: Ric Ingham, City Administrator; Shauna Hartz, Finance Director; Brian Issa, Community Services Director; Chris Workman, City Recorder/Human Resources and Risk Management Administrator; Kay Bork, Associate Planner; Darci Henneman, Assistant City Recorder; Wills Boothe; Del Hunter; Wayne Hunter; Joe Hunter; Clarence Pelroy; and Michelle Ossowski, Fern Ridge Review

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Mayor Sandra Larson called the Veneta City Council to order at 7:00 p.m.

### 1. PUBLIC COMMENT

#### **Wills Boothe, 24781 Dunham Ave., Veneta, OR**

Mr. Boothe said as a resident, he would like to have a choice on garbage service. He said Veneta has a locally owned garbage business that is willing and able to take on additional business to give the citizens of Veneta a choice.

#### **Del Hunter, 24312 Bolton Hill Rd., Veneta, OR**

Mr. Hunter said the Hunter family would like City Park to be changed to Waldo and also see Edwin Hunter honored in some way. He said it wouldn't be right to take a name away from a street or park that's already been named. He said Ralph Johnson Park isn't changing, why should Waldo Avenue. He said it's not right to change all of Waldo Avenue to Brooker Lane.

#### **Wayne Hunter, 25087 Cheney Dr., Veneta, OR**

Mr. Hunter agreed with his brother Del's proposal to trade Waldo Avenue for the City Park and include a plaque about the City's history. He said he has an original 1914 letter explaining how the City was formed. He would like to see it displayed in a glass case.

#### **Joe Hunter, 25761 Vera Drive, Veneta, OR**

Mr. Hunter attended tonight's meeting to support his father and his uncle.

#### **Clarence Pelroy 23689 Vaughn Rd., Veneta, OR**

Mr. Pelroy said he has come before the City Council on a few occasions over the last 10 years to negotiate for the garbage franchise. His business has grown significantly since that time and he now feels his business could provide City residents with garbage service. He asked Council members to table the decision for one month to give him time to prepare and submit a proposal. He said Sanipac offers great service but he would like to help his community by offering a choice.

### 2. CONSENT AGENDA

**MOTION: Thomas Cotter made a motion to approve the consent agenda as presented. Marion Esty seconded the motion.**

**Vote: Marion Esty, aye; Thomas Cotter, aye; Sandra Larson, aye; and Brittany Boothe, aye.**

The consent agenda as approved included Minutes for July 23, 2012, Minutes for July 30, 2012 Work Session, and Accounts Payable through August 7, 2012.

### 3. DEPARTMENT REPORTS

a. From Mayor and City Councilors

(1) Appointment to City Council Vacancy

Mayor Larson said Tim Brooker submitted an application for the City Council vacancy which expires December 31, 2012. She asked Council members how they would like to proceed to fill the vacancy.

**MOTION: Thomas Cotter made a motion to appoint Tim Brooker as a City Council member. Brittany Boothe seconded the motion which passed with a vote of 4-0.**

- (2) Appointment of City Council President  
Mayor Larson asked Council members for a nomination.

Brittany Boothe nominated Thomas Cotter and asked if he was interested in the nomination.

Thomas Cotter replied yes.

**MOTION: Brittany Boothe made a motion to appoint Thomas Cotter as City Council President. Marion Esty seconded the motion which passed with a vote of 4-0.**

- (3) City Hall Day  
Ric said the League of Oregon Cities (LOC) is providing a biennial opportunity to promote its agenda for the upcoming session of the Oregon Legislature, while providing city officials the chance to meet one-on-one with legislators (i.e., Paul Holvey and Floyd Prozanski), and promote the agenda and other local issues. Cities act as hosts for these meet and greets and Veneta will be included in Cottage Grove's event on September 19<sup>th</sup>. Ric said this event will provide an opportunity for us to get a one-on-one with our legislators. He asked that everyone mark their calendars. He said it would be beneficial to the City if Mayor Larson could attend this event.

Mayor Larson said attending the Mayor's Conference in Florence made her realize how important it is to learn what other cities are facing; she usually comes away feeling really good about the City.

- (4) League of Oregon Cities Conference  
Ric said Council members received the complete conference packet in their mail boxes. He said Darci will make arrangements for those who are interested in attending this year's conference. He asked that those interested please contact her by the end of the month.

b. Council/Committee Liaisons

Marion Esty said she will be attending a Public Hearing tomorrow, August 14<sup>th</sup> at two o'clock, on the 2013-2016 Area Plan on Aging and Disabilities Services. This meeting is through LCOG's Senior and Disabled Services.

Thomas Cotter attended the Lane Area Commission on Transportation (LACT) meeting. The Highway 126 Corridor Plan and Facilities Plan were endorsed at the meeting. The recommended preferred alternative of the Highway 126 Corridor Plan is the four lane option; however, given potential funding constraints within the 20 year planning horizon, the short term recommendation is to focus on 'spot improvements' along the corridor. He said the estimated cost for a four lane highway and a pedestrian path will be \$194 million; spot improvements and a pedestrian path will run \$15 million. He said the environmental study alone will be about \$2 million.

Brittany Boothe said the August Park Board meeting was mostly centered on recapping and debriefing members about the 50<sup>th</sup> Celebration. She said the scavenger hunt hosted by the Park Board was a great success and there was a lot of activity surrounding the booth. Also discussed were ideas for creating better efficiencies regarding ongoing maintenance and operations. She said the pool was at

capacity during the 50th Celebration. The Park Board is working on having a booth at the Harvest Festival.

Mayor Larson attended the Mayor's Conference in Florence. She said the first day of the conference was provided by a state wide organization "After School Summit" which promotes and assists with providing safe after school activities and care for kids. She said research based programs are provided to help fill-in the after school gaps that local funding doesn't provide for.

She said 21<sup>st</sup> Century grants funded most of the programs in Oregon but local support is still needed. She said the swimming pool and the senior center were the top two priorities on the Fern Ridge Facilities Plan. Since those projects are all but completed, she suggested it's time to review the Plan and perhaps incorporate an after school program. She said people want to live where children are taken care of. On another note, 18 state agency directors attended the Mayor's Conference and many of the presentations included communication, media relations, and a lot of talk about social media. She said the ethics training was good and she realized most conflicts of interest center on finances. When hearing other mayors speak about their cities she felt Veneta is well managed and the Council and staff are very fortunate there are no conflicts among councilors. She said the City has many good community partners.

#### 4. STAFF REPORTS

- a. City Recorder/HR and Risk Management Administrator.....Chris Workman  
(1) **Ordinance No. 506** – AN ORDINANCE AMENDING ORDINANCE NO. 503 TO ALLOW LIGHTSPEED NETWORKS, INC., DBA LS NETWORKS TO MAKE PAYMENTS TO THE CITY OF VENETA QUARTERLY RATHER THAN MONTHLY. For First Reading by Title Only

Chris said in May 2012 LS Networks assumed Comspan's fiber optic infrastructure. Just recently LS requested changing the payment schedule to allow for quarterly payments rather than monthly payments. Ordinance No. 506 amends Ordinance 503 to allow for this change. Staff recommends approving Ordinance 506.

**MOTION: Thomas Cotter made a motion to approve Ordinance No. 506 for first reading by title only. Marion Esty seconded the motion which passed with a vote of 4-0.**

On renaming Waldo Ave. Mayor Larson said she would like to discuss the Council's decision but after hearing the gracious comments from the Hunter family; she's not sure what the Council should do.

In response Thomas Cotter said he would like to move forward with changing Waldo Ave. to Brooker Lane and discuss naming a park after Waldo Hunter at a future date.

In response to a question from Thomas Cotter, Ric suggested Mayor Larson follow the agenda and discuss the renaming of Waldo Ave. at the end of the meeting.

- (2) Process for Renewing Sanipac Franchise Agreement  
Chris apologized for not getting this in the packet materials. He said because the garbage franchise agreement with Sanipac expires January 23, 2013, he wanted to give Council members plenty of time to render a decision on whether to renew the agreement or request staff to prepare a request for proposal (RFP).

Brittany Boothe would prefer to ask staff to move forward with the RFP process. She said she felt residents should have a choice of garbage service providers.

In response to questions from Thomas Cotter, Ric said the last time the City put out an RFP for

garbage services was in 2003. He said the first step is getting direction from the Council on how to proceed. He said as the City's population increases, DEQ requires that we provide residents with additional services. If that's the case, staff will include those services in the draft RFP and present it to Council for approval. He said there are several steps and issues to be decided and if Council members decide to offer residents more than one provider, the process would change from a franchise agreement to issuing licenses. Ric said the only difference between a franchise agreement and issuing license is the process.

Thomas Cotter suggested staff prepare a draft RFP for garbage services. He said he's not dissatisfied with the service Sanipac provides but would like to see what other providers could provide.

Mayor Larson agreed and said this process will provide a chance to educate Council members.

After a brief discussion, it was the consensus of the Council to direct staff to begin preparing a RFP for selecting a garbage service provider and to provide additional information at an upcoming work session.

- b. Community Services Director.....Brian Issa
  - (1) Pipeline Update and Request to Seek Alternative Water Pipeline Financing  
Brian said staff requires direction from Council members on the following issues:

Notice of Intent to Award. The City received 10 bids for construction of the water pipeline. MSA, the project engineer, recommended the City award the contract to the lowest qualified bidder, Pacific Excavation, Inc., a local company, for a total of \$8,316,703. Brian said many bids came in between \$8,400,000 and \$8,500,000. MSA's initial estimate was \$12,394,730. Brian said USDA has also reviewed the bids and approved the award to Pacific Excavation. The next step is to issue a notice of award, giving seven days to protest the award. If no protests are received within that time period, contract negotiations with Pacific Excavation can begin.

Contract for Additional Rate Analysis. In 2009, the City utilized FCS Group to analyze potential user rate scenarios to cover the debt service on the pipeline. Because of this past involvement with the project, staff recommended contracting with FCS to begin refining these models based on the updated expected costs of the project. Brian said staff would like to bring FCS back on board to work through those numbers to provide a better idea of what rates will be. FCS will bill time and materials with the expected cost not to exceed \$18,000. Although Brian felt costs could be somewhat lower.

In response to a question from Mayor Larson, Brian said those figures will be used to set the short term water rates before the pipeline is finished and the first debt service payment is due. He said the City is required to have funds in place plus USDA requires we have a full year of payments set aside prior to the first debt service payment due date.

Legal issues. USDA and LandWatch attorneys have worked out an expedited briefing schedule meaning all summary judgment pleadings will be filed by mid-September. If that schedule is followed it's possible the judge could render a decision by mid-October. Staff is optimistic that all attorneys agreed to the briefing schedule. Also to strengthen the City's position it was suggested by legal counsel that the City pursues alternative funding to show the City has the ability to construct the project with or without USDA funding. Staff recommended Council members direct staff to explore alternative funding options.

In response to a question from Mayor Larson, Brian said it's in the City's best interest to explore alternative funding options to show, if necessary, the City wouldn't have to rely on USDA funding.

Ric said he specifically heard from the Department of Justice that having alternative funding would give more substance to the City's position and may provide further grounds for dismissal of the LandWatch lawsuit. The alternative funding also give legal counsel more tools to work with.

In response to a question from Brittany Boothe, Brian said ultimately if the project costs less to build then the debt service will be less each year which means the rates could be lower. Many things drive the rate above and beyond the flat cost of the project.

Ric said there's some question of how much the rates will be. The big question is how we pay for a \$13.2 million loan and a \$2.6 million grant. Rural Development would like to see us use the loan before accessing the grant. We hope to engage our congressional folks to realize that because we've come in under budget and even if we don't maximum the entire loan that they should allow a proportional amount of the grant. He said it's recommended that a rate analysis should be done every three to five years but it's been close to five to ten years since a complete rate analysis was completed. He said this will get very complicated and there are many pieces to this project and for determining rates.

In response to a question from Brittany Boothe, Brian said this analysis will inform Council of the mechanics of how the assumptions will lay out. He said the Council will need to come up with a certain amount of money to cover the debt service.

In response to a question from Mayor Larson, Ric said staff will provide the variables that will be determined and then plugged into their model which will be similar to the options provided for the utility rate SDC updates.

In response to a question from Brittany Boothe, Ric said staff is shooting for the new SDCs to be in place by January 2013. He said this would give the City time to build up revenue to meet the first debt service payment in January 2015. He said the rate analysis will be driven by how much of the debt service users have to carry, how much the water from EWEB will cost, plus pay for the stretch of EWEB's pipeline from Terry Street to Greenhill. Rate increases will be made incrementally and then back to a rate increase every six months so that by 2014, we have both SDCs and a full utility rate that reflects all of our utility needs.

**MOTION: Thomas Cotter made a motion to direct staff to issue the notice of intent to award the contract for construction of the Veneta water pipeline to Pacific Excavation, Inc. Brittany Boothe seconded the motion which passed with a vote of 4-0.**

**MOTION: Thomas Cotter made a motion to direct staff to execute contracts as necessary to retain FCS Group to conduct additional rate analysis work related to the Veneta water pipeline. Brittany seconded the motion which passed with a vote of 4-0.**

**MOTION: Thomas Cotter made a motion to direct staff to further explore alternative funding strategies for the Veneta water pipeline. Marion Esty seconded the motion which passed with a vote of 4-0.**

- c. Associate Planner.....Kay Bork
  - (1) Fern Ridge Service Center Update
    - Kay provided an update on the Service Center.

Steering Committee. Kay said the steering committee has been meeting twice a month since May to finalize equipment needs for office, meeting rooms, kitchen, dining room, and food pantry, choosing interior finishes and currently discussing computer and phone data needs. Details will be finalized August 15<sup>th</sup> so the architect can prepare the final bid documents for construction.

Construction Timeline. The City initiated the required public noticing requirement and will be able to send the State Request for Release of Funds on August 22<sup>nd</sup>, and when approved, will allow the City to spend down grant funds. The bid announcement for construction will be advertised and plans made available on August 22<sup>nd</sup> through September 12<sup>th</sup>. Bid opening is scheduled for two o'clock on September 12<sup>th</sup> at City Hall. The project architect is managing the bid process.

Future Council Action. On September 24<sup>th</sup> the City Council will be asked to approve the contractor selected through the bid process. The bid goes to the lowest qualified bidder per state requirements. Notice of intent to award the construction contract is sent to all contractors who submitted a bid followed by a seven day protest period. Once the protest period is completed a contract can be executed. Construction is expected to begin the first week of October.

Ric said many things are going on. He said it was Mayor Hobart's intention that the steering committee would focus on the details once the architect was chosen. He said the project is moving along and if Council members would like a greater level of detail, staff will provide that. He said the City will own and be responsible for the building but he wanted to make sure Council members are comfortable with the steps being taken.

Mayor Larson said it's totally appropriate for the steering committee to make those decisions.

d. City Administrator.....Ric Ingham

(1) City of Veneta Reorganizational Chart

Ric provided Council members with updated organizational chart for management and staff. He said currently he oversees four managers, Brian, Kyle, Chris and Shauna. Ric said Chris Workman's position will not change. Upon Brian's departure, Kay will step into his position as Community Development Director. A portion of Kay's duties will focus on planning and less around parks and recreation. Kyle's position will change from Public Works Superintendent to Public Works Director. Ric said Kyle is clearly performing those duties. Kyle will also oversee the pool. He said Kip will take over as Public Works Superintendent and handle more direct, day to day management of the public works crew. Shauna will take on some of Brian's responsibilities (pipeline financial reporting and the utility rate analysis). Ric said he will take the lead on the pipeline project. He said Stacy will come on part time to assist management staff.

In response to questions from Brittany Boothe, Ric said he's not sure how Chris will label Stacy's position but if Council members would like an official proposal, staff will provide one. Ric said as soon as Kay moves into Brian's position, the Associate Planner position will be filled. The Associate Planner position is being advertised.

**5. OTHER**

Mayor Larson said during the Work Session, Council members discussed changing the name of Waldo Avenue to Brooker Lane. They agreed to schedule another Work Session to discuss renaming a park for Waldo Hunter, the garbage franchise agreement and RFP process. Council directed staff to organize a work session set for Monday, August 27<sup>th</sup>, at 6:00 p.m.

**MOTION: Thomas Cotter made a motion to approve the concept of renaming Waldo Avenue, Brooker Lane. Marion Esty seconded the motion which passed with a vote of 3-1. Brittany Boothe voted no.**

Ric said one of the many ideas Mayor Larson took from the Mayor Conference was a suggestion that time be set aside on the agenda for Council to ask questions of staff or give staff direction on specific issues.

Mayor Larson said adding this agenda item will also provide Council members with an opportunity to bring up any ideas Council members may have.

Ric said Thomas Cotter reminded staff that the Downtown Master Plan hasn't been reviewed in quite some time. He said because of the recent large projects (Service Center, pipeline) many things are not being reviewed.

Brittany Boothe asked Ric to provide more detail about the Grant Makers Tour making a stop in Veneta.

Ric said Veneta was approached in May by the Grant Makers of Oregon and Southwest Washington to participate in the 2012 Conference by being a stop on the conference tour. He said many foundations ranging in size will participate in the tour, i.e., Oregon Community, Woodward Family, Ford Family, and Meyer Memorial Trust. Our community folks (Mayor Hobart, Joan Mariner, Dennis Friedrich, School Superintendent and School Board, Fern Ridge Library, and our faith based community) have corroborated to create a program plan that went beyond the downtown to include surrounding natural areas and home grown economic activities with a focus on sustainability and smart growth. On Thursday, October 18<sup>th</sup> the group will take five tours starting at 8:00 a.m. and ending at noon. Veneta will be one of those tours. Ric said upon request, he would provide Council members with the program draft. He said currently the City is not asking for donations but when the opportunity arises, the tour will give a face to our future applications.

Thomas Cotter said he would like to receive a copy of the draft program.

Ric said since construction of the Service Center is slated to start October 1<sup>st</sup>, the steering committee would like to have a ground breaking ceremony during the Harvest Festival scheduled for Saturday, September 29<sup>th</sup>. Ric would also like to have some kind of ground breaking ceremony for the pipeline project. Previously the City contracted with Cawood & Associates and Jeneca Jones for the Park and Ride dedication. Ric said that firm did an excellent job organizing and inviting dignitaries and local government officials to the dedication. He suggested the City contract with Cawood again. With Council's approval, he will request Cawood & Associates to submit a proposal for ground breaking ceremonies for the Service Center and the pipeline. He said approximately \$8,000 are available in the public relations fund. When he receives the proposal from Cawood he will bring it to Council for final approval.

In response to a question from Mayor Larson, Ric said the Service Center and the pipeline would have separate ground breaking ceremonies.

After a brief discussion it was the consensus of the Council to direct Ric to contact Jeneca Jones with Cawood & Associates to prepare a contract for services provided with regard to ground breaking ceremonies for the Service Center and pipeline project.

Ric reminded everyone of the farewell party for Brian which will be held in the back courtyard of Our Daily Bread Restaurant on Wednesday, August 22<sup>nd</sup> to wish him good luck in his new endeavors.

## **6. ADJOURN**

Mayor Larson adjourned the Veneta City Council at 8:25 p.m.

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Sandra Larson, Council President

ATTEST:

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Darci Henneman, Assistant City Recorder  
(minutes prepared by Dhenneman)

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