

Minutes of the Veneta City Council

August 27, 2012

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

Others: Ric Ingham, City Administrator; Kay Bork, Associate Planner; Shauna Hartz, Finance Director; Kyle Schauer, Public Works Superintendent; Chris Workman, City Recorder/Human Resources and Risk Management Administrator; Darci Henneman, Assistant City Recorder; Del Hunter, Sharon Brown, Wayne Hunter, Clarence Pelroy, Joan Mariner, Wills Boothe, Norm Vidoni, and Michelle Ossowski, Fern Ridge Review

Mayor Sandra Larson called the Veneta City Council to order at 7:03 p.m.

1. SWEARING IN CEREMONY – NEW COUNCIL PERSON TIM BROOKER

Assistant City Recorder Darci Henneman swore in Tim Brooker as City Councilor.

2. PUBLIC COMMENT

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

Mr. Hunter said he would like Waldo Ave. to stay named for his father the way it was meant to be. He said Waldo Hunter would have been 100 years old this year.

Sharon Brown, 25119 E. Bolton Rd., Veneta, OR

Ms. Brown agreed with Brittany Boothe that the community should support local businesses and she would like to see Ecosystems, a local sanitary service company, be considered for providing sanitary services to City residents. She said she has known the Pelroys to be honest people who provide a wonderful service.

Wayne Hunter, 25087 Cheney Dr., Veneta, OR

Mr. Hunter said he and his brother Del attended tonight's work session on renaming Waldo Ave., but the item wasn't discussed because the Council ran out of time. He is concerned this matter is never going to get solved. There have been a lot of delays and he would like to get the street/park renaming resolved.

Clarence Pelroy, 23689 Vaughn Rd., Veneta, OR

Mr. Pelroy is the owner/operator of Ecosystems. He agreed with Thomas Cotter that the City shouldn't use a garbage provider that would provide fewer services than the current provider. He said his company provides many recycling services; medical waste, hazardous waste, etc. He would simply like a City issued license so his business can provide garbage services to local residents.

Joan Mariner, 25712 Cochran Ct., Veneta, OR

Ms. Mariner read and provided a letter which talked about supporting economic stability by fostering local businesses and efforts that exist in a community. She said she was in favor of allowing Ecosystems to compete for the garbage franchise.

Wills Boothe 24781 Dunham Ave., Veneta, OR

Mr. Boothe said he would prefer a choice when it comes to garbage service and he cautioned the Council to tread carefully as they make the decision. He said the Council should be sensitive to the idea of cutting out a local business and he didn't feel the RFP process was so complex that the Council couldn't consider it. He said it would be easier for Council members and staff to just keep things the way they are but the downside of doing that may have negative consequences. He said Ecosystems is taking on a load and is already servicing many customers in the Fern Ridge area. He felt it would be a disservice to our community if they weren't allowed to provide service to City residents.

Norm Vidoni, 22877 Sheffler Rd., Elmira, OR

Mr. Vidoni came before the Council on May 29th to request the City sign a letter of intent to lease the Jeans Rd. filtration plant in order to locate his brewery at that facility. He is requesting a lease date in November contingent on the water pipeline moving forward.

3. 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; Tim Brooker, aye; Brittany Boothe, aye.

The consent agenda as approved included Minutes for August 13, 2012 Work Session, Minutes for August 13, 2012, Accounts Payable through August 21, 2012, Civic Calendar for September, 2012.

4. DEPARTMENT REPORTS

a. From Mayor and City Councilors

(1) Law Enforcement Update, Sgt. Osborne, LCSO

Sgt. Osborne said a few weeks ago he brought information about the Justice Assistance Grant (JAG) program to the Council. The LCSO has \$5000 available to use for anti-drug and law enforcement investigations and equipment. He would like to see the funds used to purchase a camera surveillance system to be installed at the Territorial Skate Park to deter some of the negative activity that has been occurring there. Sgt. Osborne said he heard from many residents that they don't use the park for the same reason. He said it's important to take back the park and the surveillance system will provide that. Sgt. Osborne said the deadline for submitting an application for the 2012 JAG funds is September 30th. He said a surveillance expert surveyed the park and gave his assurance that the equipment can be purchased and installed within the confines of the grant funds; however, because the system relies on the internet, it would need to be installed in a nearby building. Additional costs would include the internet connection equipment and a monthly internet fee.

Ric apologized for allowing this matter to fall off his radar screen. He said because of the narrow window for which to apply for the funds, he asked Council members if they have enough information at this point to direct staff to move forward.

In response to a question from Mayor Larson, Kyle said he is still researching how and where the equipment will be installed. More specifically, he's considering a power pole adjacent to the skate park.

In response to a question from Brittany Boothe, Sgt. Osborne said a DVR would allow for a digital recording.

In response to a question from Tim Brooker, Sgt. Osborne said depending on the size of the recorder and added external hard drive, the recording could record continuously or be on a weekly loop. He said the initial system would be expandable to up to 16 cameras as well as the hard drive capability. It could record only on motion or constantly, which would change the amount of data.

In response to questions from Mayor Larson, Sgt. Osborne said its possible grant funds would cover the cost of the internet connection equipment if everything is purchased at the same time. If not, he said it may cost the City \$500. He said it may be possible to allocate \$4500 for the camera equipment and \$500 for the internet connection equipment and one year of monthly internet fees. He said the City of Creswell installed cameras in their city park and the technician

kept the cost under \$5000. He said the deputies will soon be trained on Creswell's system.

In response to questions from Thomas Cotter, Sgt. Osborne said the cameras have night vision up to 50 to 75 ft. He said the surveillance equipment could be installed permanently and would be operational for about 10 years.

In response to a question from Tim Brooker, Ric said the Law Enforcement budget has adequate funds to absorb the grant.

Ric said staff would bring this back before it's actually installed, but at this point staff would need direction from the Council.

MOTION: Thomas Cotter made a motion to direct staff to proceed with installing cameras at the Territorial Skate Park in conjunction with the JAG grant provided through Lane County Sheriff's Office. Marion Esty seconded the motion which passed with a vote of 5-0.

b. Council/Committee Liaisons

Marion Esty said the public hearing was held on the 2013-2016 Area Plan on Aging and Disabilities Services. She also has been working on the planning and budget committee and on the long-term care committee. She also is still with the library.

Mayor Larson said she attended the School Board meeting. She said the Board will be going out for an RFP for the use of Noti School. She said if they are going to sell or lease the building they must give anyone the opportunity to express interest. She said the Noti Community Center group will be submitting a proposal.

STAFF REPORTS

a. City Recorder/HR and Risk Management Administrator.....Chris Workman

(1) Fee Change Proposal from the Building Dept.

Chris said Charlcie Kaylor of the Building Department is attending tonight's meeting to discuss its fee change proposal.

Ms. Kaylor said she is the Building Department Manager. She is requesting the Council review and approve the proposed fee change. She said the Building Department has not raised their fees since 2007. She said if the Council wishes to approve the fee changes, a Public Hearing needs to be scheduled and she will need to notify the State Building Codes Division of an effective date.

In response to a question from Thomas Cotter, Ms. Kaylor said a building permit for a single family home is currently about \$2734.56 and the 11% increase would add approximately \$250 to that amount.

After a brief discussion, it was the consensus of the Council to have the public hearing at the October 8th Council meeting with the fee change scheduled to take effect January 1, 2013.

(2) **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 Second Reading by Title Only and for Final Enactment**

MOTION: Tim Brooker made a motion to approve Ordinance No. 506 for second reading and final enactment. Thomas Cotter seconded the motion which passed with a vote of 5-0.

Ordinance 506 was read into the record for second reading by title only and for final enactment.

b. Finance Director.....Shauna Hartz

(1) **Resolution No. 1104 – A RESOLUTION OF THE CITY OF VENETA AUTHORIZING THE ISSUANCE OF INTERIM FINANCING**

Shauna said the City will soon be undertaking the water pipeline installation project at an approximate cost of \$16 million. The funds for this project will ultimately be provided through a long-term loan with the USDA Rural Development Agency; however, the City is required to secure interim financing until the project is completed.

A Request for Proposal (RFP) was prepared and released in July. Proposals were received from Key Bank, Cashmere Valley Bank (Cashmere), and Municipal Capital Markets Group (MCM). Staff and bond counsel have reviewed the proposals. A deciding factor for staff is that bond Council didn't have any questions regarding Cashmere's proposal. Key Bank's proposal had a slightly higher interest rate and MCM had the lowest interest rate; however, they did not propose a draw arrangement. This means that we would have to draw the entire \$16 million up front and pay interest on the full \$16 million from day 1. She asked if Council members had any questions.

In response to a question from Mayor Larson, Shauna said MCM had a lower interest rate, however, that could be offset by their early pay off fee of .5-1%.

Ric said Rural Development did some background work and estimated that interim financing would cost about \$750,000. He said there will be some fees related to bond counsel and again, we're seeing about a third of the cost of what was originally budgeted for. He said the City already has \$1 million in the project but once the interim financing is in place we can reimburse ourselves.

In response to a question from Tim Brooker, Shauna said the interest cost will be \$194,000 if we draw down \$400,000 per month for two years. Shauna said we would likely be repaying in two years; however, Cashmere's proposal allowed us three years.

MOTION: Thomas Cotter made a motion to approve Resolution No. 1104 as presented. Tim Brooker seconded the motion which passed with a vote of 5-0.

c. Public Works Superintendent.....Kyle Schauer

(1) **Asphalt Overlay Projects for Eight St., Hunter Ave., and Oak Island Dr.**

Kyle said recently the City solicited bids to complete the asphalt overlay to protect the street infrastructure for section of Eighth St., from Bolton Hill Rd. to Dunham Ave.; Hunter Ave. from Territorial Rd. to Sixth St.; and Oak Island Dr. from Perkins Rd. to Cherry Ln. Kyle said all three overlay projects are included in the 2012-13 Budget. The City also accepted a \$50,000 Special City Allotment Grant from the Oregon Department of Transportation (ODOT) that will assist with the sidewalk installation on the south side of Hunter Ave. as well as a portion of the overlay cost to Hunter Ave.

Kyle said of the five companies that were contacted only two responded with bids. Knife River's bid came in at \$230,264 and Eugene Sand Construction's bid came in at \$207,692. Kyle said Eugene Sand also gave a verbal schedule that all three projects will be completed by October 15, 2012.

Kyle said a situation came up today from legal counsel. Carrie Connelly is concerned that the total of all three projects has pushed us into a different procurement process. He will meet with her tomorrow but is asking Council members to approve this expenditure contingent on approval from legal counsel.

In response to a question from Tim Brooker, Kyle said all three projects are maintenance and not capital improvement.

Ric said Carrie thought it was more of a capital improvement project and it may be that depending on how the motion is made we could move forward with two of the three and try to get the third project done later this year.

In response to a question from Tim Brooker, Kyle said when petroleum based products are used the "contingent on oil escalation" language is included because of the volatile price of oil.

MOTION: Thomas Cotter made a motion pending approval from legal counsel, to accept Eugene Sand Construction's bid proposal of \$207,691.90 to complete asphalt overlay projects for Eight St., Hunter Ave., and Oak Island Dr. including a contingency at a not to exceed amount of \$220,000 total. Marion Esty seconded the motion which passed with a vote of 5-0.

- d. City Administrator.....Ric Ingham (For Brian Issa)
(1) Pipeline Updates and Issuance of Notice of Award

Ric said staff is requesting several Council actions. They are as follows:

Construction Contract

Pacific Excavation of Eugene submitted the lowest qualified bid at \$8,316,703. The City issued a Notice of Intent to Award on August 14th. No protests were received within the 10 day protest period so the next steps are to issue the Notice of Award to the contractor and USDA to initiate the process of pulling together the contracts, bond, insurance, etc. Once staff has received the contractor's paperwork and the contracts are signed, staff will issue the Notice to Proceed which is the final step prior to construction beginning. The contract documents and notices will include a condition that non-ground-disturbing activities will not occur prior to October 19th as stipulated by the attorney involved in the LandWatch lawsuit against USDA. Staff is seeking authorization from the Council to execute all required contract documents and notices as necessary to commence construction of the water pipeline.

MOTION: Thomas Cotter made a motion to direct staff to execute all necessary contract documents, notices and other paperwork as to the contract with Pacific Excavation and commence construction of the Veneta water pipeline, including Notice of Award, contract for construction and Notice to Proceed. Marion Esty seconded the motion which passed with a vote of 5-0.

Intergovernmental Agreement (IGA) for Material Testing

The water pipeline project requires periodic testing for compacting, asphalt mix and other material testing services. Lane County Public Works has an in-house testing lab and can provide these services at a cost that is comparable to private firms. Since much of the project takes place within the County road system, staff felt having Lane County provide these testing services through an IGA would provide the most cost effective management. The estimate cost of this contract is approximately \$42,000; however, staff is requesting the Council allow the contract be executed for a not to exceed amount of \$50,000.

MOTION: Thomas Cotter made a motion to direct staff to execute a contract with Lane County to provide materials testing and inspection services for the Veneta water pipeline project. Marion Esty seconded the motion which passed with a vote of 5-0.

Contract for Wage Administration

The pipeline project has multiple wage requirements due to the size and nature of the project as well as the presence of federal funding. LCOG has a great deal of experience providing wage

administration for both BOLI and Davis-Bacon projects and estimates; the cost of providing these services is less than \$20,000. Staff is seeking authorization to execution a contract with LCOG for that amount.

MOTION: Thomas Cotter made a motion to direct staff to execute a contract with LCOG to provide wage administration and services for the Veneta water pipeline project. Marion Esty seconded the motion which passed with a vote of 5-0.

Construction Services

The City currently has a contract with Murray Smith Associates (MSA) up to the point that construction of the pipeline begins. Additional engineering services are required during construction including the provision of a resident project representative (RPR), subcontracting for environmental services, change orders, and day to day project management. The total amount for these services is expected to be \$184,670. Staff is seeking authorization to execute a contract amendment with MSA for this amount.

MOTION: Thomas Cotter made a motion to direct staff to execute Amendment 5 to the contract with Murray Smith & Associates (MSA) to provide construction services for the Veneta water pipeline project. Tim Brooker seconded the motion which passed with a vote of 5-0.

Ric said prior to Brian leaving he was working with USDA to confirm its certifying officer process. Prior to Mayor Hobart's resignation, she had been the certifying officer for the City. Staff is seeking authorization to direct the City Administrator and Mayor Larson or both to act as certifying officers for the City.

MOTION: Thomas Cotter made a motion that in the previous motions when referring to staff, the City Council authorizes the City Administrator or the highest elected City Official to sign all documents pertaining to the Veneta water pipeline project. Brittany Boothe seconded the motion which passed with a vote of 5-0.

e. City Administrator.....Ric Ingham

(1) Public Relations Proposal from Cawood & Associates

Ric said at the August 27th meeting the Council directed staff to contact Liz Cawood of Cawood & Associates to prepare a contract for services related to groundbreaking ceremonies for the Service Center and the water pipeline project. Now staff has rethought the groundbreaking ceremony for the water pipeline and felt it should be held once the project is completed. A scope of work from Cawood & Associates was submitted for an amount not to exceed \$4500 which included outreach services for the Harvest Festival. Ric said she would not be engaged in publicizing the entire event but rather just the groundbreaking ceremonies. A fairer estimate of her contract would be roughly \$3000. Ric said staff will secure the chairs and the podium, etc. and if we get pressed for time, we can rely on her and her staff to fill in the gaps.

MOTION: Thomas Cotter made a motion to authorize \$4500 from the City's General Fund for public relations services for the Fern Ridge Service Center groundbreaking ceremony. Marion Esty seconded the motion which passed with a vote of 5-0.

(2) Update on the Next Funding Phase for Highway 126

Ric said after 20 years, the Oregon Dept. of Transportation (ODOT) has changed the State Transportation Improvement Program (STIP) process. The new process is more complex in terms of how communities apply for and get their projects in the STIP. The City will have to be an applicant or work with other communities in order to get the Highway 126 project submitted in the STIP. Ric said staff outreached to Lane County Board of Commissioners who agreed to be a co-applicant and may help draft the application if we can secure funding. He said all projects submitting an

application will require a 10% funding match. Ric said the next phase would be to complete the National Environmental Policy Act (NEPA analysis). Frannie Brindle, area manager at ODOT, said that work would cost about 2.5 million dollars. Ric said the applicants would need the \$250,000 match funds secured before submitting the application. Ric said staff will work aggressively with Congressman DeFazio and Lane County but at this point, he said he's not sure where this project goes from here. Three weeks ago we thought we'd partner with regional partners to write a letter to the Lane County Commissioners asking them to direct their transportation planners to draft the application.

In response to a question from Thomas Cotter, Ric said none of the partners that would benefit from this project have budgeted for it, including the City. He said the City of Florence is focused on Highway 101 and the tribes don't want to get involved in funding state projects. Ric said the deadline for submitting an application is November 27th.

In response to a question from Mayor Larson, Ric said Lane County would be the co-applicant with the City. He said Lane County transportation planners would draft the application but the City would have to reimburse them for their planner's time.

In response to a question from Thomas Cotter, Ric said some steps have been made but ODOT has tremendous projects like Delta Highway, Franklin Blvd., Gateway, etc. He said any and all entities submitting through the STIP must provide the match.

In response to a question from Brittany Boothe, Ric said we would only be submitting the application for the completion of the NEPA analysis.

In response to a question from Tim Brooker, Ric said if we were able to secure the match, maybe other partners could contribute toward the transportation planner costs. He said when Congressman DeFazio authorized the Facility Plan to be done, he directed ODOT to spend up to \$750,000 for the project. The project came in at \$496,000. Where that \$250,000 has been spent is a good question. Ric said we're working hard to get the application submitted by the November 27th deadline.

In response to questions from Brittany Boothe, Thomas Cotter said he heard about the STIP process changing at the August LACT meeting.

Ric said the STIP process change has been in the works for several months.

In response to a question from Mayor Larson, Ric said Eugene really doesn't have an interest in improvements to Highway 126.

Thomas Cotter said most of the 30 people attending the last LACT meeting voted that the project needed to happen but there were plenty of other projects and no money. He said this is all good planning but we need the funds to make it happen.

In response to questions from Mayor Larson, Ric said the preferred alternative was to complete a four lane road along the current alignment and there were two alternatives. One included a bike and pedestrian path that followed the roadway and the other alternative was a bike and pedestrian path which would basically follow the pipeline route. If all of that is adopted in the Facility Plan they will do the NEPA analysis for the four lane roadway and both of the bike path alternatives. Staff is interested in getting the NEPA analysis done for the southern alignment because there are other fund sources to get that project done so it's a way to keep the overall project on everyone's mind.

Mayor Larson said spending the \$250,000 may be worth it even if we only get the bike path out of it.

Ric said some partners are saying the Highway 126 project shouldn't be included because the

Facility Plan has yet to be adopted by Lane County Planning Commission and the Board of Commissioners, after which it would need to be adopted by the Oregon Transportation Commission (OTC) to be fully accepted into the STIP.

(3) Questions from the City Council and Event Update

Ric said the Service Center pre-bid construction meeting will be Thursday, August 30th and the Associate Planner position closes August 31st.

In response to a question from Tim Brooker, Ric said that from what he understands HUD denied funding of the St. Vincent de Paul housing and retail building slated for W. Broadway due mostly to the distance of Veneta to hospitals and emergency care and also the condition of Highway 126. The need for senior low income housing in Veneta wasn't questioned, but HUD felt seniors should live closer to more health care services.

6. OTHER

Ric said last month when the Fern Ridge Service Center Partnership subcommittee submitted a street closure permit for the Harvest Festival they also requested the City provide insurance coverage for the event. Ric said providing insurance coverage for the Harvest Festival would be at no cost to the City. Ric apologized for not making this a formal request and including it as part of the agenda.

MOTION: Tim Brooker made a motion to approve the City providing insurance coverage for the Harvest Festival. Thomas Cotter seconded the motion which passed with a vote of 5-0.

Ric asked Council members if they would rather hold a two hour work session on September 10th in lieu of a regular Council meeting. He said the work session could begin at 6:00. Chris would provide an update on the garbage franchise and RFP process. This would allow for the Council to work through the checklist and also allow time to discuss options for recognizing Waldo Hunter.

After a brief discussion it was the consensus of the Council to meet on September 10th for a work session only, from 6:00 to 8:00 p.m.

Ric told the Council that Teresa's husband had suffered a mild heart attack over the weekend and he is scheduled to be released from the hospital tomorrow afternoon.

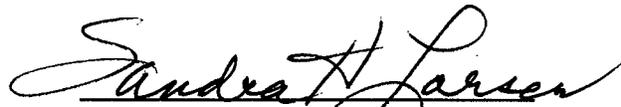
Kyle said the City replaced the seasonal landscaping employee who recently returned to college. The new hire is Hayden Henneman who will work for about six weeks on several landscaping projects.

Shauna said the auditors will be here on September 20th and 21st to wrap up the audit.

Brittany Boothe said she wasn't sure she would be attending the League of Oregon Cities conference because it conflicts with the Harvest Festival and the groundbreaking ceremony for the Fern Ridge Service Center scheduled for noon on Saturday, September 29th.

7. ADJOURN

Mayor Larson adjourned the Veneta City Council at 9:00 p.m.


Sandra Larson, Mayor Pro Tem

ATTEST:



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