

**Minutes of the Veneta City Council  
Work Session  
September 10, 2012**

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

Others: Ric Ingham, City Administrator; Chris Workman, City Recorder/Human Resources and Risk Management Administrator; Kay Bork Associate Planner; Kyle Schauer, Public Works Superintendent; Darci Henneman, Assistant City Recorder; and Michelle Ossowski, Fern Ridge Review

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Mayor Sandra Larson called the Work Session of the Veneta City Council to order at 6:00 p.m.

Mayor Larson asked Council members if they would approve adding another item to the agenda regarding Plough Monday and the Jeans Rd. filtration plan. It was the consensus of Council members to include this item in the agenda.

**1. REQUEST FOR PROPOSAL PROCESS AND CONSIDERATIONS FOR WASTE COLLECTION SERVICE**

Mayor Larson suggested the Council follow the proposed framework and discuss the agenda items in half hour increments. The Council agreed.

Chris provided a recap from the last meeting and reviewed his memo for tonight's meeting. He said September 27<sup>th</sup> is the date the RFP is scheduled to be released and advised that there was a tight timeframe to work with if Council wanted to stay on the proposed schedule.

Chris confirmed that because the City doesn't pick up recycling weekly (recycling and yard debris is picked up every other week) DEQ determined the City only meets five of the nine Senate Bill 66 requirements rather than six. Chris said it could be that we are not completing the form correctly. The City does not desire to add additional depots or composting for food scraps on a commercial basis (restaurants, etc.) but the City may be interested in providing composting at a future date and providers could include it in the RFP process.

Ric reviewed a few inconsistencies in the draft RFP. Ric said at this point, Council members should decide if the draft RFP provides a solid frame work for the City's RFP process.

In response to questions from Mayor Larson, Chris said before the City can move forward with the RFP process, staff needs the Council to give direction in two areas: 1) should the City have one or multiple providers; and 2) should the City issues a franchise agreement or business license(s). He said for example, the City has two electric companies, EPUD and Lane Electric operating under franchise agreements. If we chose to use a franchise agreement we need to provide the criteria and make sure the providers meet it.

Ric said generally larger cities issue licenses for multiple levels of service, residential, commercial, drop box, etc. He said we don't have the critical mass to issue multiple commercial or residential licenses.

In response to a question from Mayor Larson, Tim Brooker suggested Council members should first decide if multiple providers or a single provider would be best for the City and further direction to staff will be based on that decision. He said the RFP will ask how providers would provide all services.

It was the consensus of the Council to follow Tim Brooker's suggestion.

In response to a question from Mayor Larson, Ric said staff provided the Council with the material to make that decision. He said staff doesn't have an opinion.

Brittany Boothe said she was uncomfortable making a decision based on the materials she has been provided. She asked if there was a difference between issuing multiple licenses or having more than one provider enter into a franchise agreement and if so, what it was. She said based on the public comment received, she believes residents want a choice.

Tim Brooker said he has spent a lot of time thinking about this issue and by having two providers the households would virtually be split between the two. Rates would increase if two providers had to share the 1500 residents. Also, City costs could increase with multiple providers, accounting, complaints, etc. He said more trucks on the street could create more confusion. He said if the City put out an RFP and picked a single provider, not based on the lowest bid, he felt the City could get a competitive price. He said the RFP and evaluation process would determine who the provider would be.

In response to a question from Brittany Boothe, Ric said staff is proposing to start the RFP with the current rate residents are paying, but as staff looks at trying to create the most objective elevation tool we may take the rate out of the equation.

In response to a question from Brittany Boothe, Thomas Cotter said a rate increase would depend on whether or not the Council decides to put the RFP out for a single or multiple providers. Multiple providers would likely have to raise their rates in order to make it profitable for them. He is more in favor of one franchisee than licensees.

Marion Esty agreed with Thomas Cotter but she said many citizens would love to have two different businesses. She understands the traffic could be a problem and asked how we would deal with accidents? She can see both sides but she doesn't know how this will turn out in the end.

Mayor Larson said the Council has responded to the public request to open up the process after ten years. She said it's her understanding that the probable other hauler cannot meet the services needed. She felt a single franchisee makes more sense for the size of Veneta. If we awarded two franchisees or two licenses, one company may not have an equal share of the businesses and it may not be profitable for their business. She said a single franchise can still be a fair process through an RFP.

Brittany Boothe said one potential provider wasn't interested in having an exclusive franchise. She said the Council hasn't discussed supporting a local business. She said it's fair to open the process to any and all providers but it seems the direction the Council is moving isn't really responsive to the public comments received. She said public comments aren't asking the Council to discuss it, they're asking for a choice. She said several points mentioned were good and fair but all could be addressed with more discussion. She said two providers would create more traffic but Sanipac trucks are much larger and have a larger impact on our infrastructure.

Mayor Larson said the practicality of a single or multiple franchisees is what the Council needs to decide.

Tim Brooker said the Council is not providing a voice for any one local company. He said it's the Council's responsibility to put out an RFP and receive responses from all providers. He said it's a choice, but it's not an individual customer choice, it's the Council's choice. He said many of the

written comments received indicated residents want to give the "other" company an opportunity to submit a proposal in order to get a competitive price for competitive services and he felt that this is what the Council would be providing residents with by providing the RFP process.

Brittany Boothe said she views her role as not basing her decision on information from staff but based on what residents want. She said the Council has yet to explore and discuss this issue in depth. She said the size of the Sanipac trucks has a tremendous impact on our infrastructure and she felt the City should make concessions for the company with smaller trucks.

Tim Brooker said the RFP will lay out what the provider will provide and puts a value to the RFP process for what's best for the community. He said the Council is not making the decision for individual customers, but what's best for the City and providing a choice for individual citizens is not what the Council is required to decide.

Mayor Larson said many residents expressed a desire for multiple haulers but they don't have all the information. She said it's not simply based on giving the franchise to one provider over another.

Brittany Boothe said overall road wear would be the same. She felt the Council didn't have the information to make an informed decision.

Thomas Cotter said smaller trucks would need to make more trips.

Brittany Boothe asked why rates and the number of trucks on the road couldn't be included in the RFP process. She said if we include free garbage pickup at City events, then why can't we base the RFP on the size of trucks?

Mayor Larson said its clear there is not a consensus among the Council but there is a majority that favors a single franchise. On behalf of a Council majority, Mayor Larson advised staff to draft the RFP for a single-hauler franchisee.

Ric said responses to the RFP will be based on the cost to deliver services. He said the City of Sandy included a cost/rate analysis in their RFP process which the company that was awarded the RFP paid for once awarded. Ric said it's a fairly expensive process and staff didn't feel the City should foot the bill or pass it on to the awarded responder. He said Council members approved a rate structure sheet a couple of years ago. This was a two to three percent increase which did not reflect a drop in customers. Staff is suggesting taking the rate issue out of the RFP process.

Chris described how the rate schedule would be used and applied to the scoring RFP process. He said there can be variations to the rates proposed, but the point system will reflect any variations. We want the services to be the same but the rate structure can vary somewhat.

In response to a question from Sandra Larson, Ric said we don't want to put all the emphasis on rates.

Chris said scoring the bids will be based on a point system. He said if a bid comes in at or below the current rate, it will score full points. The number of services provided will also affect scores.

In response to a question from Tim Brooker, Chris said one requirement would be to identify the services the City currently receives and ask for a narrative: "how would your company perform these tasks and at what level could you perform it at". Then the scoring would be applied, i.e. two points, etc. He said there is no way to make it 100% objective but Section 4.2 addresses the narrative responses that will be requested.

Ric said each of the responders would be required to put up a bond that guarantees they are providing the services based on their bond. If not, then we pull the bond or renegotiate the RFP process. He said there will be a lot of narrative responses in the RFP.

In response to a question from Brittany Boothe, Chris said Senate Bill 66 provides a lot of information that responders will have access to.

Ric said staff will have a final draft RFP to the Council prior to the September 24<sup>th</sup> Council packet. He asked if the Council would like to hold one more review session before the next Council meeting.

Mayor Larson said she felt it's very important that responders understand what the current rates are.

In response to a question from Mayor Larson, Chris said the RFP will allow for additional flexibility for certain line items that we're currently receiving. If a responder's rate is a little higher it will affect its score but it may come down to providing more services.

Ric said the evaluation tool makes it more clear how the point system works. He said staff will rank the responses and provide the ranking to the Council for review and final decision.

Tim Brooker said staff needs to make sure the criteria are clear because if it's not clear to the Council it won't be clear to providers.

In response to a question from Mayor Larson, Ric said he felt staff has the direction needed to proceed.

## **2. OPTIONS FOR WALDO HUNTER RECOGNITION**

Kay provided the Council members with a map of options that staff have proposed for the Hunter family dedication. Kay met with the Hunter family and reviewed the bicycle path that would connect Waldo Ave. to Hunter Rd., Luther Ln., City Park and Veneta Elementary. Kay said Brian submitted a grant proposal to ODOT and since then staff received a letter from ODOT requesting we submit a serious proposal. Staff will follow up and meet with ODOT to discuss the project. She said the Hunter family liked the idea as long as it comes to fruition, if not they would like to look at other options.

Mayor Larson said if the ODOT grant funding doesn't go through the project could be eliminated. Perhaps we could reroute the bicycle path or we could apply for a recreation grant. She said the project will likely require a significant amount of upfront money spent for engineering before the project gets going but it would be a great project.

Ric said Council members could agree to rename the bike connectivity path the "Waldo Hunter Pedestrian Path". He said others options would include naming the City Park picnic shelter, the "Waldo Pavilion", or renaming Fern Park. Regardless what the Council decided, he felt an interpretive plaque should be included with the renaming. City staff or a committee of the Council could possibly work in conjunction with the museum staff to include some kind of recognition at the museum.

Mayor Larson suggested pursuing the Waldo path. She said the Hunter family preferred that to the alternatives offered. She said if the path doesn't come to fruition then the Council will review the options.

In response to a question from Brittany Boothe, Ric said staff felt naming the City Park after Waldo Hunter was not in proportion to the contribution he made to the community. Ralph Johnson was

Veneta's first mayor and a very small park was named in his honor. The City Park is the gem of the City and the Hunter family wasn't involved with incorporating the City.

Thomas Cotter preferred naming the pedestrian/bike path for Mr. Hunter.

Mayor Larson suggested naming the pedestrian/bike path the Waldo Hunter Path. She also suggested the Park Board look in to possibly identifying some of the City's historical sites.

Ric said Kay reviewed the bike path with the Park Board at their September meeting. He said the City is somewhat small to form a historical society but it could be added to the 2013 Goal Setting Session. He said the museum would be involved as well.

### **3. PLOUGH MONDAY REQUEST**

Ric said staff heard from Norman Vidoni of Plough Monday. They would like to move forward with leasing the Jeans Rd. treatment plant once pipeline construction starts. Mr. Vidoni was fully aware the City needed to wait until September or October to make that commitment. At the August 27<sup>th</sup> council meeting, Mr. Vidoni verbally requested the Council submit a letter of intent to lease the facility to his company. Now he is asking the Council to proceed with decommissioning the plant in order for him to occupy it by December. Ric said Kyle did some homework to ballpark the cost to surplus that facility. He said the City went all year without using that facility and staff is confident we won't need that water in the next two years. Ric said staff has been working with Plough Monday since the first of the year.

In response to a question from Mayor Larson, Kyle said a perfect scenario would be to find a buyer that could also remove the equipment. Otherwise, decommissioning and equipment removal costs to the City would be approximately \$3,000 to \$5,000. Also, if we can't find a buyer for the equipment, we would need to find a place to store it.

In response to questions from Mayor Larson, Ric said Plough Monday would need the building by December 1<sup>st</sup>. Mr. Vidoni plans on starting with the brewery and in the future open a tasting room and restaurant in Veneta's downtown. Ric said Plough Monday has a solid financial package with Siuslaw Bank by providing startup funds together with the first six months of operational costs. Ric said they have already purchased some of their equipment.

In response to a question from Tim Brooker, Kyle said the \$3,000 to \$5,000 figure is based on rental equipment needed and a rough estimate from an electrician to decommission the control panels. Kyle said removing the equipment would be a significant job for our crew it would take a couple of weeks.

Brittany Boothe said she believed the Council should make every effort to support local businesses when it can.

Ric asked if Council members would like this matter included on the September 24<sup>th</sup> agenda and if approved at that time, the Council could direct staff to issue the Notice of Intent to Lease.

In response to a question from Tim Brooker, Ric said decommissioning costs would come from the Water Fund. Staff is hopeful the City would recover some of those costs in the first six months of lease payments from Plough Monday as well as any proceeds from the equipment sale.

Ric said Shauna didn't have any financial concerns about the project.

### **OTHER**

Ric reminded the Council of the League of Oregon Cities conference in Salem from September 26<sup>th</sup> through the 29<sup>th</sup>. Also, the City Hall Day scheduled in Cottage Grove has been rescheduled to sometime in October.

In response to a question from Mayor Larson, Ric said Chris will finalize the garbage RFP and get it to Council members by next Tuesday or Wednesday. It will be sent separately from the Council packet. Ric said once the RFP is released staff will work on encouraging residents to please not contact Council members directly. If they do, those Council members will need to declare a conflict of interest.

**4. ADJOURN**

Mayor Sandra Larson adjourned the Work Session of the Veneta City Council at 7:33 p.m.

  
Sandra Larson, Mayor Pro Tem

ATTEST:



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