

# Minutes of the Veneta City Council

## November 19, 2012

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

Others: Ric Ingham, City Administrator; Kay Bork, Community Development Director; Shauna Hartz, Finance Director; Lisa Garbett, Associate Planner, Kyle Schauer, Public Works Director; Chris Workman, City Recorder/Human Resources and Risk Management Administrator; Darci Henneman, Assistant City Recorder; 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

None

### 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; Tim Brooker, aye; and Brittany Boothe, aye.

The consent agenda as approved included Minutes for October 22, 2012, Accounts Payable through November 8, 2012, and the Public Works Activity Report for October, 2012.

### 3. DEPARTMENT REPORTS

- a. From Mayor and City Councilors
- b. Council/Committee Liaisons

Marion Esty said she attended the recent library board meeting and the library group was delighted that the bond measure passed with solid numbers. She said she also had a nice visit in California.

Mayor Larson said the library bond measure passed with significant numbers.

Brittany Boothe said she did not attend the November Park Board meeting but topics of discussion included the City's volunteer program and review of the Adopt-A-Park guidelines and agreement. Park Board members also prepared for the light parade.

Mayor Larson said the school district board meeting is tonight so she is unable to attend. She said the Noti Elementary RFP is on tonight's agenda. She said Sharon Hobart's going away party was very nice and she thanked all staff for assisting with a wonderful event. She said the holiday bazaar was a great success for the community.

### 4. STAFF REPORTS

- a. City Recorder/HR and Risk Management Administrator.....Chris Workman
  - (1) Civic Calendar for December 2012

Chris said there are a couple of issues that need to be addressed for the December calendar; the first item being the Council meeting schedule. He suggested following the same meeting schedule for December that was used for November: cancel the December 10<sup>th</sup> and December 24<sup>th</sup> meetings and have one City Council meeting on Monday, December 17<sup>th</sup>. The second item being the waste collection proposal came in and he will discuss that during the next agenda item.

**MOTION: Thomas Cotter made a motion to approve the proposed changes to the December 2012 Civic Calendar to hold one meeting on December 17<sup>th</sup>. Marion Esty seconded the motion which passed with a vote of 5-0.**

(2) Proclamation Declaring Election of Candidates

Chris said staff is still waiting for the official election results from Lane County; however, the proclamation does not require Council approval. It does have to be made within 30 days of the election which is December 6, 2012 so he will make the proclamation as soon as we receive official results from the county.

(3) Waste Collection Service RFP Results, Awarding of Franchise Agreement

Chris provided the Council members with a copy of Sanipac's proposal in response to the RFP. The proposal was very thorough despite the fact that we only received one response to the RFP. Mayor Larson advised staff to rate the proposal according to the metrics set forth in the RFP. Chris asked if the Council had any questions and asked Council members how they would like him to proceed.

In response to a question from Mayor Larson, Chris said the changes were minimal. He said Sanipac's proposal included a rate increase of approximately 5% to 6% for each service but also proposed adding an extra month of weekly yard debris pick up, assistance with property abatement, and manpower for the annual city wide cleanup. Staff is requesting the Council award Sanipac the franchise agreement so it can enter into negotiations with Sanipac and direct staff to bring a written agreement to the December 17<sup>th</sup> meeting for approval.

In response to questions from Tim Brooker, Chris said the current franchise agreement with Sanipac expires January 26, 2013.

In response to a question from Mayor Larson, Chris said staff requested that all the parks be included in garbage pick-up as well as a couple dumpsters are provided at the public works yard. He said the City will pay the disposal fee but will not be charged for delivery of the dumpsters. The RFP also required that Sanipac have a strong commitment to the community by providing garbage needs at City sponsored events. Sanipac has stepped up in the past as a good corporate neighbor and staff has proposed that garbage services for City sponsored events be included in the franchise agreement.

**MOTION: Thomas Cotter made a motion to award the waste collection franchise agreement to Sanipac, Inc. and direct staff to negotiate the terms of a new franchise agreement and modify the decision making timeline as recommended to allow staff to present a proposed franchise agreement at the next City Council meeting. Marion Esty seconded the motion which passed with a vote of 5-0.**

(4) **Resolution No. 1107 – A RESOLUTION ADOPTING THE REVISED CLASSIFICATION AND COMPENSATION PLANS OF THE CITY OF VENETA FOR THE 2012-13 FISCAL YEAR AND REPEALING RESOLUTION 1098**

Chris said a few changes have occurred in personnel leading to some job descriptions changes. The Public Works Director position was created which Kyle stepped into, having fulfilled these duties for some time now. Kyle will also take on a few additional duties but this title will recognize him in that capacity. Kip will step into the Public Works Superintendent position which will require him to provide more supervision to the public works crew by taking on employee evaluations and more reports, but he will still be in the field supervising. There are no plans to fill the public works foreman position. Chris said when Brian left Kay stepped into his position, but the focus and title has been changed from community services director to community development director.

In response to questions from Mayor Larson, Ric said the recreation and event coordinator is not a full time position and is separate from the pool manager position. Ric said when the pool was inoperable Stacy filled the role of recreation coordinator. Ric said he has taken on the pipeline project since Brian left so Stacy was asked to step in on some City events like the light parade. He said it hasn't quite worked out the way staff wanted it to; it's still a work in progress.

In response to a question from Thomas Cotter, Ric said Kyle, Kip, and Kay are being promoted, resulting in pay increases now and the ability to receive merit-base pay raises in the future.

In response to a question from Tim Brooker, Chris said legal counsel made the only change to the resolution which changed the effective date. He said Council members were provided a copy of the updated resolution at tonight's meeting. He said the attached schedules will carry on through this fiscal year.

**MOTION: Tim Brooker made a motion to approve Resolution 1107 as written adopting the revised Classification and Compensation Schedule for the remainder of Fiscal Year 2012-2013. Thomas Cotter seconded the motion which passed with a vote of 5-0.**

Kay introduced Lisa Garbett as the new associate planner. Lisa started at the City on October 3<sup>rd</sup>. She has taken over Kay's associate planner duties and is currently working on grant applications for the service center. Lisa graduated from the University of Oregon with a degree in Landscape Architecture and worked for the City of Richfield as a contract city planner.

Lisa said she also completed an internship at Lane County while in school and she is very happy to be back in the area. She said she looks forward to working with the City Council.

b. Community Development Director.....Kay Bork

(1) Fern Ridge Service Center Update and Request for Funds

Kay said the City entered into the construction contract with Essex General Construction Co. She said Essex was able to reduce construction costs by approximately \$225,000 to match the budget for the project. Kay said construction should start the first week of December and a list of the needed kitchen items is being developed to see what can be funded with grants.

She said staff is seeking approval from the Council to contract with EPUD to install a transformer for the Service Center. She said this item was not built into the budget and is required before construction can begin. Kay said staff is recommending this cost come out of the West Broadway Capital Projects Fund. She said there's a possibility that this cost could be included in the CDBG Grant if any contingency funds remain.

In response to a question from Thomas Cotter, Ric said the transformers are located on Brooker Lane. Ric said EPUD couldn't tell how large the transformer needed to be until the actual building was designed and we knew how much power was needed. He said unfortunately, including the transformer in the budget was overlooked by the architect and staff.

**MOTION: Thomas Cotter made a motion to authorize the expenditure of \$17,367 for installation of the EPUD transformer to service the Fern Ridge Service Center from the West Broadway Development Building Construction Fund. Marion Esty seconded the motion which passed with a vote of 5-0.**

(2) Hwy 126 Southern Route Multi-Use path STIP Application

Kay provided the Council with a follow up to the STIP application for the Highway 126 Southern Route Multi-Use Path. This is the alternate bike/pedestrian path that was identified in the Corridor Study. Staff is asking Council members to approve submittal of the application for the 2015-16 STIP. Staff has been working with ODOT and Lane County staff. Lane County is an

applicant co-sponsor and has offered to assist with the project by contributing staff time as an in-kind match of 10% of the project cost or \$17,500 in staff time. The City will make our 10% match in cash. The preliminary design cost is estimated to be \$175,000 so matches would be about \$17,500. The estimated timeline for award of this project would be in 2016 with completion in 2018. Matching cash funds would be required at the time of the award. Kay said it's a long way out there but this is a very lengthy and competitive process.

In response to a question from Mayor Larson, Ric said there's a required cash match which must be provided by the entity, other than ODOT, that submits the application.

In response to a question from Thomas Cotter, Kay said Lane County wasn't required to submit a match but it did offer to dedicate staff time at an in-kind value of \$17,500 and the City will put in the 10% cash match.

Ric said Lane County coming on as a co-sponsor of the application and taking more of a lead role would require approval from the Lane County Board of Commissioners which likely would not happen.

In response to a question from Mayor Larson, Ric said once the project is selected, the City will need to include the \$17,500 commitment in that fiscal year budget. He said we don't pay anything until that time.

**MOTION: Thomas Cotter made a motion for the City Administrator to submit the STIP application for the Hwy 126 Southern Route Multi-Use Path on behalf of the City of Veneta. Brittany Boothe seconded the motion which passed with a vote of 5-0.**

c. Finance Director.....Shauna Hartz

(1) **Resolution No. 1108** – A RESOLUTION AUTHORIZING THE OPENING OF A NEW BANK ACCOUNT AT SIUSLAW BANK AND DESIGNATING AUTHORIZED SIGNERS FOR THE CITY OF VENETA

Shauna said as part of USDA Rural Development's financing of the water pipeline the City must comply with its Letter of Conditions. One of those conditions requires that the City open a bank account exclusively for the pipeline project. Resolution 1108 will provide for a separate pipeline bank account at Siuslaw Bank.

**MOTION: Thomas Cotter made a motion to approve Resolution No. 1108 as presented, authorizing the opening of a new bank account at Siuslaw Bank and designating authorized signers. Marion Esty seconded the motion which passed with a vote of 5-0.**

(2) Request to Enter into a Subordination Agreement

Shauna said the City has entered into a subordination agreement on several occasions with this property owner. This is a unique situation and payment of the deferment is contingent on the owner developing the property. Shauna was not able to get in touch with the property owner but staff will get the specific information into the agreement prior to it being signed. Shauna said the deferment is for sidewalk, water and sewer improvements of about \$7,224.32.

In response to a question from Brittany Boothe, Shauna said it's a big lot and it could be developed into a second residence.

In response to a question from Tim Brooker, Shauna said the property owner is refinancing the property, not selling it.

In response to questions from Thomas Cotter, Shauna said the City is not charging interest on this deferment and she doesn't know why it was set up the way it was. She said this deferment will start accruing interest if and when the lot is developed and if the time period for which to pay the deferment has expired. She said the property owner owes nothing until they develop the other portion of their lot. Shauna said the City has a lien against the property and if action was taken that nullified the deferred assessment, the owner would have the option to pay the deferment in full at that time or enter into an installment agreement.

In response to a question from Brittany Boothe, Ric said the deferred amount of \$7224.32 is for sidewalk improvements and sewer and water hook up.

In response to a question from Thomas Cotter, Shauna said the subordination agreement is between the City and the bank, not the City and the property owner.

After a brief discussion it was the consensus of the Council to move forward with approving the subordination agreement.

**MOTION: Thomas Cotter made a motion to approve the request submitted by the owner of the property known as 24724 Sertic Rd. due to the unique circumstances surrounding the recorded Agreement to Defer Collection of Assessment. Tim Brooker seconded the motion which passed with a vote of 5-0.**

**MOTION: Thomas Cotter made a motion to authorize the Mayor to sign a new Subordination Agreement after all the loan information has been added. Marion Esty seconded the motion which passed with a vote of 5-0.**

d. City Administrator.....Ric Ingham  
(1) Pipeline Project Update

a. Construction

Ric said the contractors have been working for about 30 days and a second crew has been added. We now have a sense of where the challenges lie with change orders beginning to come it. He said Kyle is working with the engineering team and looking at some areas where we can save a few dollars.

b. Interim Financing/Rates

Ric said the interim financing closed on November 9<sup>th</sup> and we received the first draw that same day. He said it was a long and tedious process but it is done now and we have a process in place and will have a new bank account for those funds.

Ric said Rural Development continues to encourage the City to spend the excess RD funds. Staff's first response is we don't want to spend any extra money. However, there may be some difficulties with fitting the 24" pipe to the water tank. He said we may be looking at the possibility of tank erosion and the need to complete a seismic evaluation. The tank was built in 1973 - prior to seismic reporting being conducted. He said these are significant issues and he believes we should at least have the tank evaluated and recoated. He said we may be able to utilize the excess RD funds.

Ric said things have been very quiet since the verdict on the LandWatch lawsuit. LandWatch has 60 days to appeal the decision but nothing has been filed at this time.

The rate analysis continues to be a very slow process. He said Don Ganer is no longer with FCS and with Brian gone it's going to become an even slower process. He said the new SDC calculation and determining the debt service and repayment amounts are going to make things very complicated. Staff is suggesting a 3% to 8% rate increase beginning January 1<sup>st</sup> to soften the estimated total increase of 42% by July. He said staff may not

have all the information by the December meeting but he is hoping to have preliminary rate information to the Council at that time.

**c. USDA/RD and EWEB**

Ric said Rural Development has given the City a green light to fold EWEB's soft costs into our project funding. He said we can't fund the full construction costs but we can pay for the environmental work and engineering costs for the stretch of EWEB pipeline. He said staff is working on trying to get EWEB's \$200,000 expenses pulled into our funding project.

Kyle said construction has been coming along really well. He said he has received very few complaints, all of which were worked through. He said the 24" line and the 12" line down Hunter are almost completed. He said the second crew at Cantrell Rd. is helping the work move quickly.

In response to a question from Tim Brooker, Ric said if any deficiencies are found in the tank, costs for the seismic evaluation could be paid with the excess RD funds in the funding package.

In response to a question from Mayor Larson, Ric said staff is hoping the City will not exceed the \$10 to \$11 million dollar amount.

In response to questions from Thomas Cotter, Kyle said once the pipeline construction is completed the City will complete an overlay project for Hunter Rd. He said Hunter Rd. is already a substandard road and the construction is adding to the degradation of the roadway. Kyle said once the 24" pipe is laid and covered, the opposite lane of traffic will be opened and the 12" line will be installed a couple of feet towards the center of the road. He said for stability reasons, the lines are being installed at separate locations. Kyle said it is the contractor's responsibility to repair and maintain the gravel shoulders but it will be spring before the overlay is done, allowing for good compaction to take place between now and then.

Ric said paving the entire road was not included because the City didn't want to do too many improvements knowing that sewer pipes will be laid in the roadway in the future.

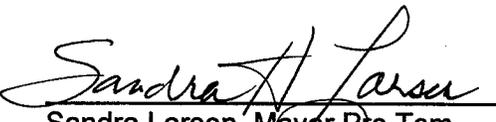
In response to a question from Tim Brooker, Kyle said the Hunter Rd. overlay provides for more shoulder but it does not have a good base and it is cracking. Trucks and equipment are really banging up the road and a cut in a third of the roadway isn't helping. He said the overlay will be similar to the projects on Oak Island and West Hunter which is a two to three inch asphalt cap.

**5. OTHER**

Ric said the Light Parade is on December 6<sup>th</sup>. He said the committee continues to tighten up the pedestrian safety issues. He said the Holiday Food Drive and Santa Project will be Saturday, December 15<sup>th</sup>.

**6. ADJOURN**

Mayor Larson adjourned the Veneta City Council at 8:16 p.m.

  
Sandra Larson, Mayor Pro Tem

ATTEST:

  
Darci Henneman, Assistant City Recorder  
(Minutes prepared by Henneman)