

MINUTES

MILWAUKIE CITY COUNCIL WORK SESSION

JANUARY 20, 2009

Mayor Ferguson called the work session to order at 5:30 p.m. in the City Hall Conference Room.

Council Present: Councilors Deborah Barnes, Greg Chaimov, Joe Loomis, and Susan Stone.

Staff Present: City Manager Mike Swanson, City Attorney Bill Monahan

Board and Commission Interviews

Mayor Ferguson passed out a list of 10 interview questions that Mr. Swanson created for Council to ask candidates interested in serving on boards and commissions.

Councilor Barnes said she thought it was a good idea to use the same questions for all candidates. She thought Council needed to do a better job of letting candidates know the next steps for after the interview and when they would hear from the City. She did not think they needed to ask every candidate all 10 questions because some were more in-depth than needed for certain positions.

Council interviewed Christopher Wilson, Greg "Frank" Hemer, Sarah Knaup and Gabriel Storm for vacancies on the Planning Commission, Design and Landmarks Committee and the Budget Committee.

Children's Center of Clackamas County

Tonia Hunt, Executive Director of the Children's Center of Clackamas County provided a handout explaining the work that they did at the Children's Center. She was there to let Council know about their work and how they partner with the Milwaukie Police Department in cases of suspected child abuse in Milwaukie and throughout Clackamas County. The Children's Center was the designated medical assessment center for Clackamas County, which meant that children who have been identified as possible victims of sexual abuse and severe cases of physical abuse would most likely be seen at their facility. The children got a complete checkup from medical staff, and signs of abuse were fully documented. The children then talked to their specially trained forensic interviewers. The interviews were videotaped and witnessed by the investigating law enforcement agency as well as DHS caseworkers. They worked very closely with community partners and found out that many people did not know they existed even though they had been in operation for almost 5 years. They wanted to get the word out and talk about the work that they did and make sure that community leaders know about that work and how thrilled they were to be partnered with agencies such as the Milwaukie Police Department and serving children and families in Milwaukie. They have served about 1,000 children in Clackamas County and many were from the Milwaukie city limits. They were the only service provider for Clackamas County, and saw anywhere between 12-24 children from Milwaukie every year. Most of their referrals came from law enforcement or DHS. They served Sandy, Wilsonville, Lake Oswego, Oregon City and all throughout the County. The Children's Center was growing. They started seeing about 100

CITY COUNCIL WORK SESSION – JANUARY 20, 2009

APPROVED MINUTES

Page 1 of 7

children per year and last year they served 300 children and had to turn away another 100. Their capacity had hit the limit. They were addressing that by going into a capital campaign to begin building a facility that would allow them to see 2 children at a time. Currently their facility had one exam room, waiting room and interview room. Assessments take 3-4 hours so they can see 2 children per day. Their capacity issues had a direct impact on safety for children and communities, and they wanted to do everything they could to make sure they had the capacity to see 2 children at a time. If that was the case they would be able to accommodate regularly scheduled appointments as well as urgent cases, which they were getting requests for more and more.

Mayor Ferguson asked about outreach. What types of connections and outreach was being done with municipalities?

Ms. Hunt said they work regularly with the Multi-Disciplinary Team (MDT), which was a state legislative body that every county had, and was responsible for coordinating care and investigation in cases of child abuse. Milwaukie PD sends a law enforcement agent to those meetings as do other agencies. All of the agencies come together at the MDT to coordinate including the Children's Center. The MDT is a small select group so they wanted to go beyond that. They were in the process of expanding their prevention outreach work. They thought it was important to make adults understand that their responsibility was to protect kids. Teaching kids to protect themselves has been found to be ineffective. Their intake workers are in touch regularly with law enforcement agencies and DHS caseworkers around the County to make sure they were meeting their needs. They exchanged records and tracked cases when appropriate. They were doing what they could but would love to do more. She thought there was probably more abuse going on in Milwaukie than what they were seeing, and they wanted to be a resource to the children being affected by abuse.

Councilor Barnes asked if they had worked with the North Clackamas Parent Institute. She would love to see, as a senior project, a video made about the Children's Center and put on cable.

Ms. Hunt said they had worked with the Parent Institute and their prevention specialist would be there for the first time. They had a brief promotional video, but it was not cable access appropriate, and she thought it would be a wonderful opportunity to expand that.

Councilor Stone was curious about the capital campaign and how much money was needed to expand.

Ms. Hunt said it was overwhelming considering the economic times right now. They were a relatively young organization and for them to be in a capital campaign was daunting, but they thought it was doable. The total goal was \$3 million for the building and \$1.5 million for maintenance and operating reserves. The land was donated by Willamette Falls Hospital. They were still in the early stages but had some strong prospects through the community development block grant program, some private funding that has been committed and being considered, and individuals who were pledging support.

Councilor Stone asked about the statistics on the children that were seen. If they went back in the environment, what were the statistics on the abuse patterns?

Ms. Hunt replied it varied by family. Some families were well equipped to handle the trauma of abuse and tap into resources and do everything they could to not

only treat the trauma that had occurred but prevent future trauma. Other families were in painful cycles of high risk behavior, drug use, domestic violence or economic turmoil that put children at risk. Those were children that many times kept bumping up against the system over and over. They were not an agency that made decisions about child placement. They were providing information to the agencies about what they needed to know to make those decisions. They helped families overcome barriers to get the needed resources and stayed in contact with the families that wanted to keep in touch.

Trolley Trail Intertie Briefing

Mr. Swanson said this came up because Councilor Chaimoy forwarded him email about this issue. He attended a meeting on December 30th, which was the second meeting that had to do with the Intertie. The first meeting was with WES staff and the BCC. WES appeared before the Board to talk about the routing of a diversion pipeline. The staff recommended that the diversion pipeline route be the 3 Creeks Route that paralleled I-205. It was largely a gravity system that would affect much of the diversion on the east side to TriCities. At that time, the Board introduced the possibility of running the diversion pipe down the Trolley Trail and construct the pipeline at the same time as the Trolley Trail. The Board had asked about that potential and staff was to come back on December 30th to answer questions that the Board had. He found out about the meeting on the 30th and attended along with 20 citizens from the unincorporated area, most of whom were members of Friends of the Trolley Trail. The staff, understandably because of all of the storms during December, was not able to come back with a lot of the answers that the Board wanted. A general discussion ensued. The reason it was felt that the Trolley Trail was important was because the theory was if you build the diversion pipeline down the trolley trail it made it easier to justify decommissioning Kellogg. The reason he attended was to get into that discussion. A lot of discussion was had at that meeting about the Trolley Trail itself. It would be constructed and maintained by the North Clackamas Parks & Recreation District. There was a lot of discussion about relative costs of the two alternatives. The Trolley Trail was more expensive because it was not a gravity system. It would require pumping, but at the same time it would reduce the cost to the North Clackamas Parks District, and those savings could be used to build some amenities such as lights and drinking fountains. The difference was approximately \$1 million over a 20-year period of time. The Chair of the Commission then opened up it to audience comments. He thought a number of comments made were interesting. Many of the people said that they had been waiting a long time and said they did not need to look at the alternative of putting a diversion pipe on the trail because it was going to delay things. The fact was that construction of the pipeline and the trail simultaneously would not affect the timing of the Trolley Trail construction. Most interesting to him were two or three people who objected to the Trolley Trail alignment because they were concerned about odors, which he thought was highly ironic since Island Station and the downtown had been dealing with odors for decades. There was a follow-up meeting today at 3:30 and he had heard the commissioners decided to move on with construction of the Trolley Trail, which he felt was in the interest of the Friends of the Trolley Trail. He didn't get the sense that a decision had been made in terms of the issue of the intertie and the diversion alignment. He thought that was still on the table. That meeting brought him to a place where he had been dealing with, along with Councilor Barnes, for months on the wastewater issue. The wastewater issues seemed to him a lot like the 4 level chess game. There were alignment issues, the wholesale issue and the Kellogg

issue. He thought we were now on the wholesale agreement issue. A number of months ago they received a draft from WES and the City returned a draft to them, which was summarily dismissed. He had now received a third draft that changed the first draft by at least recognizing that we had subsidized the District since inception and that Kellogg was destined at sometime in the future to be decommissioned. Those were not substantive commitments. That resulted in getting an equal seat at the table. The rates in the future were not unlike the past rates because we were being asked to pay for a capacity issue, which we did not create. The proposed rate was exorbitant. One way of describing it was when we look at the 1970 agreement it required that we pay 40% of the construction cost. We have used between 20-30% of the capacity. That difference had been used by the District to meet its capacity needs even though it was paid by Milwaukie ratepayers. He had been arguing in the meetings with staff that we needed a setoff against future rates of those monies that the City, for the last 38 years, had subsidized the District. That same treatment is destined or proposed in the agreement to continue in the future. We would be subsidizing the District for an issue that we did not create. They cited the reason to be equity. Their definition of equity was that everyone should be at the same level. His definition was that equity did not just take into account the cost and making sure everyone was paying. It took into account the past. The County had refused to look at the past. He could not give a figure, but it was substantial. The status of Kellogg – Councilor Barnes fought the good battle and got the partners group to agree that they would all work toward development of an IGA that would envision decommissioning Kellogg. We did not know whether that IGA would happen. They had to sit at another table and talk with our partners, other cities, the county and unincorporated area about the structure of decommissioning Kellogg. The sharing of the costs and what would be done with the property. In other words, we developed another process. We had gone from Clearwater, where we had an answer, to two-step process where we would develop the answers and a rate structure that did not recognize the subsidy that the City provided for 38 years and that created another situation where the City would be subsidizing in the future. Realizing that after a lot of work we had not come up with a whole lot he had taken a look at finally saying this was what we need. What he had done was draft a letter to the BCC Chair. He sent a rough draft copy to Council yesterday. Along with that letter he would send a staff memo that tried to explain our position and when we would be willing to sign an agreement. We would be willing to sign the agreement when we got a commitment on Kellogg, but the commitment had to include a plan for decommissioning that had a date certain, the property must be returned to useful condition, include a financial scenario that made specific concessions to the City and concessions in terms of loss of livability in Island Station and the lost development opportunities that the City had experienced because of the presence of Kellogg. We would also ask for a wholesale agreement that substantively recognized the past and future partnership of the City and District. We began in 1970 as partners. The City and County came together to create a system that would treat wastewater. In the case of the unincorporated area, the City would have its own collection system. Somehow over the years we have been reduced to a renter rather than a partner. What we were saying was that we wanted to be in a partnership situation and that we wanted specific financial concessions for the capacity that we paid for but was used by CCSD1. It must also reflect our actual contribution to the capacity problem by proposing a fair rate structure in the future. Right now, it proposed that we would be subsidizing the District. We also needed a commitment that any future capital contributions by the City were undertaken only when they were budgeted, within the City budget, and after the City had been consulted and had

CITY COUNCIL WORK SESSION – JANUARY 20, 2009

APPROVED MINUTES

Page 4 of 7

approved the expenditures. Currently, the City was awaiting the annual bill. It could be as much as \$3 million for projects that we did not know anything about until we got the bill. This was a departure from where everything had been going, but where everything had been going was basically more process and more discussions. He thought it was time we laid our cards on the table. He did not want to get into a big discussion tonight because it was a difficult and multi-layered issue. He wanted to schedule the discussion for February 3rd. He had talked to Jon Mantay about having him here and giving him time to respond. The letter was not final. When the staff memo and letter were done they would be sent to Mr. Mantay, and he assumed Commissioner Peterson and Mr. Mantay would be at that meeting. He was setting up the issue, and he felt it was time to meet it head on. He did not want another discussion; he wanted the County to know what the City wanted. It was about fairness and equity for the past and future ratepayers of the Milwaukie. It was about fairness and equity in terms of what was happening on the Riverfront. In thinking about the intertie issue and hearing from people that lived within the District complaining about the potential for odor from a pipeline he felt that enough was enough and it was time. We had been good players in the process, but the process was not going to get us anywhere. He would be asking Council to continue the code issue during the regular session to be continued again for a month, in light of the fact, that he had asked the attorneys to look at the code provisions and make certain that they were defensible if enacted. He was at the point that he was ready to recommend it for adoption. He did not see solving this issue without taking a strong stand. He thought we were at the point where we needed solid direction from the Council. He can tell you that the staff is able and willing to move fast and forward and boldly, but they need to know where Council wants to go.

Councilor Chaimov said first regarding the affect of the facility on livability normally on a day like today in the late afternoon he would have taken his dogs for a walk along the riverfront by the sewage treatment plant. He had stopped doing that because it smells so bad he does not go that way. He was much happier going someplace that did not smell like the facility that was treating our water. Second, his issue on the direction in which we go, he thought the items outlined as being necessary to protect the City were those for which we needed to demand, but they also needed to be able to give the direction if we said this was what we needed to protect our citizens and the County says no. It may be that the consequences are worth bearing and it may be that the consequences are not worth bearing. For him that would be the most important factor in making a decision.

Mr. Swanson said he had changed the closing paragraph in this new draft, which was different from what Councilor Chaimov saw. There was always the chance they would say no, but he tended to look behind what was motivating. He rewrote the last paragraph, which had the list of what we requested. It was the opening sentences. It says, "Our responsibility is to Milwaukie's ratepayers. We will not abandon them by agreeing to an inequitable rate structure developed in order to entice a politically difficult constituency that you have to face. You will not find that constituency any less challenging if it is given a seat like that promise to us." The point is that he thought a lot of what motivated was the fear of a certain political group. We needed activity from the Island Station neighborhood and other neighborhoods to counter that, at the board level, with our own active participation. He thought we could do our work, but as a community we needed to band together on this issue. He thought if we are able to do that he did not fear defeat.

Councilor Stone said it bothered her and the whole thing speaks of mistrust of each other between the County and the City. She did not think you got very far with anything when you did not have trust as a foundation. She felt that somehow we needed to be able to sit down and talk about that because to her that was forming all of the mistrust. She absolutely believed that we really needed to make sure that it is equitable for all ratepayers, especially in Milwaukie. Whatever we did with wastewater it needed to be environmentally sound and state of the art, passing DEQ regulations. She had been a strong proponent for Clearwater and she would like to know out of curiosity what that was going to cost comparatively speaking to what we are dealing with now. She had been researching some different types of sewer treatment plants and had visited several in the Oregon and Washington area and she was particularly impressed with one she saw in Edmonds, Washington. It reminded her a lot of Milwaukie. With technology the way it is because of all of the discord going on maybe we needed to look at what technology could provide us if this did not happen and if we could not decommission Kellogg and what would that cost and how can we be sensitive to the livability issue that the Island Station and downtown Milwaukie had been dealing with. She was open to looking at the possibility. She had seen what could be done. She had played on golf courses that are sewage treatment plants and it was incredible what could be done now.

Mr. Swanson had visited that plant, and it was possible. The point was that we had to take a position. If the position was that if we were going to sit down and talk some more while rates were implemented then we are going to be talking and paying and we are going to be in the same position. He thinks that they are not listening and what they were looking for was some solid direction from the political body at this point. That would mean a lot in terms of the future. He was saying it would be a lovely time, but he thought right now because of what he had been doing over the last week they were asking how much were you looking at, which was the first time they have ever asked that question. It was because we were standing up and that is why we needed direction from this level. Would it be easy? No. A lot of it had to do with trust, but on this one he was going to say participating and going to the point where talking about another group was not good. We have shown the trust and the position that WES has taken has been consistent and that was they were not going to consider the past and look at the subsidy and they would not move off of that. At one time the commissioners were telling them in 2003 that they were going to move Kellogg. That was no longer where they were. They were going to convene a group to try to develop an IGA, but the provisions of that IGA could end up Milwaukie pays the whole thing. It was not an answer; it was just another process.

Councilor Loomis said that he did not have a comment, but that he would want to meet with Mr. Swanson to go over the information prior to the meeting.

Councilor Barnes said she was the only elected official at the table. The people at the table admitted that nobody trusted any other jurisdiction that was sitting at the table. The Oregon City and Damascus City Managers said that Milwaukie had a right to be heard. Gladstone did not care. She wrote down something that the Damascus City Manager said which was, "If Oregon City and Tri-City get lower rates over a period of time and that is a commitment that the County was willing to make then why not accommodate Milwaukie?" She thought that was an interesting statement coming from Damascus, and she appreciated the comment. We needed to keep in mind this is a political situation. This had been a long time coming. We went through all of this with Clearwater. That decision should have been made. Think about how much money had been spent since

that could have been spent on Clearwater. They have done studies and more studies, etc., but the bottom line was we either ended up paying more than our fair share for new rates that we have to sell to our citizens for what in return? We will still have a treatment plant and nothing had changed. We do not even get a real seat at the table because we have to be voted into CCSD1 and that was not going to happen. We sit here with the same treatment plant and out customers in Milwaukie who really do not have a seat at the table. We had a commitment in writing through that IGA that they will study when to get rid of it, but we are still paying higher rates in Milwaukie, still have the treatment plant and nothing has changed except we are paying more. It was said loudly at the table if Milwaukie wanted to get rid of the treatment plan then Milwaukie needs to pay for it. It would add \$48 to monthly bills. It was a catch-22 and nobody was moving. That was the farthest we got in 18 months.

Mayor Ferguson said his only concern was that Council had enough time between now and the February 3rd meeting. He would spend some time with Mr. Swanson. He wanted to be sure that all of Council had the opportunity to get questions out and answered from Mr. Swanson. He asked if Council was comfortable with that timeline.

Mr. Swanson said he would make time and be available. This was the issue that needed resolution on. Critical to getting that resolution was the knowledge that the Council stood united and strong in a position.

Mayor Ferguson adjourned the work session at 6:45 p.m.

Pat DuVal
Pat DuVal, City Recorder

WORK SESSION

AGENDA
WORK SESSION
MILWAUKIE CITY COUNCIL
JANUARY 20, 2009

MILWAUKIE CITY HALL

Second Floor Conference Room
10722 SE Main Street

A light dinner will be served.

WORK SESSION – 5:30 p.m.

Discussion Items:

	<u>Time</u>	<u>Topic</u>	<u>Presenter</u>
1.	5:30 p.m.	Board and Commission Interviews	Mayor and Council
2.	6:00 p.m.	Children's Center of Clackamas County	Tonia Hunt
3.	6:15 p.m.	Trolley Trail Intertie Briefing	Mike Swanson
4.	6:45 p.m.	Adjourn	

EXECUTIVE SESSION

Executive Session: The Milwaukie City Council may go into Executive Session pursuant to ORS 192.660(2). All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions as provided by ORS 192.660(3) but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public.

Public Notice

- The Council may vote in work session on non-legislative issues.
- The time listed for each discussion item is approximate. The actual time at which each item is considered may change due to the length of time devoted to the one previous to it.
- For assistance/service per the Americans with Disabilities Act (ADA) please dial TDD (503) 786-7555.
- The Council requests that all pagers and cell phones be either set on silent mode or turned off during the meeting.