

CITY OF MILWAUKIE
CITY COUNCIL MEETING
NOVEMBER 2, 1993

The one thousand six hundred and eighty-second meeting of the Milwaukie City Council was called to order by Mayor Lomnicki at 7:00 p.m. in the Milwaukie Center with the following Councilmembers present:

Craig Lomnicki, Mayor	Jean Schreiber
Rick Farley	Rob Kappa
	Bob Knudson

Also present:

Dan Bartlett, City Manager	Angus Anderson, Finance Director
Tim Ramis, City Attorney	Tim Corbett, Public Works Director
Charlene Richards, Assistant to the City Manager	Pat DuVal, Recorder/Secretary

PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS

Veterans' Remembrance Celebration - Proclamation

Mayor Lomnicki read a proclamation designating November 11, 1993, as Milwaukie Elks "Veterans Remembrance Celebration Day" in the City of Milwaukie.

PUBLIC HEARING

Consider Municipal Water Rates - Resolution

Mayor Lomnicki called the public hearing on the adoption of a resolution implementing a volume based water rate structure to order at 7:02 p.m.

Mayor Lomnicki said the purpose of the hearing was to consider a proposed resolution that would revise the rate structure for water use. He reviewed the conduct of the hearing.

Staff Report: Tim Corbett, Public Works Director, presented the staff report in which the City Council was requested to consider a resolution that would implement a volume based water rate structure and increase Water Fund annual revenues by approximately 11% during the 1994 calendar year.

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Corbett said City staff had been working with Financial Consulting Solutions Group, Inc. (FSG) on a cost of service study as recommended by the Citizens Utility Advisory Commission (CUAC) and staff. The proposed resolution reflects three major recommendations of the CUAC and staff. These recommendations include a volume based rate structure; a rate increase as outlined in the cost of service study; and implementation of the rate increase during low usage, Winter months.

Councilmember Farley asked if it was guaranteed that some water customers would be billed less. Corbett said the water users controls the amount of the bill. Approximately 10% of the current customers use the minimum amount of water.

Councilmember Kappa discussed water conservation and the possible need to seek additional funding to support the infrastructure. Corbett said the City has significant fixed costs that must be met. Water conservation will save the City from building a new facility immediately.

Councilmember Knudson asked how many water customers would see an increased billing. Corbett said almost everyone will see some increase, but those who are more conservative will see a small decrease.

Councilmember Kappa asked the average monthly water consumption. Corbett said the average is about 17 units. This may fluctuate between 12 units in the Winter and 24 units in the Summer.

Councilmember Farley said rate increases are necessary to meet objectives of cost of service and anticipated infrastructure needs. He asked if this was the minimum increase required at this time. Corbett said contingencies have been built in where necessary. He discussed the Capital Improvement Plan to maintain the infrastructure.

Councilmember Farley asked if an increase is anticipated next year. Corbett said next year staff anticipates a 13% increase, but it will be reviewed prior to implementation.

Correspondence: None.

Testimony in Support: None.

Testimony in Opposition: None.

Neutral Testimony: None.

Staff Comments: None.

Questions of Clarification: None.

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Close Public Testimony: Mayor Lomnicki closed the public testimony portion of the hearing at 7:12 p.m.

Discussion among Councilmembers: Councilmember Kappa said it was difficult to implement a rate increase, but a strong infrastructure is very important.

Councilmember Farley said he was concerned about customers on a limited income. He said he believed 11% was too high. Mayor Lomnicki said customers on limited incomes may apply for reduced rates.

Councilmember Schreiber said she believed the volume based structure was very equitable. She said those on limited incomes could apply for a rate review. The water rate study was very readable and understandable.

Mayor Lomnicki said Council discussed the water rate study in an earlier work session. Corbett recognized the members of the CUAC for their work on the proposal.

Councilmember Knudson said he believed a volume based rate structure would encourage the public to conserve water.

Councilmember Schreiber said the cost difference would amount to about 15 cents per hundred volume rate.

Councilmember Kappa said he was also concerned with those residents on fixed incomes; however, cities must rely on user fees to maintain the infrastructure.

Councilmember Farley said the bottom line was that revenue had become unstable.

Councilmember Schreiber said the structure would allow the homeowner to control his costs.

Decision by Council: It was moved by Councilmember Kappa and seconded by Councilmember Schreiber to adopt the resolution establishing fees for water service as provided by Milwaukie Municipal Code Chapter 13.04 and 13.20 and repealing Resolution No. 19-1992. Motion passed 4 - 1 with the following vote: Mayor Lomnicki, Councilmember Schreiber, Councilmember Kappa, and Councilmember Knudson aye; Councilmember Farley nay; no abstentions.

RESOLUTION NO. 31-1993:

AN RESOLUTION OF THE CITY OF MILWAUKIE, OREGON, ESTABLISHING FEES FOR WATER SERVICE AS PROVIDED BY MILWAUKIE MUNICIPAL CODE CHAPTERS 13.04 AND 13.20; CLASSIFYING THE FEES IMPOSED BY THIS RESOLUTION AS NOT SUBJECT TO ARTICLE XI, SECTION 11(B) OF THE OREGON CONSTITUTION; AND REPEALING RESOLUTION NO. 19-1992.

Consider Cable Rate Regulation and Consumer Protection and Customer Service

Mayor Lomnicki called the public hearing to review the new Federal Communication Commission (FCC) rules to order at 7:22 p.m.

Mayor Lomnicki said the purpose of the hearing was to consider whether the City should commence with the certification procedures of the new (FCC) rules to regulate rates, protect consumers, and provide customer service. He reviewed the conduct of the hearing.

Staff Report: Charlene Richards, Assistant to the City Manager, presented the staff report in which the City Council was requested to review new (FCC) rules pertaining to rate regulation and consumer protection and customer service.

Richards discussed the 1992 Cable Act. The three main components of interest to the City as a franchising authority are rate regulation either by the City or the FCC; consumer protection and customer service minimum standards enforceable by the City or the FCC; and must-carry rules for commercial and noncommercial television stations and broadcaster retransmission consent.

Richards said the City could choose to regulate the rates of basic and cable programming service beginning September 1, 1993. She discussed the benchmark rates and compared them to current rates. She reviewed the number of residents receiving certain services.

Richards discussed consumer protection and customer service standards which the City may choose to adopt and enforce. The FCC "baseline" standards defined normal business hours, normal operating conditions, and service interruptions. The most stringent standards, whether FCC or franchise agreement, would apply to customer protection.

Councilmember Schreiber asked how much staff time would be needed to regulate cable. Richards said the City would have difficulty proving that it was not able to do the work.

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Councilmember Kappa discussed the charge for additional outlets. Richards said the FCC regulation does not charge for additional outlets. The cable companies would be allowed to charge up to \$1.75 per month for converter boxes. She said FCC regulations set a cap, but there is no requirement to increase the amount.

Councilmember Schreiber said there is nothing in FCC rules about charging for installation, so the differential could be made up that way.

Mayor Lomnicki said he did not perceive any benefit in taking over rate regulation at this time. The City would have no control over rates until the cable companies reached the FCC allowable cap.

Richards said there are many combinations of service, and it would be difficult to tell the exact impact on all cable customers. She said the limited basic costs would definitely go down.

Mayor Lomnicki said the City would have no control on rates until the cap was reached.

Richards said the option to regulate will still be available in the future. After November 15, the cable companies can change premium channel costs. The intent of the regulations is to ensure pricing that reflects effective competition where no competition exists.

Councilmember Farley asked how many cable companies were in Milwaukie. Richards said there was one franchisee.

Councilmember Farley asked for clarification of "baseline" service. Richards said these are minimum customer service standards that must be met.

Councilmember Kappa asked how rate increases and customer service complaints would be handled if the City does not certify. Richards said cable companies would be allowed general increases. Complaint forms, available at the cable office, are filed with the FCC. The City currently plays the role of customer complaint taker. The FCC is giving process and procedure for establishing rates.

Councilmember Kappa asked if certification would give the City more power regarding rates and customer service standards. Richards said certification would increase the City's ability to enforce customer service standards.

Correspondence: None.

Testimony in Support: None.

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Testimony in Opposition: Mike O'Leary, General Manager, Jones Intercable, 5687 SE International Way, said it was the company's position that rate regulations were not necessary at this time. He distributed a cable rate comparison that included TCI, Paragon, Columbia, and Jones. He noted that Jones did not charge for converter boxes, offered a senior discount, and included the Disney Channel with its basic package.

Councilmember Schreiber asked if fees for the "must carry" channels will be passed on to the user. O'Leary said this might be done and may impact one tier and not another. There are no fees for the broadcast stations. Future rate increases will probably be lower. He said Jones would like to keep the current rates. The company will follow FCC guidelines and stay within the CPI. Users will probably see 3% - 4% increases in the future.

Councilmember Kappa discussed costs involved with retransmission consent. O'Leary said recovery costs are allowed. He said "must carry" channels were a result of satellite broadcasts.

Councilmember Kappa asked how Jones increases compare to others in the region. O'Leary said that Jones has followed the trends. Service prices increased due to deregulation.

Councilmember Knudson asked if the Northwest Cable News would have its own channel. O'Leary said it would have its own channel and would be an asset to the regional news service.

Councilmember Knudson asked the status of KOIN. O'Leary said Jones was negotiating with Scripps Howard Broadcasting.

Councilmember Schreiber asked if customers might be charged for channels 2, 6, 8, and 49. O'Leary said under current FCC regulations, there would be no charge. These stations are included in limited basic service, and everyone would be impacted.

Councilmember Schreiber asked if these would fall under the mandated cap. O'Leary said broadcast stations are all included in limited basic service.

Councilmember Schreiber discussed additional outlets which would be offered at no charge under FCC regulations. O'Leary said cable is set up in apartment complexes so that each apartment resident subscribes for service. In other situations, such as commercial buildings, there is a bulk fee.

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Councilmember Schreiber asked why Jones objected to the proposed change. O'Leary said analysis of the situation indicates that most people would see a rate increase, rather than a decrease. It would be best for the customer if there was no change.

Councilmember Knudson asked how many Jones customers had converter boxes. O'Leary said about 30% of the subscribers have cable ready televisions. The additional outlets in a residence usually have televisions that require converter boxes.

Councilmember Farley asked how many channels were available on limited basic. O'Leary said Jones has 48 channels on full basic while most other cable providers have 22 channels.

Councilmember Farley discussed the senior discount. Richards said the senior discount is applied only to the full basic tier. She said there was still discussion of applying the senior discount to all tiers.

Cindy Kauffman, Jones Intercable Customer Service, said the customers have indicated that they are pleased with converter boxes and additional outlets.

Neutral Testimony: None.

Staff Comments: Richards said that retransmission fees cannot be passed on until October 6, 1994.

Councilmember Schreiber said this would be equally applied whether the City certified or not. If the City chooses not to certify, customers would have to correspond directly with the FCC.

Councilmember Schreiber asked what other cities in the region were doing. Richards said the City of West Linn and the consortiums have certified.

Questions of Clarification: None.

Close Public Testimony: Mayor Lomnicki closed the public testimony portion of the hearing at 8:25 p.m.

Discussion among Councilmembers: Councilmember Kappa said he would like to reconsider the issue after the first of the year. He said he did not believe there was enough information available at this time.

Mayor Lomnicki said he believed conditions would still be the same.

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Bartlett said the Council may consider certification in the future if they perceive a need.

Councilmember Farley said he would like to review the 1992 Cable Act. He said he did not believe he was prepared to vote on certification at this time.

Councilmember Schreiber asked what staff recommended. Bartlett said he did not believe it would be to the City's benefit to certify.

Councilmember Kappa asked if certification would necessarily include both rates and customer service. Richards said Council could choose to regulate customer service and not rates.

Councilmember Farley said there were sections of the Cable Act he wished to review.

It was moved by Councilmember Kappa and seconded by Councilmember Farley to table the item until after the first of the year and hold another work session the second meeting of January.

Councilmember Schreiber said if the Council elected not to certify at this time, the issue could be discussed again in the future.

Councilmember Kappa said he wanted a specific date for review.

Mayor Lomnicki said unless there was a need to consider certification in the future, he would not be in favor of regulation.

Motion failed 2 - 3 with the following vote: Councilmember Farley and Councilmember Kappa aye; Mayor Lomnicki, Councilmember Schreiber, and Councilmember Knudson nay; no abstentions.

It was moved by Councilmember Schreiber and seconded by Councilmember Knudson not to commence FCC certification procedures to regulate rates. Motion passed 3 - 2 with the following vote: Mayor Lomnicki, Councilmember Schreiber, and Councilmember Knudson aye; Councilmember Farley and Councilmember Knudson nay; no abstentions.

AUDIENCE PARTICIPATION

None.

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OTHER BUSINESS

Consider Municipal Investment Policy - Resolution

Angus Anderson, Finance Director, presented the staff report in which the City Council was requested to consider a resolution adopting investment policy. He discussed the Management Audit Letter in the previous annual audit regarding investments and the recommendation for allowing greater flexibility for safe investments that would yield a higher rate of return and allow for diversity in investments.

Anderson discussed the proposed investment policy prepared by staff and presented on June 8, 1993, in work session. The proposed policy was then presented to the Oregon Short Term Fund Board for review. The Board determined that the document was an overall good policy and made several minor changes. The changes were incorporated in the document before Council at this meeting.

Councilmember Farley asked if there were any risk factors. Anderson said there is both market and liquidity risks. The City would use only banks that have the highest ratings.

Councilmember Kappa discussed monitoring of the market. Anderson said there was not adequate staff to monitor commercial paper, and the returns would be marginal.

Councilmember Schreiber asked how the diversification policy related to the fund. Anderson said instrument diversification would consider allowing the maximum investment in the most secure market and liquidity. He explained that these were actually short term funds. The City is currently in a situation of having \$5 million to invest. This will be about \$2 million at the end of the fiscal year.

Councilmember Schreiber asked if all the money could be invested in the same Treasury Bill. Anderson said 100% of the available cash could be invested in that range. He discussed the primary objectives of legality, safety, liquidity, and yield.

Councilmember Schreiber asked who would be consulted. Anderson said the City would be concerned mostly with commercial banks. The practice is to get at least three quotes.

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It was moved by Councilmember Kappa and seconded by Councilmember Knudson to adopt the resolution adopting investment policies. Motion passed 5 - 0 with the following vote: Mayor Lomnicki, Councilmember Farley, Councilmember Schreiber, Councilmember Kappa, and Councilmember Knudson aye; no nays; no abstentions.

RESOLUTION NO. 32-1993:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, ADOPTING INVESTMENT POLICIES.

Consider Commission Appointments

It was moved by Councilmember Kappa and seconded by Councilmember Knudson to reappoint Alan Brunk and Della Stuelpnagel to the Center/Community Advisory Board; reappoint Gregg Newstrand and Margaret Parsons to the Historic Review Commission; appoint Bill Johnson to the Planning Commission position on the Historic Review Commission; and appoint Julie Wisner and Susan Stone to the Traffic Safety Commission. Motion passed 5 - 0 with the following vote: Mayor Lomnicki, Councilmember Farley, Councilmember Schreiber, Councilmember Kappa, and Councilmember Knudson aye; no nays; no abstentions.

CONSENT AGENDA

It was moved by Councilmember Kappa and seconded by Councilmember Knudson to adopt the Consent Agenda which consisted of the City Council Minutes of October 19, 1993 and a liquor licenses for Robert Lee, dba Eric's Market and Keum Sook Lee, dba Roswell Market. Motion passed 5 - 0 with the following vote: Mayor Lomnicki, Councilmember Farley, Councilmember Schreiber, Councilmember Kappa, and Councilmember Knudson aye; no nays; no abstentions.

INFORMATION

Councilmember Kappa discussed the Policing Seminar he had attended in Hillsboro.

Councilmember Knudson said the Ardenwald Johnson Creek Association (AJC) had requested a full City Council agenda packet.

Bartlett discussed the City of Portland Neighborhood program and said he would contact an AJC representative.

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ADJOURNMENT

Mayor Lomnicki announced an executive session under ORS 192.660 to discuss personnel and consult legal counsel.

Mayor Lomnicki adjourned the meeting at 9:00 p.m.

Pat DuVal

Pat DuVal, Recorder/Secretary

EXECUTIVE SESSION

The Mayor, Councilors, City Manager and City Attorney met in Executive Session to discuss personnel evaluation issues and potential litigation. The City Manager briefed the Council on a personnel issue. The City Manager and the City Attorney briefed the Council on a matter of potential litigation.

The Executive Session was adjourned at approximately 9:35 p.m.

Dan R. Bartlett
Dan R. Bartlett, City Manager

**CITY OF MILWAUKIE
CITY COUNCIL AGENDA
NOVEMBER 2, 1993**

MILWAUKIE CENTER

1682ND MEETING

WORK SESSION

5:00 - 5:45 p.m. - Sewerage Treatment Agreement (Tim Corbett)
5:45 - 6:15 p.m. - Banking Services (Angus Anderson)
6:15 - 6:45 p.m. - Commission Interviews

REGULAR SESSION

7:00 p.m.

I. CALL TO ORDER
Pledge of Allegiance

II. PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS

Veterans' Remembrance Celebration Day - Proclamation

III. PUBLIC HEARING *(Public comment will be allowed on items appearing on this portion of the agenda following a brief staff report presenting the item and action requested. The Mayor may limit testimony.)*

- A. **Consider Municipal Water Rates - Resolution** (Tim Corbett)
- B. **Cable Rate Regulation and Consumer Protection and Customer Service** (Charlene Richards)

IV. AUDIENCE PARTICIPATION *(The Mayor will call for statements from citizens regarding issues relating to the City. It is the intention that this portion of the agenda shall be limited to items of City business which are properly the object of Council consideration. Persons wishing to speak shall be allowed to do so only after registering on the card provided on the table at the back of the meeting area. The Council may limit the time allowed for presentation.)*

V. **OTHER BUSINESS** *(The following items will be individually presented by City staff or other appropriate individuals. A synopsis of each item together with a brief statement of the action being requested shall be made by those appearing on behalf of an agenda item.)*

- A. **Consider Municipal Investment Policy - Resolution**
(Angus Anderson)
- B. **Commission Appointments**

VI. **CONSENT AGENDA** *(Items appearing below are considered to be routine, and therefore, will not be allotted Council discussion time on the agenda. Rather, the items may be passed upon by the Council in one blanket motion. Any Council member may remove an item from the "Consent" portion of the agenda for discussion or questions by requesting such action prior to consideration of that portion of the agenda.)*

- A. **City Council Minutes of October 19, 1993**
- B. **Liquor License Applications**
 - 1. **Robert Lee, dba Eric's Market, 9410 SE 32**
 - 2. **Keum Sook Lee, dba Roswell Market, 8928 SE 42**

VII. **INFORMATION**

- A. **Planning Commission Minutes of October 12, 1993**
- B. **Civil Service Commission Minutes of May 17, 1993**
- C. **Citizens Utility Advisory Commission Minutes of October 6, 1993**
- D. **Initial South/North Study Working Group Reports, October 26, 1993**
- E. **Revised Draft of Neighborhood District Association Standard Bylaws, October 18, 1993**
- F. **Traffic Safety Commission Resignation**
- G. **Clackamas Basin Water Authority Committee Minutes of August 26, 1993**
- H. **Reinventing Water Service in the Clackamas Basin**
- I. **House Bill 3661: New Land Use Planning in Oregon**
- J. **FOCUS Meeting Group Notes of September 16, 1993**
- K. **Departmental Reports - 1st Quarter, 1993-1994**

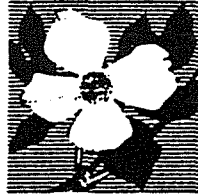
VIII. **ADJOURNMENT**

EXECUTIVE SESSION

At the end of the regular meeting, the Council may hold an Executive Session under the authority of ORS 192.660.

For assistance/services per the Americans with Disabilities Act (ADA), dial TDD 659-5171.

CITY OF MILWAUKIE



COMMUNITY DEVELOPMENT
PUBLIC WORKS

6101 S.E. JOHNSON CREEK BLVD.

TELEPHONE: 652-4410

MEMORANDUM

TO: Mayor and City Council
THRU: Dan Bartlett, City Manager *DB*
FROM: R. Tim Corbett, Public Works Director *RTC*
SUBJECT: Sewer Division Issues
DATE: 10/22/91

ACTION REQUESTED

None. Information only.

OVERVIEW

The following report will discuss pertinent issues and problems relating to the review of sewer rates as follows:

- I. Budget Considerations
- II. Sewage Treatment Contract
- III. Odor Control Capital Improvements to Kellogg Plant
- IV. Current Studies Being Conducted
- V. Forecasting and Rate Setting Constraints
- VI. Rate Review Recommendation.

DISCUSSION

- I. Budget Considerations
 - a. As shown in the attached graph, revenues from operations have not been adequate to keep up with the level of expenditures over the last few years.

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- b. The attached graph also shows that beginning fund balances have been decreasing over time. The beginning fund balance is expected to decrease further for FY 91-92 to approximately \$200,000. This will be further evaluated when the FY 90-91 audit is completed.
 - c. The second attached graph shows the increase in expenditures for contractual services over time. A 14% increase from Fiscal Year 90-91 to Fiscal Year 1991-1992 has added to decreasing reserves.
 - d. A rate increase has not been adopted since 1986.

II. Sewage Treatment Contract

- a. The City currently is billed for a percentage of all plant costs and overhead based on City flows as compared to over-all plant flows.
- b. The billings tend to fluctuate from month to month. For example, the May 1991 billing was approximately \$25,000 while the June 1991 billing was in excess of \$60,000. Billings include costs of replacement of equipment which can no longer be capitalized under EPA guidelines.
- c. No new agreement has been signed since July, 1987. The last agreement in place up until today (Agreement #6) states that "Agreement #6 shall extend to June 30, 1988, and thereafter on a month to month basis until renewed or such time as the parties may enter a new agreement."
- d. The same issues and concerns which were apparent in 1984 continue today. These issues and concerns as identified in a letter from Dave Abraham, Clackamas County Utilities Director to Steve Hall, Milwaukie Public Works Director in 1984 are as follows:
 - 1. Unpredictable charge forecasting for budgeting purposes.
 - 2. Inequity in charge method over actual cost.
 - 3. No City representation on budget process for the Kellogg Treatment Plant.
 - 4. Future major capital improvement financing commitments by each Agency.

- e. The County has billed the City of Milwaukie in the amount of \$633,560 (not including interest) for its share of the construction of sludge digesters. Concerns over cost sharing of capital expenditures have been apparent for a number of years. Two interpretations of the existing agreement exist. The City has maintained that the original Agreement called for Milwaukie to share 40% of the costs associated with the construction of the plant while the County has maintained that the original Agreement as well as the extensions call for the City to share in 40% of all capital improvements to the plant. The City has also expressed concern over the fact that although the County's position is that the City share in capital improvements, Milwaukie has had little control or input to these improvements. In a recent letter received from Dan Helmick, Director of Fiscal Services for Clackamas County Department of Utilities, Mr. Helmick reaffirms the County's position by stating that "we have yet to recover any costs associated with the construction of the Kellogg digesters."

III. Odor Control Capital Improvements to the Kellogg Plant

- a. The County has hired Brown and Caldwell to assess the capital improvements needed to control odor at the Kellogg treatment plant. The study concluded that \$800,000 would need to be spent to control odors at the plant.
- b. Through discussions with the County, City Staff has requested that Acting Director Bruce, Erickson and Director of Fiscal Services, Dan Helmick come to speak to the City Council at a worksession regarding the odor control expenditures.
- c. It appears that the initial County position on odor control improvements is that the County would expect that the City will participate in paying for the odor control improvements at a cost to the City of \$320,000. Dan Helmick has indicated a willingness to work out a financing plan.

IV. Studies Being Conducted

- a. The City is participating in a Sewage Treatment Facilities Plan which will determine the expected life of the Kellogg Plant at its current capacity, interim capital improvements which will need to be made over the plant's life, and what alternatives exist for sewage treatment after the Kellogg plant reaches capacity.
- b. A financial study is also being conducted to determine how to finance the findings of the Facilities Plan. The Financial Plan will also look at the current agreement between the City and the County and outline alternatives to the current agreement.

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- c. The two studies outlined above are expected to provide a basis for negotiation between the City and County in the development of a new agreement.
- d. Dan Helmick and Bruce Erickson have offered to discuss these studies and how the studies might provide a basis for negotiation in a worksession with Council.
- e. Even with the two studies as a basis for negotiation, City Staff considers the resolution of capital cost sharing to be an issue which will be critical in the development of a new agreement.

V. Forecasting and Rate Setting Constraints

- a. Negotiations towards the development of a new Agreement with the County regarding sewage treatment have continued for at least a decade with little or no results. This has left the City in a position of having expectations of a resolution of key issues which would lead to an ability to accurately forecast treatment costs. These expectations have led to few and inadequate rate increases.
- b. Rate increases have been, and will continue to be difficult to determine due to an inability on the part of the City to determine contracted treatment costs from year to year. Ideally, the City needs to have definitive information on increasing treatment costs over a five year planning horizon.
- c. There must be a resolution of capital cost sharing issue in order for the City to develop equitable rates. Even if the City had conceded that 40% of the cost for all capital improvements should be paid by the City, the County has had no capital improvement plan. This situation would not have allowed the City to plan for these capital expenditures. If the City had agreed that it was responsible for capital improvement cost sharing, the City's inability to plan for these improvements would have put the City in a position of having to "borrow" from the County whenever capital improvements were made. Rate increases would have to be put into effect to pay back past capital improvements financed by the County. This would have led to the City having to play "catch up" and leave little flexibility in allowing citizen input on the rate increases.
- d. Due to the lack of a capital improvement plan by the County, the City has been unable to adequately reflect treatment costs in System Development Charges leading to a loss in revenues.

e. With a possible increase in water rates in June of 1991 in addition to the possibility of charges being added for storm water management, the City will need to develop a sound basis for any rate increases it seeks for sewer service. This will be a difficult task when we evaluate current and expected costs of delivering sewer service. Several questions must be considered before current rates can be evaluated.

1. Is the City obligated to pay for a share of the digesters?
2. Will the City participate in paying for a share of the proposed odor control improvements?
3. When can the City expect to have a new agreement in place?
4. Are current rates sufficient to allow the Sewer Fund to remain fiscally sound until a new agreement and subsequent rate review can be completed.

VI. Rate Review Recommendation

- a. In light of past history, Staff recommends that the City not wait to perform a rate review until a new agreement is formed.
- b. A rate review should be conducted by a consultant along similar lines as the rate review completed for the Water Fund. Such a review would encompass Staff's best estimate of expected costs over the next two years and the level of revenues needed to support these costs. County Staff would be requested to assist the City in forecasting treatment costs under the current agreement.
- c. Due to the dynamic nature of negotiations and increasing costs of sewage treatment, Staff recommends that the study encompass only a two year period. At the end of this period the Facilities Plan and Financial Study will be completed and possibly a new agreement will be in place. If a new agreement is not in place, information from both studies would allow the City to better assess the equity of its rates.
- d. The rate review should consider recommended rates with capital cost sharing included as well as without capital cost sharing included. This would allow the City to determine what effect paying for the digesters and odor control will have on current rate payers.
- e. Finally, the study should be aimed at replenishing contingency reserves to a minimum of \$5000,000 over the next 5 years.

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The Citizen's Utility Advisory Commission supports these recommendations. In addition to Staff's recommendations, the CUAC also recommends the following:

The City and County develop and adopt a Memorandum of Understanding prior to the commencement of a of the rate study. The letter of intent should require the following:

The City and County finalize an agreement which:

- a. Establishes a budget review process.
- b. Limits rate increases by County.
- c. Provides for Public involvement.

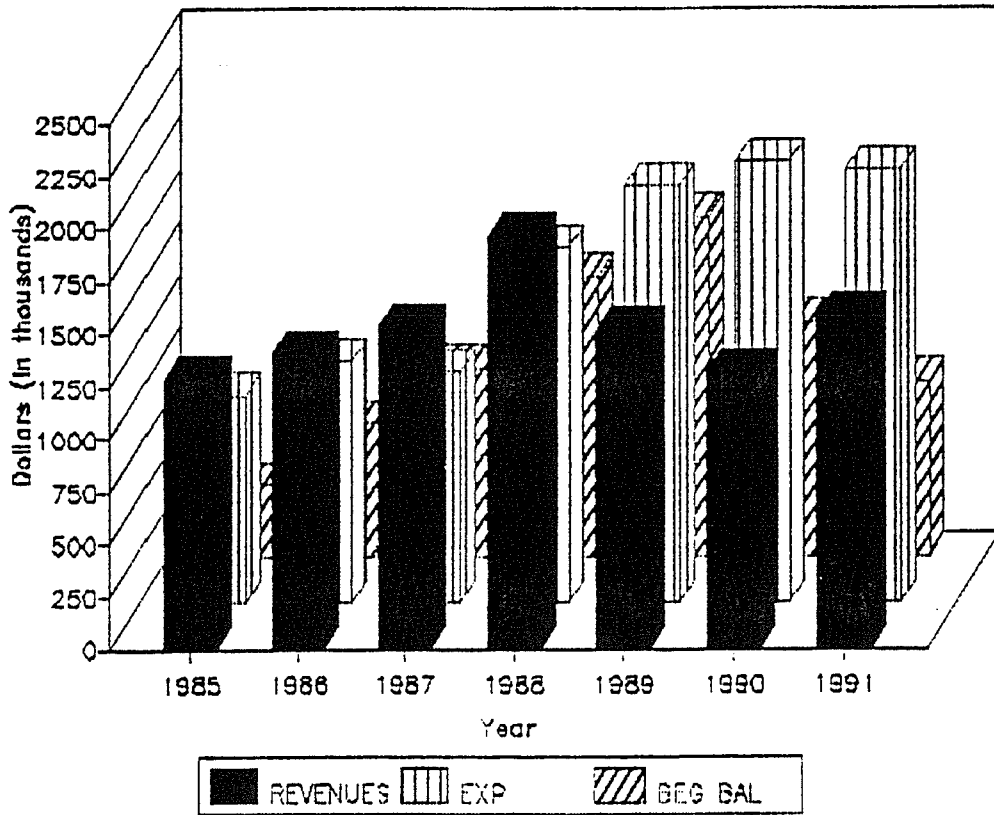
Attachments

Staff has compiled correspondence which relates to the issues outlined in this memo. This correspondence is attached with portions of particular relevance highlighted. Staff will review this correspondence with Council in the worksession.

RTC/rtc

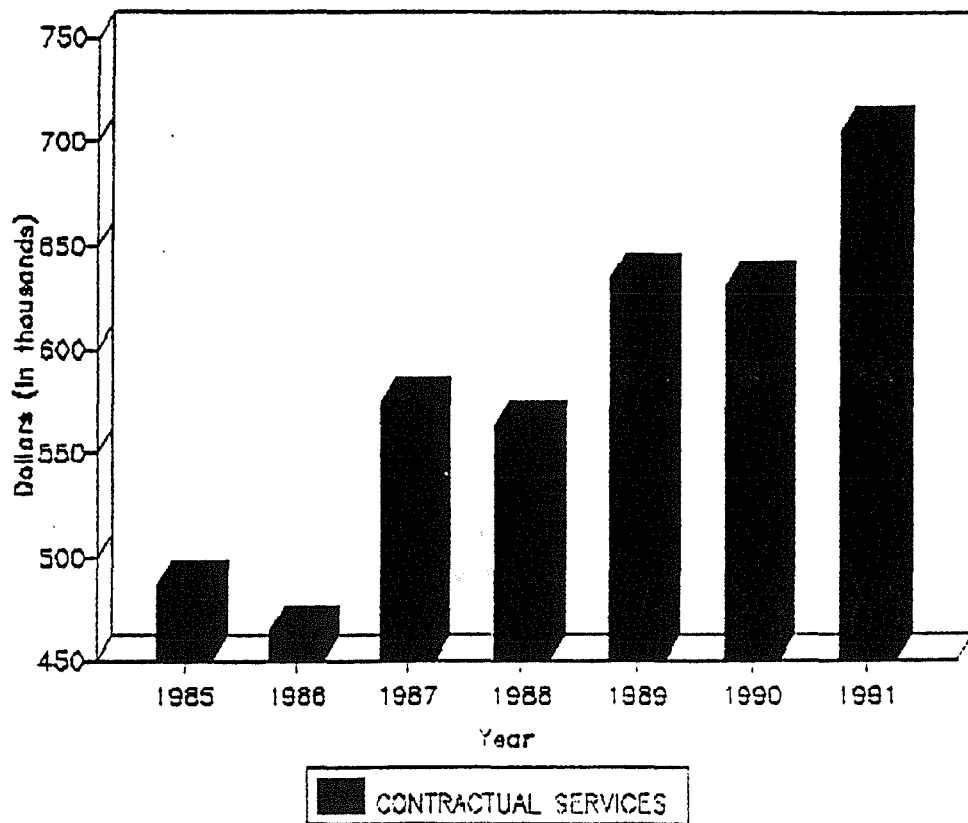
attachments

SEWER DIVISION BUDGET ANALYSIS



Revenues and expenditures do not include loans or fund balances

SEWER DIVISION BUDGET ANALYSIS



90-91 and 91-92 figures are based on expected or budgeted amounts.

April 12, 1984



UTILITIES DIVISION

JOHN C. MCINTYRE DAVID J. ABRAHAM
Director Utilities Director

Steve Hall, Director of Public Works
City of Milwaukie
10722 S. E. Main Street
Milwaukie, Oregon 97222

CLACKAMAS COUNTY SERVICE DISTRICT #1 - CITY
OF MILWAUKIE SEWER SERVICE AGREEMENT NEGOTIATIONS

We have over the past several months worked together on drafting a new agreement for sewage treatment service for the City of Milwaukie. Initially, we were certain of obvious shortcomings in the present contract that has provided service to the city over the past 10 years. As we proceeded to work on a more acceptable arrangement, other more obscured factors emerged. The work of the consultants, Bartle Wells Associates, was instrumental in defining these factors. It now appears that some initial steps should be taken to correct the obvious issues and set the stage for clarification of the more obscured factors.

The initial major concerns with the existing agreement focused on the following:

1. Unpredictable charge forecasting for budgeting purposes.
2. Inequity in charge method over actual cost.
3. No city representation on budget process for the Kellogg Treatment Plant.
4. No mechanism for sharing minor capital improvements.
5. Future major capital improvement financing commitments by each agency.

In the effort to deal with these and other related shortcomings, Bartle Wells pursued three alternative solutions. Briefly described, they are as follows:

1. Modification of present agreement with treatment costs based on flow and capital cost based on present 40%-60% share city and district.

TO: Hugh Brown
City Manager

FROM: Steven Hall
Public Works Director J.M.H.

RE: Clackamas Service District #1
digester construction

DATE: October 16, 1985

ACTION REQUESTED

No action by City Council requested, informational item.

BACKGROUND

In the expansion plans by Clackamas Service District #1, sludge digesters were to be constructed at the Kellogg Treatment Plant. Federal grants have been applied for, and notification of approval of that grant was received by the Service District on 11 October 1985. The grant is rather unusual in that it funds 85% of the project, instead of the current normal Environmental Protection Agency (EPA) of 55% of the construction costs. This is partly due to the fact that the Service District completed the design of the project last year, and were ready for construction, placing them in the forerunners of those requesting grant approvals. The total project cost is estimated at \$4,615,771. The Federal government portion of the grant is \$3,923,405 with the local contribution to that grant in the amount of \$692,366. The City of Milwaukie will be responsible, under the terms of our contract, for 40% of that local match; or \$276,946.

It is anticipated that the County will call for bids within the next few months, and that construction of the digesters will take approximately 12 to 18 months.

The digesters will eliminate some of the odors associated with the plant, and also provide for an alternate source of disposal of the sludge. Currently, the Service District hauls all processed sewage to the St. Johns landfill at a fairly high cost. With the construction of the digesters, the sludge processed to that degree will be utilized and applied to farm lands in our local area. I am including a copy of an article out of the Enterprise Courier which gives you some further background information.

Also, the City and Service District have commenced discussions for a long-term contract with the Service District for processing of sewage. As you will remember, the City signed an 18 month agreement with the District which will expire on 30 June 1986. As negotiations begin, and more data is formalized, this will be made available to you and the Council.

If there are additional questions, I will be happy to answer them to either yourself or the Council.

enclosure: newspaper article

SMH/cj1



CLACKAMAS COUNTY

11

of Utilities

DAVID J. ABRAHAM
DIRECTOR

January 23, 1989

City of Milwaukie
10722 SE Main St
Milwaukie, OR 97222

Attn: Richard Bailey,
Director of Public Works

RE: Clackamas County Service District No. 1
Kellogg Digester Project Cost Summary

I apologize for not having this information to you sooner as I had promised. I've been waiting for a more detailed cost breakdown than what's contained in the enclosed memorandum prepared by Dan Helmick. In any event, you will notice that Dan's memo develops the rationale that supports the financial soundness of the project.

The information most useful to you in budget planning is contained in Exhibit 1 - Project Cost Summary. It should be noted that Dan has projected the interest during construction out to June, 1989. You should also be aware that the sludge truck cost of \$165,070 is an estimate since the unit has yet to be purchased.

Thanks for your patience. When other information is available, I will forward it to you.

DAVID J. ABRAHAM
Director

/jck

Enclosure

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January 26, 1989

David Abraham
Clackamas Service District #1
902 Abernethy Road
Oregon City, Oregon 97045

Dear David:

Thanks for the information on the digesters. I am now almost prepared to submit a report to Council and prepare my budgets.

However, before I can finish, I need a few more moments of your staff's time. In order to complete my report, I need some documentation of the City's approval to pay these costs or copies of appropriate sections of our agreement that authorizes a charge-back to the City.

Thank you for all your assistance in this matter.

Sincerely,

^{RB}
Richard D. Bailey
Public Works Director

RDB/cjl



CLACKAMAS COUNTY

Department of Utilities

DAVID J. ABRAHAM
DIRECTOR

February 1, 1989

RECEIVED
FEB 1 1989

Richard Bailey
Director of Public Works
City of Milwaukie
10722 SE Main
Milwaukie, OR 97222

CITY OF MILWAUKIE
DEPT. OF PUBLIC WORKS

RE: Clackamas County Service District No. 1
Kellogg Plant Digester Cost Apportionment

* [

Your request of January 26, 1989, was not as simple to fulfill as I thought it would be. This was regarding the sharing of costs for the newly constructed digesters at the Kellogg plant. I have attempted to gather as much of the background information as time allowed.

Implicit in the November 26, 1970, agreement between the city and the district was the city's obligation to pay 40 percent of the capital costs for building the Kellogg plant. Although the digesters were built at a later date, they do not add capacity to the plant. What they do provide is a cheaper method of disposing of the Kellogg sludge. The digester cost breakdown I mailed to you with my letter of January 23, 1989, acknowledges the cost effectiveness of the digesters.

Why digesters were not a part of the original construction program entails a lot of history. Briefly, it can be summed up like this: At the time the plant was constructed there was a regional plan emerging for a series of raw sludge incinerators to be built in the metropolitan area. Kellogg was to haul its raw sludge to Portland's Columbia Boulevard plant in the interim. The incineration plan flopped like a lead balloon and Kellogg was left without a long range sludge disposal program. The sludge treatment and disposal element of the Tri-City Area Sewage Facilities Plan included the Kellogg plant and the Oak Lodge plant in the sludge disposal program. That element concluded in 1978 that digesters at Kellogg were the least cost, long term solution for sludge disposal.

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Richard Bailey
February 1, 1989
Page Two

Although we had received a 75 percent Step 2 grant for design of the Kellogg digesters in September, 1981, we had no assurance that we would receive a construction grant. That we finally got in September, 1985. This was one of the factors that frustrated the city's and the district's efforts to negotiate a new agreement in 1983. As noted in my April 12, 1984, letter to Steve Hall, we were unable to determine on what costs the city's 40 percent share was to be based. But it was clearly understood that at some time the city would have to bear 40 percent of some cost if service by the District was to continue on a contractual basis. The Bartle Wells reports of November 30, 1983, and December 7, 1983, deal with the digester costs, as well as other capital improvements under consideration.

Finally, you will find several notations involving communications between the city's staff and Dillingham Construction, our program managers for the Kellogg plant digester project. They do not contribute significantly to the question at hand, other than to show that the city was obviously aware the digesters were being built.

Dick, as I mentioned in past conversations, the city may wish to consider alternative methods for paying its share of the costs for the digesters. We are certainly open to suggestions. Let me know how you wish to proceed.

Thanks again for your patience in this regard.



DAVID J. ABRAHAM
Director

/bk

Enclosures:

4/12/84 Letter from Abraham to Steve Hall;
Bartle Wells 12/7/83 Report;
12/2/83 Letter from Abraham to Steve Hall;
City/District Agreements 1 through 6;
Dillingham Construction file notes, 45 pages.

Feb 5, 1980

BRIEFING PAPER
for
CITY COUNCIL

- Topic:
1. Status of relationship with Clackamas County Service District #1.
 2. Payment for digester construction.

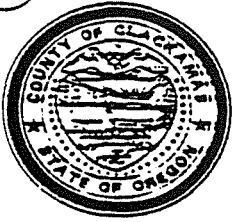
The City of Milwaukie entered into an agreement with Service District #1 in November of 1970 to share the capital construction costs of the Kellogg Treatment Plant. This agreement has been modified on five separate occasions. The last modification terminated on June 30, 1988 but provides for a month to month extension until a new agreement is completed.

In brief, the existing agreement, as modified, provides for the City sharing in the capital construction costs of the treatment plant at 40%. In this respect two interpretations seem to exist: One suggests that the plant has never been fully completed, vis-a-vis the addition of the digesters and other improvements, therefore the responsibility of the City to participate at the 40% level accrues to these additions; the second interpretation suggests that the original agreement related only to the initial construction of the plant. The City, after review by its attorneys, has maintained the latter view.

It should be pointed out that the City has not always maintained a consistent view in this regard. For example: The previous Public Works Director, Steve Hall, sent a memo to Council in October of 1985, relating to the construction costs of the digesters, in which he said, "The City of Milwaukie will be responsible, under the terms of our contract, for 40% of that local match; or, \$276,946." At the time of this memorandum it was anticipated that the entire local match for the construction of the digesters would be \$692,366. The City has been billed \$633,560 for its share of the construction of the digesters. In a study commissioned by the Service District and the City in 1983 and conducted by Bartle Wells Associates, it is suggested that the original agreement does not contain a cost-sharing plan for capital financing.

Additionally, it has been variously suggested that the City "owns" 40% of the treatment capacity of the plant. This does not appear to be the case. Apparently, the concept of 40% ownership

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CLACKAMAS COUNTY

Department of Utilities

DAVID J. ABRAHAM
DIRECTOR

May 17, 1991

Tim Corbett
Public Works Director
City of Milwaukie
10722 SE Main St
Milwaukie OR 97222

In response to your query as to whether an increase in wholesale sewer rates are envisioned for the City of Milwaukie during FY 91/92, we have budgeted anticipated revenues of \$693,763 from the City of Milwaukie during FY 91/92, as opposed to \$567,683 during FY 90/91 (see page 23 of enclosed budget). Please note that of this \$126,080 differential, \$48,000 represents Milwaukie's forty percent share of \$120,000 of anticipated "replacement" expenditures necessary for facility maintenance of the Kellogg Treatment Plant, with the difference of \$78,080 being attributed to changes in routine operation and maintenance expenditures.

If you have any questions regarding this matter, please do not hesitate to contact me at 650-3296.

A handwritten signature in cursive script that reads "Daniel B. Helmick".

DANIEL B. HELMICK
Director of Fiscal Services

/jk

Enclosure



COMMUNITY DEVELOPMENT
PUBLIC WORKS

5101 S.E. JOHNSON CREEK BLVD

TELEPHONE 552-4410

CITY OF MILWAUKIE

May 23, 1991

Mr. David Abraham
Utilities Department Director
Clackamas County
902 Abernathy Road
Oregon City, OR 97045

Dear Dave:

I am writing to voice my displeasure over the increase in Milwaukie's wholesale sewer rates as contained in Daniel Helmick's May 17th letter (attached). The increase constitutes nearly a 14% increase over last Fiscal Year. Mr. Helmick also outlines an additional \$48,000 expenditure by the City for anticipated "replacement" expenditures.

Certainly the City can understand the need for a rate increase and the need for capital improvements. What I do not understand is the lack of communication and consideration on the part of the County in providing information to the City so that our rate review and budget process can proceed in a fiscally responsible manner. The Budget process becomes difficult if not impossible when we receive information on necessary capital improvements and wholesale rate increases at such a late date. As I'm sure you are aware, our Fiscal Year also ends July 1 and, as you might expect, our budget process was basically complete when I received Mr. Helmick's letter. Such a situation exemplifies why Milwaukie is concerned about our lack of control and input on plant expenditures while consequently, being expected to pay our share of the costs.

The information received in Mr. Helmick's letter was the result of a request that I made to his office regarding rate changes. Had I not requested the information, I can only surmise that I would not have been afforded the courtesy of any notification of a rate increase.

My greatest concern is that such lack of communication will be a detriment to some very important coordinated efforts between your department and the City such as the joint Sewage Facility study and the Stormwater Management program.

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* [I am requesting that the budgeted rate increase be delayed until Fiscal Year 1992-1993 in order for the City to have adequate time to review the impact of the increase and adjust our rates. In addition, I am requesting that we develop some type of procedure which will assure better coordination on budgetary information in the future. I now recognize that I will need to see that your department receives a formal request for information pertaining to sewer rates and capital improvements at the time we begin to formulate our budgets in November.

I would appreciate the opportunity to meet and discuss this issue with you after you have had time to consider my request. Perhaps you could provide me with copies of any documents you have supporting the rate increase when we meet.

Sincerely,



R. Tim Corbett
Public Works Director

cc: Dan Bartlett, Milwaukie City Manager
Mike Swanson, Clackamas County Chief Executive Officer

attachment



CLACKAMAS COUNTY

Department of Utilities

DAVID J. ABRAHAM
DIRECTOR

June 21, 1991

RECEIVED
JUN 25 1991

CITY OF MILWAUKIE
DEPT. OF PUBLIC WORKS

R. Tim Corbett
Public Works Director
City of Milwaukie
P.O. Box 22009
Milwaukie, OR 97322

I trust our meeting of May 30, 1991, helped each to understand what caused the concerns raised in your letter of May 23, 1991, regarding the District's wholesale sewer rate to Milwaukie. Although events such as our differing budget preparation schedules are not easily rectified, we should be able to minimize the impact on your budget process in the future.

* [It is apparent that the District's budget process doesn't produce any dependable cost projections until the first week in April, with the proposed budget published by mid-April. This schedule is of little help to you as the City budget is by this time pretty well formalized. Over the past four or five years, this hasn't caused the City any appreciable problem, since the District's wholesale charges didn't vary much from year to year. Consequently, the problem didn't surface until this year.

Another point you raised about communication and control is exacerbated because of differing budget concepts. The District's budget focuses on only one service and when the proposed budget is finalized, there is usually but one citizen budget hearing held before it goes to the Board of Commissioners for adoption. That certainly isn't the experience you go through on a city budget. I believe Councilor Roger Hall could attest to that difference following his first meeting as an ex officio member of the District's citizen budget committee.

I feel differently than you about the outlook for greater communication and coordination on common interests. We have been extremely successful in this regard as it relates to storm water management and the joint Sewerage Facilities Study. Over the past two years, it has been a revelation to see the cooperation that has emerged between Milwaukie and Clackamas County. It is

R. Tim Corbett
June 21, 1991
Page Two

in the development of these studies and programs where communication and coordination are most important; and that is happening, and it will continue to take place between us.

As we discussed, we are moving forward with the joint facilities planning which will soon lead to a review of the contractual and institutional arrangements between the City and District. The District is also completing a comprehensive cost of service study which will produce detailed cost information critical to the decisions on service arrangements between the City and District. Within the ensuing 1991-92 budget year, these events are likely to occur and a completely different arrangement than what now exists may emerge as a "win/win" conclusion for the City and the District.

*

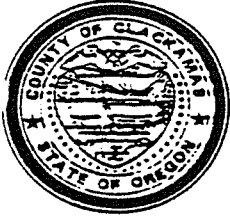
Recognizing all that has happened and the potential for what could occur, we can best deal with this immediate budget problem in the manner we discussed. Both you and we will track the billings by the District to the City over the ensuing budget year. If at any time it appears that the billings will exceed the City's budgeted amount for wholesale treatment services, the District will defer billing the City in the 1991-92 fiscal year. This may not prove to be necessary, but if it is, we will have ample time to correct the problem in fiscal year 1992-93.

I think we are on the right track. Let's try to keep things going and build on the positive steps of the recent past.


DAVID J. ABRAHAM

/bk

cc: Mike Swanson, CEO
Dan Bartlett, Milwaukie City Manager



CLACKAMAS COUNTY

Department of Utilities

BRUCE W. ERICKSON
ACTING DIRECTOR

RECEIVED
AUG 7 1991

CITY OF MILWAUKIE
DEPT. OF PUBLIC WORKS

August 2, 1991

Tim Corbett
Director of Public Works
City of Milwaukie
10722 SE Main St
Milwaukie OR 97222

Dear Tim:

As a follow-up to our meeting of July 26, 1991, I am through this transmittal providing you with the methodology we employ to compute the City of Milwaukie's monthly sewer bill. The methodology that follows comports with what is provided for in the current contract between the District and City for said service.

Appropriate costs are collected for the billing months from accounts associated with the following functional categories:

- Field Operations Division - related treatment support
- Treatment Division - operation, maintenance, and replacement
- Engineering Division - related treatment support
- G&A Overhead - percentage of overall labor

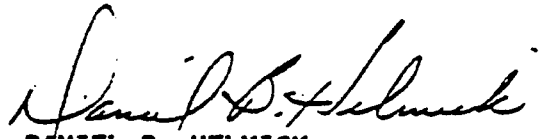
This total is 1) continuously adjusted by substituting the prior month's electric bill (to account for lag in receipt of electric bill) in the billing month, and 2) credited by \$6,000 for monies received from appropriate customers billed for excess biological oxygen demand and suspended solids contributions to the system. This adjusted total is divided by plant flow and the result multiplied by City of Milwaukie flow to compute the monthly bill.

Every quarter the City of Milwaukie's billing is adjusted to reflect actual billings to "excess" usage customers, with the resultant credit or debit due to the City of Milwaukie reflected in the first months billing for the following quarter. Similarly, to the extent that annual audit adjustments are made to accounts affecting the City of Milwaukie's monthly billings, appropriate debits or credits are made in the first possible billing after which the results of audit adjustments are known.

* [Please note that while our billings to date have recovered the City of Milwaukie's proportionate share of EPA define "replacement" items, we have as yet to recover any costs associated with construction of the Kellogg

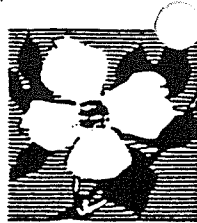
* [digesters. It is my intent that the resolution of this issue will occur between us at the appropriate time during prosecution of the cost-of-service study currently underway. Further, during this study, it is my intent to gather both historic and prospective City of Milwaukie usage and cost data necessary to guide both parties in establishing an equitable agreement between us for the future provision of sewerage service.

In closing, I would like to reaffirm my (and Bruce Erickson's) willingness to meet with you or your city council at any time you deem appropriate to discuss matters of mutual concern between us. Certainly, we will be meeting after adequate progress has been made on the cost-of-service study now underway.



DANIEL B. HELMICK
Director of Fiscal Services

/jk



COMMUNITY DEVELOPMENT
PUBLIC WORKS

5101 S.E. JOHNSON CREEK BLVD

TELEPHONE: 652-4410

CITY OF MILWAUKIE

August 22, 1991

Daniel B. Helmick
Director of Fiscal Services
Clackamas County
902 Abernathy Road
Oregon City, OR 97045

Dear Dan:

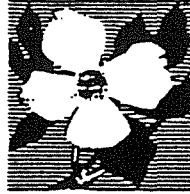
Thank you for your August 2, 1991 letter, outlining the methodology employed to compute the City's monthly sewer bill. I appreciate your taking the time to meet with me to discuss the issues surrounding the treatment plant and the City's costs associated with the plant. As I indicated in our meeting on July 26, 1991, I believe that a full understanding of the current methodology is necessary before we can begin to develop a new agreement between the City and the County. This is particularly important to the City in that a full understanding of the City's responsibility for costs under the current agreement must be achieved before the City can enter a new agreement is to include the repayment of costs incurred in the past.

Specifically, I am unclear as to what the City's share of the digesters may be and how the amount was determined. To that end, I am requesting your assistance in providing me with a copy of what you are considering to be the "current contract" between the City and the County. I am unable to locate a current agreement in my files, nor am I able to locate a contract which would have been in place when the digesters were constructed. A copy of both contracts would be greatly appreciated.

I firmly believe that we need to spend the necessary time to understand the current and past agreements over the next few months so that when financial data is generated we will be able to move ahead and formulate an equitable agreement. I would also appreciate working with you and Bruce over the next few months so that I can more fully understand what type of financial information is being (or will be) generated from each of what I understand to be two separate financial studies and how this information will be utilized in helping to forge a new agreement. It is my understanding that you are currently conducting a cost-of-service study to justify your hookup charges or SDCs. The second study, as I understand it, is a joint financial study between the City and County which will be designed to look at costs of the Sewage Facility Plan and how these costs might be shared. Any additional information you have on these studies would be helpful in my efforts to understand the whole picture.

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CITY OF MILWAUKIE



COMMUNITY DEVELOPMENT
PUBLIC WORKS

6101 S.E. JOHNSON CREEK BLVD

TELEPHONE. 652-4410

September 18, 1991

Mr. Daniel B. Helmick
Director of Fiscal Services
Clackamas County
902 Abernathy Road

Dear Dan:

I have recently received our sewage treatment bill for the month of June. I appreciate the information contained in your letter dated August 2, 1991 outlining your methodology in determining Milwaukie's sewage treatment charges. However, it was my understanding of the discussions in our July 26, 1991 meeting that you agreed to supply a breakdown of our monthly sewage treatment bills which would accompany each monthly bill. No such breakdown or analysis was received with our June billing.

I understand that there are numerous factors involved in determining billing besides flow (as outlined in your August 2 letter) and these other factors could explain the billing fluctuations from month to month which do not at all appear to be related to flows. It would be very helpful to receive a breakdown of charges for each monthly billing so that I can better understand these apparent billing inconsistencies.

Please advise me if such a breakdown of monthly charges could be made available with the billing. I would assume that this information would be readily available since it would have to be generated in order to calculate the bills.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Corbett". The signature is fluid and cursive, with a prominent initial "T".

Tim Corbett
Public Works Director

cc: Bruce Erickson

Bring Complete Bill when paying in person.

CLACKAMAS COUNTY SERVICE DISTRICT #1
P.O. Box 270 Oregon City, Oregon 97045-0017

ACCOUNT NO.	BILLING DATE
1774-00-0	9/6/91

SERVICE ADDRESS
CITY OF MILWAUKIE

PLEASE PAY THIS AMOUNT

60,267.15

RETURN THIS PORTION WITH YOUR PAYMENT

CLACKAMAS COUNTY SERVICE DISTRICT #1

902 Abernethy Road • P.O. Box 270 • Oregon City, OR. 97045 0017 (503-3323)

SERVICE PERIOD	BILLING DATE	MAKE CHECKS PAYABLE TO CCSD #1
JUNE	9/6/91	
ACCOUNT NO.	BILLING UNITS	
1774-00-0		
PREVIOUS BALANCE	CURRENT CHARGES	AMOUNT DUE
	60,267.15	60,267.15

DUE WITHIN IS DAYS OF BILLING DATE

KEEP THIS PORTION FOR YOUR RECORDS

SEWER SERVICE CHARGES

BILLING ADDRESS

CITY OF MILWAUKIE
10722 SE MAIN STREET
MILWAUKIE, OR 97222

SERVICE ADDRESS

CITY OF MILWAUKIE

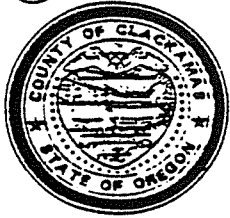
SEPARATE AT THIS PERFORATION

RECEIVED
(SL) 1991
ACCOUNTS PAYABLE

RECEIVED

SEP 11 1991

CITY OF MILWAUKIE
DEPT. OF PUBLIC WORKS



CLACKAMAS COUNTY

Department of Utilities

BRUCE W. ERICKSON
ACTING DIRECTOR

September 24, 1991

Tim Corbett
Public Works Director
City of Milwaukie
PO Box 22009
Milwaukie OR 97222

Dear Tim:

Per our telephone conversation of September 20, 1991, attached you will find a spread sheet that delineates our billing calculations for the City of Milwaukie from July, 1990 through June, 1991. In the future, I will attach the same (as to form) spread sheet with our billings to the City.

Enclosed you will also find a copy of the six agreements that have been executed between the District and City since November 25, 1970. After you have had a chance to review these agreements, I would be happy to discuss them with you.

If you have any further questions regarding either of these matters, please do not hesitate to contact me at 650-3296.


DANIEL B. HELMICK
Director of Fiscal Services

/jk

Enclosures

RECEIVED
SEP 24 1991

CITY OF MILWAUKIE
DEPT. OF PUBLIC WORKS

CITY OF MILWAUKIE



COMMUNITY DEVELOPMENT
PUBLIC WORKS

6101 S E JOHNSON CREEK BLVD
MILWAUKIE, OR 97206

TELEPHONE: 652-4410
FAX: 774-8236

1

MEMORANDUM

TO: Mayor and City Council *DM*
THRU: Dan Bartlett, City Manager
FROM: R. Tim Corbett, Public Works Director *ATC*
SUBJECT: Sewerage Treatment Agreement
DATE: 10/22/91

Action Requested

Review the attached Sewage Treatment Agreement and provide input to staff.

Background

In October of 1991, Staff developed the attached report to discuss issues related to the sewage treatment in a Council work session. Since that time staff has been working with CSD #1 staff to negotiate a new Sewage Treatment Agreement which is more equitable and better fits the City's needs.

The City has not signed a new agreement with Clackamas Service District #1 for sewage treatment since July, 1987. The last agreement which was signed in 1987 states that "Agreement #6 shall extend to June 30, 1988, and thereafter on a month to month basis until renewed or such time as the parties may enter a new agreement."

Public Works staff has been attempting to negotiate a suitable agreement to resolve the following outstanding issues:

1. Unpredictable charges leading to forecasting difficulties for the City in the budgeting and rate making process.
2. City perception of inequity in charges vs actual cost.
3. No City representation in the decision making process on issues related to the Kellogg Treatment Plant.
4. Future major capital improvements were unclear as were financing arrangements. Sewerage Treatment Agreement

5. The City was being billed for a percentage of all plant costs and overhead based on the percentage of capacity reserved for the City rather than percentage of use.
6. The County has indicated in the past that the City owes CSD #1 \$633,560 (not including interest) for its share of the construction of sludge digesters.

Discussion

Substantial improvements are planned for the Plant and a cost sharing methodology is needed to ensure that these improvements take place so that the livability within the City is improved. These improvements are outlined in the recently adopted North Clackamas Service Area Sewerage Facilities Plan.

Staff has been negotiating with CSD #1 in developing the attached Sewage Treatment Agreement. The Agreement resolves some of the past issues by initiating the following changes:

1. In order to make charges more predictable, CSD #1 will charge the City at a rate of 1/12th of the amount budgeted by CSD #1 as revenue from the City less 5% retainage. This will allow the billings to be more timely and predictable. An adjusting bill will be developed after the County completes their annual audit.
2. The Agreement is based on CSD #1's cost of service rate study which City staff has reviewed and believes is based on actual costs.
3. The Agreement calls for the establishment of a Review Committee to provide oversight of operations and capital expenditures at the Kellogg Plant.
4. The agreement stipulates equitable cost sharing arrangements for operational and capital expenditures. The County has also developed a five year Capital Improvement Plan which will assist the City in determining longer term contractual costs.
5. The City will pay for operational expenses as a percentage of City flows compared to overall flows while capital expenditures will be shared based on the City's 40% allocation of total capacity.
6. The County is proposing that the City repay them for the construction of the digesters at a cost of \$485,000. No interest will be charged and the payments will be made in the amount of \$4,795 per month. This issue has been one of the more difficult issues to resolve and staff is seeking Council direction on continued negotiations.

Summary

With the exception of perhaps the agreement to share costs for the digesters, staff believes the attached agreement is equitable and will serve the City's needs.

CITY OF MILWAUKIE



COMMUNITY DEVELOPMENT
PUBLIC WORKS

6101 S.E. JOHNSON CREEK BLVD.

TELEPHONE: 652-4410

MEMORANDUM

TO: Mayor and City Council

THRU: Dan Bartlett, City Manager *DB*

FROM: R. Tim Corbett, Public Works Director

SUBJECT: Sewer Division Issues

DATE: 10/22/91

ACTION REQUESTED

None. Information only.

OVERVIEW

The following report will discuss pertinent issues and problems relating to the review of sewer rates as follows:

- I. Budget Considerations
- II. Sewage Treatment Contract
- III. Odor Control Capital Improvements to Kellogg Plant
- IV. Current Studies Being Conducted
- V. Forecasting and Rate Setting Constraints
- VI. Rate Review Recommendation.

DISCUSSION

- I. Budget Considerations
 - a. As shown in the attached graph, revenues from operations have not been adequate to keep up with the level of expenditures over the last few years.

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- b. The attached graph also shows that beginning fund balances have been decreasing over time. The beginning fund balance is expected to decrease further for FY 91-92 to approximately \$200,000. This will be further evaluated when the FY 90-91 audit is completed.
- c. The second attached graph shows the increase in expenditures for contractual services over time. A 14% increase from Fiscal Year 90-91 to Fiscal Year 1991-1992 has added to decreasing reserves.
- d. A rate increase has not been adopted since 1986.

II. Sewage Treatment Contract

- a. The City currently is billed for a percentage of all plant costs and overhead based on City flows as compared to over-all plant flows.
- b. The billings tend to fluctuate from month to month. For example, the May 1991 billing was approximately \$25,000 while the June 1991 billing was in excess of \$60,000. Billings include costs of replacement of equipment which can no longer be capitalized under EPA guidelines.
- c. No new agreement has been signed since July, 1987. The last agreement in place up until today (Agreement #6) states that "Agreement #6 shall extend to June 30, 1988, and thereafter on a month to month basis until renewed or such time as the parties may enter a new agreement."
- d. The same issues and concerns which were apparent in 1984 continue today. These issues and concerns as identified in a letter from Dave Abraham, Clackamas County Utilities Director to Steve Hall, Milwaukie Public Works Director in 1984 are as follows:
 - 1. Unpredictable charge forecasting for budgeting purposes.
 - 2. Inequity in charge method over actual cost.
 - 3. No City representation on budget process for the Kellogg Treatment Plant.
 - 4. Future major capital improvement financing commitments by each Agency.

- e. The County has billed the City of Milwaukie in the amount of \$633,560 (not including interest) for its share of the construction of sludge digesters. Concerns over cost sharing of capital expenditures have been apparent for a number of years. Two interpretations of the existing agreement exist. The City has maintained that the original Agreement called for Milwaukie to share 40% of the costs associated with the construction of the plant while the County has maintained that the original Agreement as well as the extensions call for the City to share in 40% of all capital improvements to the plant. The City has also expressed concern over the fact that although the County's position is that the City share in capital improvements, Milwaukie has had little control or input to these improvements. In a recent letter received from Dan Helmick, Director of Fiscal Services for Clackamas County Department of Utilities, Mr. Helmick reaffirms the County's position by stating that "we have yet to recover any costs associated with the construction of the Kellogg digesters."

III. Odor Control Capital Improvements to the Kellogg Plant

- a. The County has hired Brown and Caldwell to assess the capital improvements needed to control odor at the Kellogg treatment plant. The study concluded that \$800,000 would need to be spent to control odors at the plant.
- b. Through discussions with the County, City Staff has requested that Acting Director Bruce, Erickson and Director of Fiscal Services, Dan Helmick come to speak to the City Council at a worksession regarding the odor control expenditures.
- c. It appears that the initial County position on odor control improvements is that the County would expect that the City will participate in paying for the odor control improvements at a cost to the City of \$320,000. Dan Helmick has indicated a willingness to work out a financing plan.

IV. Studies Being Conducted

- a. The City is participating in a Sewage Treatment Facilities Plan which will determine the expected life of the Kellogg Plant at its current capacity, interim capital improvements which will need to be made over the plant's life, and what alternatives exist for sewage treatment after the Kellogg plant reaches capacity.
- b. A financial study is also being conducted to determine how to finance the findings of the Facilities Plan. The Financial Plan will also look at the current agreement between the City and the County and outline alternatives to the current agreement.

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- c. The two studies outlined above are expected to provide a basis for negotiation between the City and County in the development of a new agreement.
- d. Dan Helmick and Bruce Erickson have offered to discuss these studies and how the studies might provide a basis for negotiation in a worksession with Council.
- e. Even with the two studies as a basis for negotiation, City Staff considers the resolution of capital cost sharing to be an issue which will be critical in the development of a new agreement.

V. Forecasting and Rate Setting Constraints

- a. Negotiations towards the development of a new Agreement with the County regarding sewage treatment have continued for at least a decade with little or no results. This has left the City in a position of having expectations of a resolution of key issues which would lead to an ability to accurately forecast treatment costs. These expectations have led to few and inadequate rate increases.
- b. Rate increases have been, and will continue to be difficult to determine due to an inability on the part of the City to determine contracted treatment costs from year to year. Ideally, the City needs to have definitive information on increasing treatment costs over a five year planning horizon.
- c. There must be a resolution of capital cost sharing issue in order for the City to develop equitable rates. Even if the City had conceded that 40% of the cost for all capital improvements should be paid by the City, the County has had no capital improvement plan. This situation would not have allowed the City to plan for these capital expenditures. If the City had agreed that it was responsible for capital improvement cost sharing, the City's inability to plan for these improvements would have put the City in a position of having to "borrow" from the County whenever capital improvements were made. Rate increases would have to be put into effect to pay back past capital improvements financed by the County. This would have led to the City having to play "catch up" and leave little flexibility in allowing citizen input on the rate increases.
- d. Due to the lack of a capital improvement plan by the County, the City has been unable to adequately reflect treatment costs in System Development Charges leading to a loss in revenues.

- e. With a possible increase in water rates in June of 1991 in addition to the possibility of charges being added for storm water management, the City will need to develop a sound basis for any rate increases it seeks for sewer service. This will be a difficult task when we evaluate current and expected costs of delivering sewer service. Several questions must be considered before current rates can be evaluated.
 - 1. Is the City obligated to pay for a share of the digesters?
 - 2. Will the City participate in paying for a share of the proposed odor control improvements?
 - 3. When can the City expect to have a new agreement in place?
 - 4. Are current rates sufficient to allow the Sewer Fund to remain fiscally sound until a new agreement and subsequent rate review can be completed.

VI. Rate Review Recommendation

- a. In light of past history, Staff recommends that the City not wait to perform a rate review until a new agreement is formed.
- b. A rate review should be conducted by a consultant along similar lines as the rate review completed for the Water Fund. Such a review would encompass Staff's best estimate of expected costs over the next two years and the level of revenues needed to support these costs. County Staff would be requested to assist the City in forecasting treatment costs under the current agreement.
- c. Due to the dynamic nature of negotiations and increasing costs of sewage treatment, Staff recommends that the study encompass only a two year period. At the end of this period the Facilities Plan and Financial Study will be completed and possibly a new agreement will be in place. If a new agreement is not in place, information from both studies would allow the City to better assess the equity of its rates.
- d. The rate review should consider recommended rates with capital cost sharing included as well as without capital cost sharing included. This would allow the City to determine what effect paying for the digesters and odor control will have on current rate payers.
- e. Finally, the study should be aimed at replenishing contingency reserves to a minimum of \$5000,000 over the next 5 years.

The Citizen's Utility Advisory Commission supports these recommendations. In addition to Staff's recommendations, the CUAC also recommends the following:

The City and County develop and adopt a Memorandum of Understanding prior to the commencement of a of the rate study. The letter of intent should require the following:

The City and County finalize an agreement which:

- a. Establishes a budget review process.
- b. Limits rate increases by County.
- c. Provides for Public involvement.

Attachments

Staff has compiled correspondence which relates to the issues outlined in this memo. This correspondence is attached with portions of particular relevance highlighted. Staff will review this correspondence with Council in the worksession.

RTC/rtc

attachments

FINAL DRAFT
#8

FINAL DRAFT
#8

AGREEMENT FOR WASTEWATER
TREATMENT
CLACKAMAS COUNTY SERVICE
DISTRICT NO. 1 (CCSD NO.1)
AND THE CITY OF MILWAUKIE
(CITY)

WHEREAS, CCSD No.1 and the City desire to plan and provide for the long-term capital and operational needs of the wastewater treatment facilities, which may include mandated technological and regulatory changes, mitigation, and repairs/replacements necessary to operate the plant at current design capacity; and

WHEREAS, future changes to the respective service areas of CCSD No.1 and the City will be done in a manner that is consistent with the adopted "Sewerage Facilities Plan for the North Clackamas Area" and the "Urban Growth Management Agreement" with particular emphasis on the "dual interest" area of Clackamas County as defined in the Agreement; and

WHEREAS, CCSD No.1 and the City jointly entered into a collaborative process for planning and construction of the Kellogg Creek Water Pollution Control Plant; and

WHEREAS, the City desires to be kept informed prior to and during the construction of improvements; to provide for a method of participating in and being kept informed of issues affecting construction, operation, maintenance, replacement and expansion of the wastewater treatment facilities; and to provide a procedure for reviewing and commenting upon the wastewater treatment facilities annual budget; and

WHEREAS, CCSD No.1 and the City desire to provide for an integrated Industrial Pretreatment Program within their respective service areas as required by DEO and/or EPA; and

NOW, THEREFORE, in consideration of the foregoing and the mutual promises provided for herein, the Parties hereto for themselves, their assigns and successors in interest, agree as follows:

Section 1. Definitions. For the purpose of this Agreement, the following words shall have the following meanings, unless another meaning is clearly intended:

1.1 Allocated Capacity. The amount of the Facilities designed annual average capacity, based on current concentrations, of 10.6 MGD which is allocated to the Parties executing this Agreement. The City's allocated share is 40% of the Facilities capacity as defined in 1.17 "Maximum Capacity of Domestic Sewage". This figure is based on current capacity and the plant operating to its design maximum levels of 10.6 MGD. This figure does not pertain to allocated capacity related to expansion of the Facilities.

1.2. "Capacity Limit" means the preceding 12 month flow of any Party when it equals the Party's Allocated Capacity of Domestic Sewage.

1.3. "CCSD No.1" means the Clackamas County Service District No.1 or its successor.

1.4. "City" means the City of Milwaukie.

1.5. "City's Jurisdiction" means the service area within which the City is responsible for providing wastewater collection services including those mutually agreed areas of dual interest as defined in the Urban Growth Management Agreement, depicted in Exhibit A, attached hereto and by this reference incorporated herein.

1.6. "Customer" means a "single family residence" and/or an "equivalent dwelling unit" (EDU), as defined in 1.10.

1.7. "DEQ" means the Oregon State Department of Environmental Quality, or its successor.

1.8. "Domestic Sewage" means sanitary wastes normally collected from residential establishments, and shall include commercial and industrial wastes of similar strength to residential wastes or quality, and other commercial and/or industrial wastes that are pre-treated in accordance with CCSD No.1 and/or City requirements meeting DEQ and EPA guidelines. Domestic Sewage shall exclude ground water, storm water, drain water and industrial wastes not pre-treated in accordance with CCSD No.1 and/or City requirements meeting DEQ and EPA guidelines.

1.9. "EPA" means the United States Environmental Protection Agency, or its successor.

1.10. "Equivalent Dwelling Unit" or "EDU" is a unit of measure applied to a user of the sewage system. The number of Equivalent Dwelling Units assigned to any such user (for example, an apartment house, motel, school, hospital, nursing home, and any other public or commercial establishment) shall be the numerical ratio of the monthly volume of wastewater contributed by such user to the monthly volume of wastewater contributed by a typical single family residence. EDU's serve as a practicable basis for computing the volume of domestic sewage discharged into the unmetered portions of the system, when and if such a computation is necessary or desirable to either augment or replace a direct flow measurement.

1.11. "Facilities" means CCSD No.1's wastewater treatment facilities as described in the "Sewerage Facilities Plan for the North Clackamas Area" prepared and adopted by CCSD No.1 and City dated December 1992.

1.12. "Flow" means the total volume of domestic sewage in millions of gallons per day (MGD) as measured through flow meters installed at the Influent Points of CCSD No. 1's sewage collection system. A substitute for direct metering is to be used where commingled flows for small numbers of users make direct measurement impractical.

1.13. "Improvements" means those improvements to the Facilities described in the "Sewerage Facilities Plan for the North Clackamas Area", dated December 1992, as amended, or engineering plans and specifications approved by CCSD No.1 following standard review procedures employed by the City.

1.14. "Influent Points" means the points at which the City's Internal System will be metered as it intersects CCSD No. 1's collection system.

1.15. "Internal System" means all sewer lines and other sewer facilities upstream from the Influent Points owned and operated by the City.

1.16. "Load" means the amount of biochemical oxygen demand (BOD) and total suspended solids (TSS) contained in the flow as determined through the sampling plan approved by CCSD No.1 and the City. Load may be further defined to include other pollutants which may be established under future water quality regulations.

1.17. "Maximum Capacity of Domestic Sewage" means the maximum flow and loading of Domestic Sewage that the City is authorized by this Agreement to transmit to the Facilities,

measured in volume and mass BOD and TSS and other regulated pollutants. Volume shall be measured by metered Domestic Sewage flow expressed in MGDs. Load shall be measured through a mutually agreed to and regular sampling program as referenced in 1.16. A substitute for direct metering is to be used where commingled flows for small numbers of users make direct measurement impractical.

1.18. "MGD" means millions of gallons per day, referring to a measure of rate of sewage flow.

1.19. "Maintenance, Replacement and Operation Costs" means all direct costs and expenses incurred by CCSD No.1 in transporting and treating Domestic Sewage through the Facilities, maintaining those Facilities, and administering a joint Industrial Pre-Treatment program. Maintenance, replacement and operation costs are defined in the Cost of Service Rate Study contained in Exhibit B, attached hereto and incorporated herein by this reference.

1.20. "NPDES Permit" means a National Pollutant Discharge Elimination System Permit granted to CCSD No.1, pursuant to the Federal Water Pollution Control Act, as amended.

1.21. "Other Facilities" means facilities other than the Treatment Plant, which are individually operated and maintained by CCSD No.1 and the City to transmit, measure, monitor and pump sewage.

1.22. "Overhead Costs" means CCSD No.1's general administrative, supervisory, and other indirect costs related to the operation and maintenance of the Facilities and Other Facilities. Overhead Costs shall be computed by the methodologies established in the Cost of Service Rate Study.

1.23. "Review Committee" means the committee of that name established in Section 7 of this Agreement.

1.24. "Parties" means CCSD No.1 and the City.

1.25. "Single Family Residence" means one structure, all connected and under the same roof, located on a lot or tract of real property having a separate and individual property description, with no other structure used for human occupancy located on that tract or lot, and which structure is used as a single family dwelling.

Section 2. Financing.

2.1. Allocation of Treatment Costs. All allocation of operational, maintenance, replacement and capital improvement costs between the Parties shall be done in a manner consistent with the mutually approved Cost of Service & Rate Study as may be amended by the Review Committee.

2.2. Bond Issuance. CCSD No.1 and the City each retain its rights to issue bonds and other obligations in accordance with applicable law, but shall not act in such a manner as to impair the rights of the holders or owners of bonds issued by the other Party.

Section 3. Upgrading or Expanding the Facilities. If CCSD No.1 is further required by applicable laws or regulations to upgrade or expand the Facilities to provide a higher level of wastewater treatment or to modify the methods and/or locations of wastewater discharge, the City shall, if it desires to continue discharging Domestic Sewage into the Facilities, pay the City's proportionate share as set forth in the Cost of Service Rate Study for allocation of capital improvement costs. CCSD No.1 and City shall seek opportunities to minimize or avoid the cost of additional improvements through mutually agreeable modifications in the quantity and quality of Domestic Sewage discharge by the Parties. In lieu of paying for its share of the cost of constructing such additional improvements, the City may, at its discretion, discontinue discharge of Domestic Sewage into the Facilities. At the date of this Agreement's expiration or at the time of Facilities expansion, whichever occurs first, the Parties agree to negotiate a new agreement or prepare necessary revisions to this Agreement, which will address allocation of these expansion costs based on best available forecast figures. The City shall give notice of its intent to discontinue discharge not less than three years prior to the date of discontinuance. Notwithstanding the foregoing, the City shall provide any notice of intent to discontinue discharge to the facilities at least 12 months before the District commences design of new or expanded facilities.

Section 4. Sewage Treatment.

4.1. Availability of Capacity. CCSD No.1 shall receive, transport, and treat by means of the Facilities the Domestic Sewage discharged by the City up to 40% of the Facilities design treatment capacity of 10.6 MGD. CCSD No.1 will provide this quantity of allocated capacity of Domestic Sewage as long as the City shall require it, barring events and circumstances which are beyond CCSD No.1's control.

However, this Agreement creates no obligation by CCSD No.1 beyond the term of this Agreement or the useful life of the Facilities at design capacity. That portion of the City's unused capacity which can reasonably be forecast by the District may be made available by the District to other entities so long as the City retains priority access to this capacity when needed.

4.2. Capacity Limit. No Party may discharge into the Facilities any Domestic Sewage in amounts greater than its Allocated Capacity of Domestic Sewage. If it is determined that the amount of the Domestic Sewage is in excess of the Allocated Capacity of Domestic Sewage, that Party shall pay, in addition to its ordinary charges described in Section 6.1 and 6.2, any extraordinary costs incurred to treat the excess Domestic Sewage, as well as costs related to capital costs to treat and transport the excess capacity. Costs related to excess Domestic Sewage shall be documented and reported to the Review Committee. CCSD No.1's acceptance of excess amounts on any occasion or occasions shall not bind CCSD No.1 to accept excess Domestic Sewage amounts on any other occasion. When 85 percent of either Party's Allocated Capacity of Domestic Sewage is reached, that Party shall commence planning for treatment of its domestic sewage beyond its Allocated Capacity of Domestic Sewage.

4.3. Temporary Capacity Transfers. Temporary capacity transfers will be permitted for a period of time agreed to by both Parties. The Agreement for capacity transfer shall include a plan for ending the temporary transfer by demonstrating how permanent provisions are to be made.

4.4. Treatment of Domestic Sewage Only. No Party shall discharge into the Facilities any wastewater other than Domestic Sewage. CCSD No.1 is obligated to treat only Domestic Sewage and may reject all other forms of wastewater. CCSD No.1 may refuse to transport and treat Domestic Sewage from those portions of the City's sewage collection system which do not conform to DEQ and/or EPA standards for Domestic Sewage.

4.5. Sewage Quality. The City and CCSD No.1 shall cooperate to develop, as needed, ordinances and programs to mitigate mass BOD and TSS or other pollutant levels which are higher than acceptable norms, as determined by either regulatory requirements or by generally accepted environmental practices. The direct costs of such programs, if and when undertaken, shall be recovered from the Party responsible for the discharge of nonconforming wastewater and, unlike general maintenance, replacement and operation costs, may not be based on overall sewage flow levels of CCSD No.1 and the City.

4.6. Pre-Treatment Ordinances. The Parties shall adopt a Pre-Treatment Ordinance meeting all Federal and/or State requirements. CCSD No.1 shall be responsible for the administration and operation of a pre-treatment program. Administration and operation shall include, but not be limited to, developing procedures, forms, and instructions; categorizing dischargers; record keeping; compliance tracking; establishment of annual limits; sampling, testing, and monitoring; preparation of control documents; collection of fees and preparation of permits. The City shall identify to CCSD No.1 those dischargers within its jurisdiction required to provide pre-treatment and authorize CCSD No.1 to enforce the requirements contained in the Ordinance.

4.7. Rules and Regulations. The City shall assure that its sewerage ordinances are at least as effective as CCSD No.1's Rules and Regulations.

Section 5. Operation, Treatment; the Facilities and the City's Internal System.

5.1. Operation, Replacement and Maintenance of the Facilities. CCSD No.1 shall be responsible for the operation, replacement and maintenance of the Facilities subject to the terms of this Agreement. The Facilities shall be operated, replaced and maintained in accordance with generally accepted standards, and the standards established by the EPA, DEQ, the Oregon Health Department and other federal, state and local agencies. The quantity of Domestic Sewage discharged by the City into the Facilities shall be metered at the Influent Points, with the exception of commingled flows, which will be accounted for using either Equivalent Dwelling Units, or other methods approved by the Review Committee. The meters that measure the City's discharge of Domestic Sewage into the Facilities shall be calibrated on a regular basis by CCSD No.1 with oversight by the City if it so desires, and may be inspected by either Party at the expense of such Party at any time upon reasonable notice to the other. Interruptions of metering due to equipment malfunction or power loss shall be recorded by CCSD No.1. At time of the next monthly billing, CCSD No.1 shall provide data regarding the duration of the interruption and the methodology for estimating the flows discharged to the Facilities by the City.

CCSD No.1 will also monitor the mass BOD and TSS levels of the sewage discharged from the City to the Facilities in accordance with the sampling program contained as Exhibit C to this Agreement as may be amended by the Review Committee. The City may, at its own cost, conduct sampling at a greater frequency than the intervals established in the adopted sampling plan.

5.2. Reporting Requirements. The City shall provide CCSD No.1 with bimonthly reports of the number of new sewer connections by providing to CCSD No.1 a copy of the City's Building Activity Report.

CCSD No.1 shall periodically inspect its Facilities and the City shall periodically inspect its Internal System to ensure adherence to applicable standards and to minimize infiltration, exfiltration, and deposits of rock or other debris. CCSD No.1 and the City at any reasonable time may inspect the Internal System and the Facilities.

5.3. The City's Internal System. The City shall operate and maintain its Internal System at its sole expense, including all of its facilities as required to maintain the volume and quality of Domestic Sewage within the limits set forth in this Agreement. The City shall observe generally accepted standards and practices in the construction, operation, replacement and maintenance of its Internal System with particular attention to the following: (a) minimizing entry into the sewerage system of groundwater and/or surface water (I/I - infiltration and inflow); b) maintaining a favorable character and quality of Domestic Sewage in accordance with the standards set forth in Section 4.5, (c) eliminating septicity and objectionable odors, entry of petroleum wastes or other chemicals and/or wastes detrimental to sewer lines, pumping stations, the Facilities, and the waters of the state of Oregon; (d) eliminating hazardous and toxic wastes; and (e) maintaining an efficient and economical utility operation, while achieving optimum pollution and environmental control.

5.4 Mutual Notification. The Parties agree to provide each other with written notice of any condition that may violate this Agreement or applicable laws, regulations, or permits. The discharging Party agrees to give verbal notice to the other Party immediately upon becoming aware of the violating discharge. A written report on the nature and amount of the violating discharge will be prepared and provided to the other Party within 24 hours of the time the violating discharge is identified. If the Party does not correct such a condition within a reasonable time of written notice thereof, the offending Party shall pay any reasonable and necessary costs and expenses incurred by the other Party in connection with such condition. If either Party discharges into the Facilities any solids, liquids, gases, toxic substances, or other substances which is reasonably believed to cause or will cause damage to the Facilities, or is creating a public nuisance or a hazard to life or property, that Party shall discontinue the discharge of such substances. Because substandard conditions of Domestic Sewage may cause serious damage to the Facilities, both

Parties shall comply with generally accepted standards regarding the composition of Domestic Sewage, and after compliance, may thereafter cause to be arbitrated the allocation of costs associated with necessary corrective actions in accordance with Section 9 of this Agreement.

The Parties shall cooperate with each other to determine the source of possible violations of applicable law, regulations and permits (including applicable NPDES Permits). In the event CCSD No.1 is fined or otherwise penalized by local, state, or federal agencies for failure to operate or maintain the Facilities in accordance with the requirements of the agencies, and it is demonstrated to the satisfaction of the Review Committee that such failure is due, in whole or in part, to either Party's discharge of Domestic Sewage in violation of this Agreement, then that Party shall pay its allocated share (as determined by the Review Committee or by an arbitrator in accordance with Section 9) of the costs of such fines or penalties, including its share of the associated administrative, legal, and engineering costs incurred by CCSD No.1 in connection with the fines or penalties.

Section 6. Payment for Maintenance, Operation, Replacement, Capital, Overhead Costs, and Debt Service for the Treatment of Domestic Sewage.

6.1. Monthly Payments. Commencing as soon as practicably possible after the execution of this Agreement, the City shall make monthly payments to CCSD No.1 for the transportation and treatment of the City's Domestic Sewage. The monthly payments shall consist of one twelfth of the City's proportionate share of the Maintenance, Operation, Replacement, Capital, Overhead and Debt Service costs adopted in the annual budget of CCSD No.1 for the Facilities provided that the City will be required to remit only 95% of the actual monthly payment. CCSD No. 1's monthly statement to the City shall contain line items which delineate costs pertaining to operations, maintenance, replacement and capital improvements. The statement shall also include the monthly and year-to-date payment amounts. The City's percentage share of the total annual maintenance, operation, replacement, capital, overhead and debt service costs shall be established in accordance with the Cost of Service Rate Study. The City's portion of maintenance, replacement and operation costs will be based on the City's measured sewage flow as a percentage of the total flow to the Facilities and the sewage treatment conditions specified in Sections 4.2 through 4.7. Capital improvement costs for upgrade or expansion of the Facilities as defined in Section 3 shall be based on the capacity allocations defined in Section 4.1 and the sewage treatment conditions specified in Section 4.2

through 4.7. If the amount remitted by the City is different from the amount due and owing for the fiscal year based on actual maintenance, operation, capital, overhead and debt service costs, a final adjusting bill or payment shall be made by CCSD No.1 within 30 days of the Clackamas County Department of Utilities completed annual audit.

The adjusting bill shall be accompanied by a full accounting of all flows and mass BOD and TSS load levels as well as a separate summary of the actual maintenance, operation, replacement, capital, overhead and debt service costs incurred during the previous fiscal year.

6.2. Overhead Costs. The City will pay Overhead Costs as established in the Cost of Service Rate Study. The Overhead Cost percentage may be evaluated by the Review Committee at the request of the City.

6.3. City's Rates and Sources of Payment. The City shall pay the charges described in Sections 6.1 through 6.2 out of the revenues of the City's Internal System. The City's payments to CCSD No.1 shall be prior and superior to any charge or lien of any revenue bonds issued by the City that are payable from the revenues of its Internal System. The City shall establish rates and collect fees and charges for sewer service in accordance with 40 CFR Part 35 and in an amount at least sufficient to pay for (a) the maintenance, replacement and operation of the City's Internal System, including the City's payments to CCSD No.1, and (b) the principal and interest on any City revenue obligations that constitute a charge on the revenue of the City's Internal System.

6.4. CCSD No.1 Rates. CCSD No.1 shall establish rates and collect fees for sewer service in accordance with 40 CFR Part 35 in amounts at least sufficient to pay for its proportionate share of (a) the maintenance, replacement and operation of CCSD No.1's sewer system, including its share of the Facilities, and (b) the principal of and interest on any and all CCSD No.1 revenue obligations that constitute a charge upon the revenues of CCSD No.1's sewer system.

6.5. Books and Accounts. CCSD No.1 shall keep full and complete books of accounts showing the maintenance, replacement and operation costs incurred in connection with the Facilities and the Other Facilities, and the portion thereof applicable to the City. The costs of keeping those books shall be considered an operational cost to CCSD No.1. Audits of the books shall be performed annually. More frequent audits, if requested by City, shall be charged to the City.

Section 7. Review Committee.

7.1. Establishment of Review Committee. There is hereby established a Review Committee for the purpose of (a) advising CCSD No.1 concerning construction, operation, maintenance, replacement and expansion of the Facilities; (b) giving the City and CCSD No.1 the opportunity to resolve any disagreements that may arise between them with respect to the construction, operation, maintenance, replacement and expansion of the Facilities; (c) providing a mechanism for reviewing and having input in the annual budgeting/cost allocation process; and (d) for the additional purposes described in this Agreement. The Review Committee shall consist of the Clackamas County Director of Utilities and the City of Milwaukie's Director of Public Works (or designated alternate representative). The Committee shall also include 5 citizen members. Two members shall be appointed by the City Council of Milwaukie; two by the Clackamas County Board of Commissioners and a fifth by mutual agreement of both bodies. All citizen members shall be customers of either the City or CCSD No.1. Appointments shall be for a 2 year duration. At the discretion of the Review Committee, ex officio participation by a representative from Happy Valley and a representative from Johnson City shall be considered.

7.2. Oversight of Operations, Replacement and Maintenance. The Review Committee shall meet at least quarterly, unless, by mutual agreement, the Committee decides to meet less frequently. At each quarterly meeting of the Review Committee, CCSD No.1 shall report to the City concerning the operation, replacement and maintenance of the Facilities, costs and other factors which may impact the provisions of this Agreement.

On or before March 31st of each year, CCSD No.1 shall provide to the City through the Review Committee a proposed budget for the next fiscal biennium. The actual budget for the initial year of the biennium will be finalized by July 1. CCSD No.1 shall review and consider any reports and recommendations made through the Committee on subjects and matters affecting the budget which shall include a 5 year forecast of anticipated capital improvements.

Section 8. Replacement Standards; Insurance.

8.1. Replacement and Rehabilitation Standards. Replacement, reconstruction, rehabilitation, expansion, or upgrading of the Facilities shall be in accordance with applicable federal, state, and local laws and regulations. Additions, betterments and improvements to the Facilities of CCSD No.1 shall be installed and constructed in accordance

with generally recognized engineering standards at least equal to the standards of CCSD No.1 and in accordance with all applicable federal, state, and local laws and regulations.

8.2. Insurance. CCSD No.1 shall purchase on behalf of the City and maintain, through either companies or insurance pools, insurance sufficient to pay for all loss or damage to the Facilities resulting from operation in a normal and prudent manner. The actual limits of this insurance and the resulting premiums shall be included as a line item in the annual budgeting process. The City shall purchase and maintain, through either companies or insurance pools, insurance sufficient to pay for all loss or damage to the Facilities caused by the operation of its Internal System. The required coverage and policy limits of this insurance shall be evaluated by the Review Committee. In the alternative, CCSD No.1 or the City may set aside cash in a reserve fund in an amount sufficient to pay for such loss or damage, subject to review and recommendation by the Review Committee.

Section 9. Arbitration. In the event of a dispute between CCSD No.1 and the City concerning any matters arising under the terms and conditions of this Agreement, unless specifically excluded from arbitration, the dispute shall first be considered by the Review Committee in a non-binding manner. If the dispute is not settled through the Review Committee the Parties may enter into non binding mediation. If the dispute remains unsettled, the City of Milwaukie and CCSD No.1 may agree to place the issue before an arbitrator approved by the Parties, and the decision of that arbitrator shall be final and binding on both Parties. The arbitrator's fees and costs shall be shared equally by the Parties.

Section 10. Mutual Assistance. Both Parties agree to work cooperatively toward assuring that the Facilities and collection systems within the City and CCSD No.1 service area operate efficiently and as designed. Toward this end, the Parties agree to provide available resources which may from time to time be necessary to render mutual assistance. In addition, the Parties agree to come to the aid of the other in cases where an emergency exists affecting the operation of the sewage collection and/or treatment system and where resources are available. Where deemed appropriate, reimbursement for expenses incurred by either Party in providing this assistance shall be based on actual labor and equipment costs.

It is also recognized that, at the request of either Party, routine and remedial maintenance within CCSD No.1 or the City's service area may be provided as a contract service of either Party.

Section 11. Service Area Annexation/Withdrawal. The Parties shall endeavor to work cooperatively where a planned action by either may affect the respective service areas of the City or CCSD No. 1. Realignment of the incorporated and unincorporated service area shall be done in a manner that is consistent with the Urban Growth Management Agreement and the sewerinq provisions of the North Clackamas Public Facilities Plan. In cases where an annexation into CCSD No. 1's service area by the City occurs, an automatic withdrawal of that area from the District to the City shall occur, unless the City stipulates through interlocal agreement that service shall be provided by CCSD No.1.

Section 12. System Development Charges. CCSD No.1 and the City will work cooperatively in sharing information and developing a uniform methodology as established in ORS 223.297 through ORS 223.314 for system development charges collected to achieve the Facilities current design capacity in order to assure consistent application of existing capacity and system expansion costs.

Section 13. Amendment or Modification. No amendment or modification of this Agreement, including any addition or deletion thereto, shall be effective unless approved and executed by the Parties in the same form and manner as, and subject to the remaining provisions of, this Agreement. In the event CCSD No.1 contracts with any sewage treatment provider in a manner that modifies the term of this Agreement, CCSD No.1 shall offer the City the opportunity to incorporate the same terms in this Agreement or in additional contracts, assuming the modifications are applicable to the City.

Section 14. Governing Laws. This Agreement shall be governed and construed in accordance with the laws of the State of Oregon. Venue in connection with any legal proceeding affecting this Agreement shall be in the Circuit Court of the State of Oregon for Clackamas County.

Section 15. Severability and Waiver. In the event any provisions of this Agreement shall be held to be impossible, invalid or unenforceable, the remaining provisions shall be held to be valid and binding upon the Parties hereto. One or more waivers by either Party of any provision, term, condition or covenant shall not be

construed by the other Party as a waiver of subsequent breach of the same by the other Party.

Section 16. Number and Gender. Whenever applicable, the use of the singular number shall include the plural, the use of the plural number shall include the singular, and the use of any gender shall be applicable to all genders.

Section 17. Successors and Assigns. This Agreement is to be binding on the successors and assigns of the Parties hereto and is not to be assigned by either Party without first obtaining the written consent of the other. No assignment of this Agreement shall be effective until the assignee assumes in writing the obligations of the assigning Party, and delivers such written assumption to the original Party to this Agreement.

Section 18. Notice. All notices and payments relating to this Agreement shall be made at the following addresses, unless the other Party is otherwise previously notified in writing:

Section 19. Term. The term of this Agreement shall be for 5 years from its effective date and will be reopened for negotiation at the time of Facilities expansion. At the end of this period, the Parties will negotiate in good faith towards the continuance of this Agreement with the understanding that the economic terms of such an agreement will reflect the participation of the City in the construction cost of the Facilities and the remaining useful life and remaining capacity of the Facilities at that time. Renegotiation of subsequent agreements shall be premised on the City having access to, at a minimum, the capacity allocated to it under this original Agreement and shall not preclude subsequent negotiation of service based on an established contracted capacity.

Item III(A)
Water Rates - Resolution
November 2, 1993

1. Opening

"The public hearing on the water rate resolution is called to order."

2. Purpose

"The purpose of this hearing is to consider a proposed resolution which revises the rate structure for water use. We will hear a report from Tim Corbett followed by public comment, if any. The Council will then discuss the matter and vote."

3. Conduct of Hearing

"Does anyone in the audience wish to speak on this matter?"
[If Yes]

"I will recognize those persons wishing to speak and any questions should be addressed through me. When you come to the podium, please state your name and address for the record, since this hearing will be tape recorded.

I would encourage those wishing to speak to confine their remarks to the proposed resolution. Let's move on to Tim Corbett's report."

4. Staff Report

Tim Corbett, Public Works Director

5. Correspondence

"Have we received any correspondence on this matter other than those items included in the agenda materials?"

6. Audience Testimony

"Does anyone wish to speak in support of the proposed resolution?"

"Does anyone wish to speak in opposition to the proposed resolution?"

"Is there any further testimony or any further questions from the audience?"

7. Staff Comments

"Does the staff have anything to add which specifically addresses a question raised during the testimony?"

8. Questions of Clarification

"Does any member of the Council have any questions regarding clarification of the testimony to this point? If there are no further questions, I will close the public testimony portion of this hearing."

9. Close Public Testimony

"The public testimony portion of the hearing on the proposed resolution to revise the water rate structure is now closed."
[Gavel]

10. Discussion Among Council Members

"Is there discussion by Council?"

(No further testimony unless absolutely necessary. You may want the attorney to outline alternatives.)

"Is the Council ready to vote?"

Note: If you wish to continue this matter for any reason, the hearing should be continued to a date certain to avoid the need to publish new notice.

Item III(B)
Cable Rate Regulation - FCC Rules
November 2, 1993

1. Opening

"The public hearing on Cable Rate Regulation and Consumer Protection and Customer Service is called to order."

2. Purpose

"The purpose of this hearing is to consider whether the City should commence with the certification procedures of the new Federal Communication Commission (FCC) rules to regulate rates, protect consumers and provide customer service. We will hear a report from Charlene Richards followed by public comment, if any. The Council will then discuss the matter and vote."

3. Conduct of Hearing

"Does anyone in the audience wish to speak on this matter?"
(If Yes]

"I will recognize those persons wishing to speak and any questions should be addressed through me. When you come to the podium, please state your name and address for the record, since this hearing will be tape recorded.

I would encourage those wishing to speak to confine their remarks to the proposed ordinance. Let's move on to Charlene Richard's report."

4. Staff Report

Charlene Richards, Assistant to the City Manager

5. Correspondence

"Have we received any correspondence on this matter other than those items included in the agenda materials?"

6. Audience Testimony

"Does anyone wish to speak in support of the proposed cable regulation and consumer protection?"

"Does anyone wish to speak in opposition to the proposed cable regulation and consumer protection?"

"Is there any further testimony or any further questions from the audience?"

7. Staff Comments

"Does the staff have anything to add which specifically addresses a question raised during the testimony?"

8. Questions of Clarification

"Does any member of the Council have any questions regarding clarification of the testimony to this point? If there are no further questions, I will close the public testimony portion of this hearing."

9. Close Public Testimony

"The public testimony portion of the hearing on the Federal Communication Commission rules is now closed." [Gavel]

10. Discussion Among Council Members

"Is there discussion by Council?"

(No further testimony unless absolutely necessary. You may want the attorney to outline alternatives.)

"Is the Council ready to vote?"

Note: If you wish to continue this matter for any reason, the hearing should be continued to a date certain to avoid the need to publish new notice.



Name: Julie Wisner Date: 10/21/93
 Street Address: 3325 S.E. Wister St. 97222
 Business Phone: 654-3212 Home Phone: 654-7468

How long have you been a Milwaukie resident? 40 years
 Are any members of your household currently serving on a City of Milwaukie Board or Commission? If so, which Commission NO
 Are you a registered voter in Milwaukie? yes
 How did you learn about this position? Tim Corbett & Paul Roeyer

Current Position: optician (17 years) Employer: Dr. Ineand D.D
 Employer's Address: 2306 S.E. Washington Phone: 654-1408

Please list any prior civic or professional activities. neighborhood activist
 on current issues, Keep to Start

Lake Road neighborhood Assoc. Chairman 34th ave
Task Force. Been attending traffic safety meetings & city
council meetings - I started Neighborhood watch in our neighborhood.
 Why would you like to be appointed to this commission? I have a desire to

help milwaukie preserve its safe and livable
environment. I also would like to be an active
participant in establishing the policies that will affect
us in the future when it comes to traffic management.
 What special training, skills, or experience have you had which would be pertinent to this

application? B.S. Degree P.S.D. in Teaching - Enjoy working
with people - Researching information - Making decision
on issues - 34th ave Task Force Chairman & organizer.
Been working w/ the public in the health care field for 17 years.

Boards or Commissions in which you are interested. Traffic Safety Comm.

Please complete this form fully so City Council can evaluate your application.
 Thank you for the extra time and effort.



Received at City Hall _____ Information Sent _____
 Interviewed _____ Appointed _____
 Commission _____ Term Expires _____

TRAFFIC SAFETY COMMISSION

Mission: Advise and make recommendations to the City Council and the City Manager regarding traffic safety needs in the City of Milwaukie.

Functions:

1. Acts in an advisory capacity to the City Council and City Manager in coordination of traffic safety activities to reduce accidents, injuries, and deaths
2. Researches, develops, and implements coordinated traffic safety programs which meet local needs
3. Promotes public acceptance of official programs educating the public on traffic safety
4. Fosters public knowledge and support of traffic law enforcement and traffic engineering problems
5. Works with the school district to promote traffic safety programs in Milwaukie schools

Membership: Seven members appointed by the Mayor and City Council. Appointments are made for terms of two years. No person shall hold appointment for more than two full consecutive terms.

Qualifications:

1. Two members are recommended by the North Clackamas School District, one of whom must be a student of the Milwaukie High School
2. Not more than three members can be nonresidents
3. It is desirable that an applicant be a licensed driver and have a familiarity with basic traffic laws

Meetings: The Traffic Safety Commission meets once a month--the second Monday in the evening--and may schedule additional meetings as necessary.

TRAFFIC SAFETY COMMISSION

Suggested Questions for Interviews

1. Why did you apply for the Traffic Safety Commission?
2. What are your interests in traffic safety?
3. What is your background in relation to traffic safety?
4. What do you see as the major traffic problems in the City of Milwaukie?

PROCLAMATION

WHEREAS, the Milwaukie Benevolent, Protective order of Elks #2032, a fraternal organization, whose Pledge is, "As long as there is a Veteran in a hospital he will never be forgotten"; and

WHEREAS, the members of the Veterans Committee have visited the Patients at the Portland Veterans Administration Medical Center, hosted the Patients on their monthly visits to the Elks Lodge the past 25 years, adopted Veterans in the local Nursing Homes; and

WHEREAS, since 1988 has held a Veterans Day "Remembrance Celebration" honoring the "Enlisted Serviceman/Woman of the Year of the U.S. Coast Guard, U.S. Navy Reserve, U.S. Marine Corps Reserve, U.S. Air Force Reserve, Oregon Army National Guard, Oregon Air National Guard and the Oregon Defense Force";

NOW, THEREFORE, I, Craig J. Lomnicki, Mayor of the City of Milwaukie, the City of the Dogwoods, do hereby proclaim November 11, 1993, as

MILWAUKIE ELKS
"VETERANS REMEMBRANCE CELEBRATION DAY"
IN THE CITY OF MILWAUKIE

and urge all Citizens to join with me in expressing our sincere appreciation for their efforts and for their gracious participation in community events.

Craig J. Lomnicki, Mayor

ATTEST:

City Recorder

CITY OF MILWAUKIE



COMMUNITY DEVELOPMENT
PUBLIC WORKS

5101 S E JOHNSON CREEK BLVD
MILWAUKIE, OR 97206

TELEPHONE: 652-4410
FAX: 774-8236

MEMORANDUM

TO: Mayor and City Council

THRU: Dan Bartlett, City Manager *DB*

FROM: R. Tim Corbett, Public Works Director

RE: Water Rate Resolution

DATE: October 21, 1993

ACTION REQUESTED/RECOMMENDATION

Adopt the attached Water Rate Resolution which will implement a volume based water rate structure and increase Water Fund annual revenues by approximately 11% during the 1994 calendar year.

BACKGROUND

Over the past 9 months, staff has worked with Financial Consulting Solutions Group, Inc. (FCSG) in completing a Water Cost of Service Rate Study. The executive summary from the study is attached for your reference. The results of the study indicate how the City can best allocate costs to customer classes and evaluates alternative rate structures (see attached study).

DISCUSSION

The Citizens Utility Advisory Commission (CUAC) has worked with staff and the consultant during completion of the study and then formulated the attached recommendation. Staff and Council held a work session on October 19 to discuss these recommendations and staff has finalized the attached rate resolution for Council's consideration. The resolution reflects the joint recommendations of staff and the CUAC.

The resolution reflects three major recommendations of the CUAC and staff. The first is to implement a volume based rate structure. Under a volume based rate structure, a lower minimum charge is established but no water is included when paying the minimum charge. The minimum charge is based on the cost to send out bills and to be hooked up to the system regardless of water consumption levels. Each 100 cubic feet of water used is charged at the same unit price. The City's current rate structure has a higher minimum charge which includes 600 cubic feet of water whether it is used or not. Each unit of water used over 600 cubic feet is billed in addition to the minimum fee.

The volume based rate structure is viewed by staff and the CUAC as an equitable rate structure since people are charged for all units of water used. This rate structure also encourages conservation by charging for all water used by the customer. One effect of this structure is that some customers may actually receive lower bills under the new rate structure than they would under the current rate structure if they are using water only for their basic needs.

The second recommendation incorporated in the resolution is a rate increase outlined in the cost of service study. The rate increase is necessary to meet the financial objectives stated in the Cost of Service Study in addition to anticipated capital and operational funding needs. In the draft resolution, rates have been set so that revenues will increase by approximately 11% during the coming calendar year. Since a different rate structure is being implemented, this does not necessarily equate to a straight percentage increase in all customer's rates.

The final recommendation reflected in the resolution is to implement the rate increase during winter low use periods. This will minimize the initial impact of the rate increase to the City's water customers.

attachments

RTC/rtc

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF MILWAUKIE, OREGON, ESTABLISHING FEES FOR WATER SERVICE AS PROVIDED BY MILWAUKIE MUNICIPAL CODE CHAPTERS 13.04 AND 13.20; CLASSIFYING THE FEES IMPOSED BY THIS RESOLUTION AS NOT SUBJECT TO ARTICLE XI, SECTION 11(B) OF THE OREGON CONSTITUTION; AND REPEALING RESOLUTION NO. 19-1992.

WHEREAS, the Milwaukie Municipal Code Chapters 13.04 and 13.20 provide that fees for various water services be established by resolution of the City Council; and

WHEREAS, the City has caused to be prepared a "Water Source Demand Study" and a "Water Rate Study" which have identified the costs, rate structure alternatives, and equitable cost recovery methods; and

WHEREAS, the Milwaukie Citizen Utility Advisory Commission has been involved with development of both these reports and, based on their analysis of these studies, has prepared and delivered to the City Council recommendations for a revised water rate structure; and

WHEREAS, the City desires to establish within its water rate structure both incentives for water conservation and a clearer relationship between consumption and the amount charged;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Milwaukie that:

Section 1. EFFECTIVE DATE: To be effective commencing with billings prepared on or after January 1, 1994.

Section 2. BI-MONTHLY WATER SERVICE FEE:

a. A fixed base rate will be charged which includes no consumption. This base rate reflects the costs associated with the ability to serve the customer such as billing and meter reading.

b. A user charge will be charged based on the the meter reading dates and consumption.

c. The bi-monthly water service fee per connection will be the fixed base rate plus the user charge as shown below:

<u>METER SIZE</u> <u>IN INCHES</u>	<u>FIXED BASE</u> <u>RATE</u>	<u>CHARGE PER 100</u> <u>CUBIC FEET USED</u>
3/4" or smaller	\$ 5.79	\$ 1.31
1"	8.05	1.31
1 1/2"	12.99	1.31
2"	20.17	1.31
3"	49.73	1.31
4"	70.66	1.31
6"	126.12	1.31

Section 3. BI-MONTHLY LOW INCOME FEES: A reduced water service fee of \$2.90 fixed base rate and \$1.31 per 100 cubic feet of water consumption shall be charged for individual water system users qualifying under Chapter 13.20 of the Milwaukie Municipal Code.

Section 4. BI-MONTHLY STANDBY CHARGES: Fee for standby water lines and service used for fire protection:

<u>METER SIZE IN INCHES</u>	<u>FIXED BASE RATE</u>	<u>RATE PER 100 CUBIC FEET USED</u>
Standby Fire Protection		
2"	8.59	1.31
4"	30.95	1.31
6"	45.06	1.31
8"	61.18	1.31
10"	77.29	1.31
12"	93.41	1.31

Section 5. CUSTOMERS OUTSIDE THE CITY LIMITS: Fee for water service outside the city limits of Milwaukie shall be 1.5 times regular fee.

Section 6. TEMPORARY SERVICE FEE: Pursuant to Section 13.04.060, the fee for temporary service shall be:

- a. Fixed base rate bi-monthly water fee will be as defined in section 2 of this resolution
- b. Rate per 100 cubic feet of water consumption will be \$1.31
- c. A hook-up fee of \$21.00 will be charged for temporary meters.
- d. A discontinuance fee of \$21.00 will be charged for the removal of temporary meters.
- e. A security deposit of \$500 will be collected at the time application is made for temporary service. A refund of the deposit will be made after the deduction of outstanding water fees.

Section 7. OTHER FEES: The following fees are set by this resolution:

- a. Delinquent Payment/Service Restoration Fee
Pursuant to Section 13.04.120:
During working hours - \$21.00
Outside working hours - \$31.50.
- b. Discontinuance of water service pursuant to
Section 13.04.080 (E):
During working hours - \$21.00
Outside working hours - \$31.50
- c. Meter removal and replacement pursuant to Section
13.04.080 (E) - Actual cost.
- d. Meter testing pursuant to Section 13.04.080 (C) -
Actual cost.

Section 8. SECURITY DEPOSIT: Pursuant to Chapter 13.04.100 of the Milwaukie Municipal Code, the City may require a deposit from all new applicants for service and those requesting restoration of service in an amount not to exceed the fixed base rate fee for six months as security against unpaid fees.

Section 9. CLASSIFICATION: The City Council determines that the fees imposed by this resolution are not taxes subject to the property tax limitations of Article XI, Section 11 (b) of the Oregon Constitution.

Section 10. REPEAL. Resolution No. 19-1992 is hereby repealed.

Introduced and adopted by the City Council of Milwaukie on

_____.

Mayor Craig Lomnicki

ATTEST:

City Recorder

APPROVED AS TO FORM:

City Attorney

RESOLUTION NO. _____

6

CITY OF MILWAUKIE

F 13



COMMUNITY DEVELOPMENT
PUBLIC WORKS

5101 S E JOHNSON CREEK BLVD
MILWAUKIE, OR 97206

TELEPHONE: 652-4410
FAX: 774-8236

MEMORANDUM

TO: Mayor and City Council

THRU: Dan Bartlett, City Manager *DB*

FROM: R. Tim Corbett, Public Works Director *RTC*

RE: Water Cost of Service Study and Rate Recommendation Work Session

DATE: October 7, 1993

ACTION REQUESTED

Conduct a work session to review the attached Water Cost of Service Study and provide input on the attached Water Rate Resolution.

BACKGROUND

During the evaluation of revenue needs for the Water Fund and development of a recommendation for a subsequent rate increase for FY 92-93, both staff and the Citizens Utility Advisory Commission (CUAC) recommended that the City conduct a Cost of Service Rate Study. This study has recently been completed and is attached for your reference. The results of the study indicates how the City can best allocate costs to customer classes and evaluates alternative rate structures (see attached study).

DISCUSSION

The CUAC has worked with staff and the consultant in the development of the final study results and the formulation of the attached recommendation. Based on the CUAC's recommendation, staff developed a draft rate resolution for Council's consideration. The resolution reflects the recommendations put forth by the CUAC. Staff has tentatively scheduled a Public Hearing for consideration of the rate resolution for the November 2, 1993 Council meeting.

The resolution reflects three major recommendations of the CUAC and staff. The first is to implement a volume based rate structure. Under a volume based rate structure, a lower minimum charge is established but no water is included when paying the minimum charge. The minimum charge is based on the cost to send out bills and to be hooked up to the system whether the customer uses water or not. Each 100 cubic feet of water used is charged at the same unit price. The City's current rate structure has a higher minimum charge which includes 600 cubic feet of water whether it is used or not. Each unit of water used over 600 cubic feet is billed in addition to the minimum fee.

The volume based rate structure is viewed by the CUAC as a fair rate structure since people are charged for all units of water used. This rate structure also encourages conservation by charging for all water used by the customer. One effect of this structure is that some customers may actually receive lower bills if they are using water only for their basic needs.

The only disadvantage to this structure is that the City cannot depend on the larger minimum fee being collected under the current system for all users. This rate structure may make it more difficult to anticipate how much revenues will be collected in any given month. Revenues may be significantly lower during wet weather months and higher during hot months. As a result, revenues become unstable.

The second recommendation incorporated in the resolution is a rate increase outlined in the cost of service study. The rate increase is necessary to meet the financial objectives stated in the Cost of Service Study in addition to anticipated capital and operational funding needs. In the draft resolution, rates have been set so that revenues will increase by approximately 11% during the coming calendar year. Since a different rate structure is being implemented, this does not necessarily equate to a straight percentage increase in all customer's rates.

The final recommendation reflected in the resolution is to implement the rate increase during winter low use periods. This will minimize the initial impact of the rate increase to the City's water customers.

RECOMMENDATION/CONCLUSION

Staff recommends that Council conduct a Public Hearing at the November 2, 1993 Council meeting to consider the attached resolution. The resolution reflects the recommendations of the CUAC and staff regarding a recommended rate increase and change in rate structure.

attachments

RTC/rtc

October 6, 1993

CITIZEN UTILITIES ADVISORY COMMISSION

WATER RATE RECOMMENDATION

Facts Considered

The following information was considered in the development of the CUAC's water rate recommendation:

1. The rate analysis which this recommendation is based on was a complete Cost of Service Rate Study performed by FCS Group. The study was developed working with the CUAC over an 8 month period.
2. The rate study conducted by FCS Group study evaluated alternative rate structures, forecasted future revenue requirements and reviewed the actual current costs to provide water service.
3. A Water Source Demand study was conducted during the same time frame as the Cost of Service Rate Study and information developed relating to forecasted demand and capital improvements needed to meet that demand was incorporated into revenue requirements.
4. The City is facing increasing costs as a result of new mandates and requirements of the Safe Drinking Water Act including increased testing for contaminants such as lead and copper. These costs are in addition to needed capital improvements to meet future demand.
5. Conservation efforts by the City will need to increase to delay capital improvements required to meet demand.
6. Under the current rate structure, residents pay a fixed amount for which they receive a set amount of water. Once this fixed minimum of water is used, customers are charged for each unit (100 cubic feet) they use above that set amount.
7. The rate study reviews three alternative rate structures. The alternatives include the current rate structure, volume based rates and block rates with steps. These different rate structures are described below along with the advantages and disadvantages of each:

Existing Rate Structure

This is the same as our current structure with a fixed rate for water usage up to 600 cubic feet and an additional charge for each additional 100 cubic feet of water used.

Advantages: Customers are familiar with this system and it is easy to administrate. Revenues are relatively stable and easy to predict.

Disadvantages: Continues using old methods not relying on new information to ensure everyone pays their fair share.

Volume Based Rates

A lower minimum charge is established but no water is included when paying the minimum charge. The minimum charge is based on the cost to send out bills and to be hooked up to the system whether the customer uses water or not. Each 100 cubic feet of water used is charged at the same price.

Advantages: This is a fair rate structure since people are charged based on what they use. This rate structure encourages conservation by charging for all water used by the customer. This rate structure may lower bills for those who use water for just their basic needs.

Disadvantages: Since the City cannot depend on the larger minimum fee being collected under the current system for all users, this rate structure may make it more difficult to anticipate how much revenues will be collected in any given month. Revenues may be significantly lower during wet weather months and higher during hot months. Revenues become unstable.

Block Rate With Steps

This rate structure is similar to a volume based structure but as usage increases, water costs per for 100 cubic feet would increase as usage increases. For example, 1 to 12 units (100 cubic feet) of water would be at a lower cost than 13 to 24 units of water, and 25 or more units would be at an even higher cost.

Advantages: Water for basic needs remains affordable. There is a strong incentive for conservation. Our water delivery and supply system must be have adequate capacity to meet the demand when we use the most water; this rate structure charges the highest prices to those that use the most water during these time of peak use.

Disadvantages: Difficult to implement and administrate. May place a burden on large users.

Findings

1. Current rate structures evolved over time and may not necessarily reflect the actual cost to deliver service to specific customers in an equitable manner.
2. A Public meeting was held on June 22, 1993 to receive public input and there was a general consensus of attending citizens that rates should be directly related to use. Water provided as part of a minimum fee should be eliminated.
3. While conservation is important, the rate structure should not encourage conservation at the risk of penalizing certain groups such as large users.
4. The initial impact of a rate increase would be less in the winter than in the summer. The City's past practice of increasing rates in the summer may have led to a perception that the rate increases were higher than they actually were.
5. The City could implement a temporary surcharge for times when peak demand comes close to available supply to encourage short term conservation. The surcharge can be designed to be revenue neutral. This means water usage would decrease as a result and the extra surcharge would keep revenues the same during these times despite lower water sales.

Recommendation

After due consideration of the facts and issues, the CUAC recommends the following:

1. Implement a volume based rate structure.
2. Set rates so that revenues increase by approximately 11%. Since a different structure is being implemented this does not necessarily equate to a straight percentage increase in all customer's rates.
3. Make the increase effective during the winter low use months. Rate increases in the future should be done at this time to minimize the initial impact of rate increases. This may also assist businesses in budgeting if they utilize a calendar year as their fiscal year.
4. The CUAC leaves the policy decisions of rate adjustments to the Council.

5. A Consultant should update this study every two years.
6. The City should update water System Development Charges in the spring of 1993.

This recommendation was passed by the CUAC with a 5 to 2 vote on October 6, 1993.

Executive Summary

EXECUTIVE SUMMARY

A. Background

In December 1992, the City of Milwaukee authorized FCS Group to proceed with a revenue requirements and cost of service rate study. The purpose of the study was to develop updated water rates sufficient to meet the current and projected financial requirements of the utility while providing an equitable method for recovering costs. The study addresses five general areas:

- o Capital Funding and System Development Charges
- o Revenue Requirements Projections
- o Cost of Service Allocation
- o Customer Classification and Unit Costs
- o Rate Design

B. Capital Funding and System Development Charges

The total estimated cost of the five year CIP from FY 1993-94 through FY 1997-98 is over \$2 million in escalated dollars. Capital funding resources were estimated from a variety of potential sources: estimated available fund balances, rates; system development charge revenues; capital reserves; and revenue bonds.

We recommend the City formalize a long term perspective on capital financing which allows the City to plan for the future rate impacts of planned capital projects. Such a perspective will stabilize rate impacts and provide more effective financial planning. We recommended the City establish a replacement reserve to be supported by annual rate contributions equal to \$250,000 in the first year (approximately the amount of annual depreciation expense) and adjusted for inflation in future years.

C. Revenue Requirements Projections

The rate revenue requirements analysis projects the amount of funding required from rates for the study period. It recognizes the cash needs of the utility and tests the need to meet other obligations, such as coverage requirements on revenue bonds. Revenue requirements from rates are estimated to be over \$8.7 million during the five year study period.

The revenue requirements include the funding of recommended capital reserves and the need for adequate operating reserves. It is our recommendation that the City maintain a balance of at least 75 days of cash operating expenses to accommodate routine fluctuations in revenues and expenses. To meet revenue requirements, we recommend the following percentage increases in overall revenues based on a January 1 rate implementation date. Actual rate increases will vary by customer class depending on the cost allocation and rate structure.

RECOMMENDED PERCENTAGE INCREASES IN OVERALL REVENUES

1993-94	1994-95	1995-96	1996-97	1997-98
11%	13%	6.5%	4.0%	4.0%

D. Cost of Service Allocation

The cost of service allocation provides the basis for recovering revenue requirements from customers according to the average or peak demand they place on the utility. Costs are allocated to four functional cost categories:

1. Customer (readiness to serve and customer billing);
2. Base (average levels of service);
3. Extra Capacity (peak demand requirements);
4. Fire Protection (storage requirements and hydrants).

E. Customer Classification & Unit Cost Development

In order to distribute these costs among system users, we developed unit costs based on customer class statistics provided by the City. We applied various combinations of the unit costs to generate alternative rate structures.

The current rate structure assigns a numerical code to each meter size but does not identify whether the account is residential, multi-family, or commercial. For the purposes of this rate study, we used the sewer code to identify customer class. However, certain accounts have no sewer and therefore the use classification cannot be determined.

If the City decides to adopt an increasing block rate structure in the future, the customer classification for each account must be determined and identified in the billing system rate structure. Also, before implementing an increasing block rate structure, we recommend the City update the customer and use statistics with recent data. In the rate study, we relied on statistics from 1991 because 1992 statistics were flawed due to billing system implementation and biased due to regional water restrictions which, while not applicable in Milwaukee, affected usage patterns.

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SUMMARY OF RECOMMENDED RATE INCREASES

	1993-94	1994-95	1995-96	1996-97	1997-98
Total Cash Available	\$1,712,700	\$1,491,307	\$1,481,496	\$1,490,104	\$1,515,884
Total Cash Needed	\$1,712,700	\$1,793,281	\$1,872,576	\$1,968,791	\$2,064,448
Cash Shortfall	\$0	(\$301,974)	(\$391,080)	(\$478,687)	(\$548,564)
Rate Increase Required	0.0%	21.6%	6.2%	6.0%	4.7%
Recommended Rate Increase Based on January 1 Implementation	11.0%	13.0%	6.5%	4.0%	4.0%

THESE RATE INCREASES PROVIDE THE FOLLOWING BENEFITS:

- a cash reserve to protect and replace the City's investment in long-term fixed assets. The reserve will pay for replacing assets when they wear out without large rate increases.
- finance a \$2.1 million, 5-year construction schedule which continues the effort to up-size and upgrade water mains and provides for the possible need to increase system capacity.
- bring cash reserves up to reasonable levels.
- pay for on-going O & M estimated to cost about \$7 million. Includes inflation of 4% per year.

F. Rate Design

In order to reflect City rate policies on equity, conservation, and lifeline rates, we developed four rate alternatives: two variations on the existing rate structure (minimum charge and flat excess use charge for water usage over a water allowance determined by meter size); a volume based rate with no allowance; and an increasing block rate which charges increasing volume rates for usage over specified levels.

We recommend the City adopt a volume based rate with no allowance. This rate structure reduces the fixed monthly charge for all customers and eliminates the water allowance so that all consumption is billed at a flat rate charged to all customers. This rate structure will move the City towards a rate structure which promotes efficient and conservative use of water.

We recommend that the City adopt new rates as of January 1, 1994, with annual rate increases taking effect in January of subsequent years.

The following tables show the recommend rates and a comparison to existing or proposed rates. Note that calculating the sample bills manually will produce slightly different results due to rounding to the nearest cent.

**MILWAUKEE WATER RATE SCHEDULE
31-MONTHLY WATER FEES (EVERY TWO MONTHS)**

Meter Size	Rates effective July 1992			Recommended Rates effective January 1994		
	Water Allowance Ccf	Fixed with Minimum	Excess Use per Ccf	Water Allowance Ccf	Fixed, No Minimum	Use per Ccf
3/4" or smaller	6	\$12.00	\$1.16	0	\$5.79	\$1.31
1"	10	\$21.00	\$1.16	0	\$8.05	\$1.31
1 1/2"	20	\$42.00	\$1.16	0	\$12.99	\$1.31
2"	32	\$63.00	\$1.16	0	\$20.17	\$1.31
3"	60	\$120.00	\$1.16	0	\$49.73	\$1.31
4"	100	\$200.00	\$1.16	0	\$70.66	\$1.31
6"	200	\$400.00	\$1.16	0	\$126.12	\$1.31
Low Income	6	\$6.00	\$1.16	0	\$2.90	\$1.31
Standby Fire Protection						
2"	32	\$24.20	\$1.16	0	\$8.59	\$1.31
4"	100	\$48.40	\$1.16	0	\$30.95	\$1.31
6"	200	\$72.60	\$1.16	0	\$45.06	\$1.31
8"	320	\$96.80	\$1.16	0	\$61.18	\$1.31
10"		\$121.00	\$1.16	0	\$77.29	\$1.31
12"		\$145.20	\$1.16	0	\$93.41	\$1.31
Outside City Limits	1.5 times regular fee			1.5 times regular fee		

SAMPLE BILLS

Customer Type	Consumption Ccf	Bill @ existing rates	Bill @ Recommended rates	% Increase
<i>3/4" residential</i>				
February/March average	14	\$21.28	\$24.13	13.4%
Annual average	17	\$24.76	\$28.06	13.3%
August/September average	24	\$32.88	\$37.23	13.2%
Moderately High Consumption	40	\$51.44	\$58.19	13.1%
Very High Consumption	70	\$86.24	\$97.49	13.0%
Low Income Annual Average	10	\$10.64	\$16.00	50.4%
2" commercial	164	\$216.12	\$235.01	8.7%

THRESHOLDS FOR INCREASING BLOCK RATES

Meter Size	Block		
	1	2	3
3/8" & 3/4"	0	12	24
1"	0	20	40
1 1/2"	0	40	80
2"	0	84	128
3"	0	128	256
4"	0	200	400
6"	0	400	800

COMPARISON OF RECOMMENDED WATER RATES EFFECTIVE JANUARY 1994 AND PROPOSED RATES 31-MONTHLY WATER FEES (EVERY TWO MONTHS)

Meter Size	Recommended Rates effective July 1993			Recommended Rates effective January 1994					
	Water Allowance Ccf	Fixed with Minimum	Excess Use per Ccf	Water Allowance Ccf	Fixed, No Minimum	Block 1	Block 2	Block 3	
<i>Residential</i>									
3/4" or smaller	0	\$5.52	\$1.27	0	\$5.80	\$1.19	\$1.44	\$1.59	
1"	0	\$7.58	\$1.27	0	\$8.09	\$1.19	\$1.44	\$1.59	
1 1/2"	0	\$12.42	\$1.27	0	\$13.14	\$1.19	\$1.44	\$1.59	
2"	0	\$19.30	\$1.27	0	\$20.41	\$1.19	\$1.44	\$1.59	
3"	0	\$47.48	\$1.27	0	\$50.04	\$1.19	\$1.44	\$1.59	
4"	0	\$67.50	\$1.27	0	\$71.28	\$1.19	\$1.44	\$1.59	
Low Income	0	\$2.78	\$1.27	0	\$2.90	\$1.19	\$1.44	\$1.59	
<i>Commercial</i>									
3/4" or smaller	0	\$5.52	\$1.27	0	\$5.80	\$1.38	\$1.38	\$1.38	
1"	0	\$7.58	\$1.27	0	\$8.09	\$1.38	\$1.38	\$1.38	
1 1/2"	0	\$12.42	\$1.27	0	\$13.14	\$1.38	\$1.38	\$1.38	
2"	0	\$19.30	\$1.27	0	\$20.41	\$1.38	\$1.38	\$1.38	
3"	0	\$47.48	\$1.27	0	\$50.04	\$1.38	\$1.38	\$1.38	
4"	0	\$67.50	\$1.27	0	\$71.28	\$1.38	\$1.38	\$1.38	
6"	0	\$120.85	\$1.27	0	\$127.63	\$1.38	\$1.38	\$1.38	
<i>Standby Fire Protection</i>									
2"	0	\$8.15	\$1.27	0	\$8.51	\$1.38	\$1.38	\$1.38	
4"	0	\$29.27	\$1.27	0	\$30.49	\$1.38	\$1.38	\$1.38	
6"	0	\$42.59	\$1.27	0	\$44.34	\$1.38	\$1.38	\$1.38	
8"	0	\$57.82	\$1.27	0	\$60.18	\$1.38	\$1.38	\$1.38	
10"	0	\$73.04	\$1.27	0	\$76.01	\$1.38	\$1.38	\$1.38	
12"	0	\$88.27	\$1.27	0	\$91.85	\$1.38	\$1.38	\$1.38	
Outside City Limits	1.5 times regular fee			1.5 times regular fee					

SAMPLE BILLS

Customer Type	Consumption Ccf	Bill @ recommended rates 7/93	Bill @ recommended rates 1/94	% Increase
<i>3/4" residential</i>				
February/March average	14	\$23.38	\$22.94	-1.8%
Annual average	17	\$27.18	\$27.25	0.3%
August/September average	24	\$38.10	\$37.32	3.4%
High Consumption	40	\$58.49	\$64.33	13.9%
High Consumption	70	\$94.71	\$114.98	21.4%
Low Income Annual Average	10	\$15.50	\$14.78	-4.6%
2" commercial	184	\$228.27	\$248.09	7.8%

CITY OF MILWAUKIE



FAX (503) 652-4433

MEMORANDUM
October 24 1993

TO: Honorable Mayor and City Council

THROUGH: Dan Bartlett, City Manager *DB*

FROM: Charlene Richards *CR* Assistant to the City Manager

SUBJECT: Cable Rate Regulation and Consumer Protection and Customer Service

Action Requested:

Council review the new Federal Communication Commission (FCC) rules pertaining to rate regulation and consumer protection and customer service. Council determine if the City should commence FCC certification procedures to regulate rates and notify the cable operator of the City's intent to adopt and enforce the federal customer service standards. If the City wishes to regulate rates, the Council should authorize the Mayor to sign the FCC 328 form. If the City wishes to adopt and enforce the federal customer service standards, they should move that City staff notify the cable operator and FCC.

Background:

The Cable Television Consumer Protection and Competition Act of 1992 (the 1992 Cable Act) amended The Cable Communications Policy Act of 1984. The three main components of particular interest to the City as a franchising authority are:

- * rate regulation by the FCC or by the City;
- * consumer protection and customer service minimum standards enforceable by the City or the FCC; and
- * must-carry rules for commercial and noncommercial television stations and broadcaster retransmission consent.

1. Rate Regulation

Beginning September 1, 1993, franchising authorities could choose to regulate the rates of basic and cable programming service. The FCC will regulate premium channel service. The average monthly rates for basic and cable programming service were frozen from April 5, 1993 until November 15, 1993.

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Honorable Mayor and City Council
Cable Rate Regulation and Consumer Protection and Customer Service
October 24, 1993
Page 2

If the City chooses to regulate rates, it must submit to the FCC a certification form, notify its cable operator, become certified and adopt a resolution that allows the City to set rates. The cable operator must submit to the City within 30 days the form FCC 393 showing calculation of benchmark rates. The City will have up to 120 days after receiving the benchmark rate schedule to determine opportunity to participate. If applicable, the City may require rate reductions or refunds to its customers retroactive for a maximum of one year or October 1, 1993, whichever is shorter. maximum of one year or October 1, 1993, whichever is shorter.

The intent of the regulations is to ensure pricing that reflects effective competition where no competition exists. Mike O'Leary, General Manager for Jones Intercable, Inc. in Milwaukee, requests that the City not file for rate regulation and allow current rates to be maintained. He contends that the benchmark rates will have adverse affect on cable customers in the City. There is no requirement that the cable operator raise rates that are below the benchmark up to the benchmark. Should the City choose not to file for rate regulation at this time, they may choose to file for regulation at any time in the future.

Attached is a comparison of current rates and benchmark rates. As you can see, the results are that some customers will save money and some will have rate increases.

2. Consumer Protection and Customer Service

The FCC was required to adopt new rules that set "baseline" customer service standards. The City may choose to adopt and enforce these rules 90 days after giving notice to our cable operator and the FCC. The FCC standards define normal business hours, normal operating conditions and service interruptions. Attached is a comparison of FCC and current franchise standards. If the City adopts the FCC standards, it may also adopt additional and more stringent local standards as allowed through our franchise and other local rules. Once the City has notified the FCC and the cable operator of its intent to enforce federal rules, the City will have 90 days to establish enforcement mechanisms and penalties. Mr. O'Leary has provided information that shows the cable operator currently meets federal baseline standards which exceed current franchise requirements.

3. Must-Carry/Retransmission Consent

Cable operators must carry local commercial and noncommercial television signals. Cable operators must receive permission from their commercial broadcast stations to retransmit signals. This permission may entail a fee which may affect basic service tier rates. FCC rules allow rates to be adjusted to reflect retransmission consent fee increases occurring after October 6, 1994. Mr. O'Leary will update Council on the status of retransmission consent fee negotiations.

JONES INTERCABLE RATE COMPARISON

SERVICE	PRIOR MARCH 1993	CURRENT RATES 1993	FCC REGS FORM 393 RATES	DIFF CURRENT FCC	TOTAL DIFF CURRENT FCC	# Receiving Service
Limited Basic		\$10.95	\$9.48	(\$1.47)	(\$89.67)	61
additional \$ for Tier One Basic/Tier One	\$19.00	\$8.05 \$19.00	\$9.48 \$18.96	\$1.43 (\$0.04)		35
Hypethetical Sr Discount	\$17.00				(\$1.40)	
additional \$ for Tier Two Basic+/Tier Two	\$20.00	\$3.00 \$22.00	\$3.25 \$22.21	\$0.25 \$0.21	\$736.68	3508
Sr Discount	\$18.00	\$19.80	\$19.99	\$0.19	\$194.18	1022
Remotes	\$2.00	\$2.00	\$0.00	(\$2.00)	(\$2,678.00)	1339
Add'l Outlets basic	\$2.50	\$2.50	\$0.00	(\$2.50)	(\$4,060.00)	1316 1624
premium	\$5.00	\$5.00	\$0.00	(\$5.00)	(\$1,790.00)	358
Converter Boxes basic	\$0.00	\$0.00	\$1.75	\$1.75	\$2,135.00	3856 1220
premium	\$0.00	\$0.00	\$1.75	\$1.75	\$4,838.75	2765
Subtotal*	\$24.50	\$26.50	\$23.96	(\$2.54)	(\$3,866.32)	7691
Sr Discount	\$22.50	\$24.30	\$21.74	(\$2.56)	(\$4408.82)	5205

* Tier Two with remote, additional outlet & converter box

EXAMPLES

SERVICE	PRIOR MARCH 1993	CURRENT RATES 1993	FCC REGS FORM 393 RATES	DIFF CURRENT FCC	TOTAL DIFF CURRENT FCC	# Receiving Service
Limited Basic w/ converter box						
Limited Basic	\$19.00	\$10.95	\$9.48	(\$1.47)	(\$89.67)	61
Converter Boxes						
basic	\$0.00	\$0.00	\$1.75	\$1.75	\$24.50	14
Total	\$19.00	\$10.95	\$11.23	\$0.28	(\$65.17)	
Basic Plus with one converter box						
Basic Plus/ Tier Two	\$20.00	\$22.00	\$22.21	\$0.21	\$736.68	3508
Converter Boxes						
basic	\$0.00	\$0.00	\$1.75	\$1.75	\$2,135.00	1220
Total	\$20.00	\$22.00	\$22.21	\$0.21	\$736.68	
Basic Plus (Sr) with one converter box						
Sr Discount	\$18.00	\$19.80	\$19.99	\$0.19	\$194.18	1022
Converter Boxes						
basic	\$0.00	\$0.00	\$1.75	\$1.75	\$1,312.50	750
Total	\$18.00	\$19.80	\$21.74	\$1.94	\$1506.68	

cable93.10a

EXAMPLES

SERVICE	PRIOR MARCH 1993	CURRENT RATES 1993	FCC REGS FORM 393 RATES	DIFF CURRENT FCC	TOTAL DIFF CURRENT FCC	# Receiving Service
Limited Basic w/remote, additional outlet & converter box						
Limited Basic	\$19.00	\$10.95	\$9.48	(\$1.47)	(\$89.67)	61
remotes	\$2.00	\$2.00	\$0.00	(\$2.00)	(\$12.00)	6
Add'l Outlets basic	\$2.50	\$2.50	\$0.00	(\$2.50)	(\$30.00)	12
Converter Boxes basic	\$0.00	\$0.00	\$1.75	\$1.75	\$24.50	14
Total	\$23.50	\$15.45	\$11.23	(\$4.22)	(\$107.17)	

Basic Plus with one remote, one additional outlet & one converter box

Basic Plus/ Tier Two	\$20.00	\$22.00	\$22.21	\$0.21	\$736.68	3508
Remotes	\$2.00	\$2.00	\$0.00	(\$2.00)	(\$2,752.00)	1376
Add'l Outlets basic	\$2.50	\$2.50	\$0.00	(\$2.50)	(\$4,027.50)	1611
Converter Boxes basic	\$0.00	\$0.00	\$1.75	\$1.75	\$2,135.00	1220
Total	\$20.00	\$22.00	\$22.21	\$0.21	\$736.68	

Basic Plus (Sr) with one remote, one additional outlet & converter

Sr Discount	\$18.00	\$19.80	\$19.99	\$0.19	\$194.18	1022
Remotes	\$2.00	\$2.00	\$0.00	(\$2.00)	(\$434.00)	217
Add'l Outlets basic	\$2.50	\$2.50	\$0.00	(\$2.50)	(\$750.00)	300
Converter Boxes basic	\$0.00	\$0.00	\$1.75	\$1.75	\$1,312.50	750
Total	\$22.50	\$24.30	\$21.74	(\$2.56)	\$322.68	

cable93.10a

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1992 CABLE ACT
CONSUMER PROTECTION AND CUSTOMER SERVICE
FEDERAL COMMUNICATIONS COMMISSION RULES
VERSES
CITY FRANCHISE

FCC Rules

City Franchise

Normal Business Hours

Telephone access lines
24 hrs, 7 days

24 hour basis
Sec 11.1 E

Telephone answer time
30 sec wait time

Not > 2 min avg
Sec 11.1 E

Busy signals
Not > 3%

Customer service centers/
bill payment locations
Conveniently located
Open some evenings,
weekends

In Franchise area
Usual business hours

Installation, Outages, Service Calls

Standard installations
Within 7 days

Within 10 business days
Within 45 business days
(interactive/innovative)
Sec 11.1 B

Service interruptions
Begin work not
> 24 hrs after
notice

All outages repaired
within 24 hrs of notifying
of equipment failure
others same or following
business day
Sec 11.1 B

Appointment windows
4 hour time blocks

Appointment cancellations
Cancel before close of
business day prior to
appointment, if late
reschedule

Communications, Billing, Refunds

Written information to be provided
Annually
Upon installation
Anytime upon request

Sec 11.3 A
Sec 11.2
Upon changes of
cable operator

Required written information
Products/services offered
Prices/options for
programming services
Installation/service
maintenance policies
Instructions
Channel positions
Billing/complaint
procedures
Address/telephone # of
franchising authority

Sec 11.2
Sec 11.2
Sec 11.3 A
Sec 11.3 A & 11.8

Changes in rates, programming services,
channel positions
Cable operator provides
30 days advance notice

Advance notice to
City
Sec 7.10

Billing
Clear, concise, understandable
Itemization required
Operator responds to written
subscriber complaints within
30 days

Refunds
Earlier of next billing cycle
or 30 days following
resolution of complaint

Promptly refunds
Sec 9.7 E

Credits
Next billing cycle following
resolution



METRO AREA CABLE RATE COMPARISON

	<u>JONES INTERCABLE</u>	<u>TCI</u>	<u>PARAGON</u>	<u>COLUMBIA</u>
Limited Basic	\$10.95	\$10.58	\$14.65	\$6.48 (12 Chs.)
Full Basic	\$22.00	\$20.50	\$21.72	\$22.05
Converter Fee	No Charge	\$ 2.87	\$ 2.20	\$ 1.72
Basic w/Converter	\$22.00	\$23.37	\$23.92	\$23.77
Senior Discount	10%	None	5%	None
HBO	\$9.50	\$12.95	\$11.00	\$10.95
Showtime	\$9.50	\$12.95	\$10.47	\$ 8.30
Movie Channel	\$4.50	\$11.95	\$ 6.26	\$ 8.30
Cinemax	\$8.50	N/A	\$10.47	\$ 9.95
Disney	Included w/basic	\$11.95	\$10.47	\$ 8.30

SYSTEM : MILWAUKIE
 HEADEND : _____

Call Sign and Off-Air Channel	Affiliate	Cable Channel	Status	ADI/ Non-ADI	Comments
KATU - 2	ABC	3	Retrans. Consent	ADI	Three year carriage contract.
KOIN - 6	CBS	4	Retrans. Consent	ADI	Currently negotiating with Scripps Howard Broadcasting under a 90 day extension which expires on Jan. 7, 1994.
KGW - 8	NBC	7	Retrans. Consent	ADI	Six year carriage contract in exchange for our carriage of the Northwest Cable News channel.
KOPB - 10	Educ.	9	M/C	ADI	Must Carry
KPTV - 12	Indep	11	M/C	ADI	Must Carry
KPDx - 49	Fox	13	Retrans. Consent	ADI	Currently negotiating with FOX under a 6 month extension which expires in April, 1994.
KNMT - 24	TBN		M/C	ADI	Must Carry
KBSP - 22	Indep.	22	M/C	ADI	Must Carry
KEBN - 32	Indep.	—	M/C	ADI	This station is currently dark but has elected Must Carry status should it return to the air.



CITY OF MILWAUKIE MEMORANDUM

FAX (503) 652-4402

TO: Mayor and City Council
THROUGH: Dan R. Bartlett, City Manager *Dan*
FROM: Angus M. Anderson, Finance Director and *AA*
DATE: October 25, 1993
RE: Investment Policies

RECOMMENDATION:

Adopt the attached INVESTMENT POLICY as the approved investment policy for the City of Milwaukie.

BACKGROUND INFORMATION:

A work session with City Council to discuss revisions to the Investment Policy was held June 8, 1993. Council was briefed on the current investment policies and changes as proposed by the Finance Director. In that work session several aspects of investment policies in general and the needs of the City of Milwaukie in particular were discussed. It was stated that, in general, by having a written investment policy the City establishes guidelines and standards to help ensure that its funds are being managed in a prudent manner. This translates into a policy statement concerning safety in terms of preserving capital in the City's portfolio, maintaining sufficient liquidity to cover all operating requirements, and investing funds to attain the highest market rate of return available, considering the City's investment risk constraints and cash flow characteristics.

It was pointed out that in accordance with the current policy, the City of Milwaukie is investing in direct U.S. Treasury obligations, the Local Government Investment Pool (LGIP) and in Certificates of Deposit:

- The LGIP is a short-term money fund operated by the State Treasurer's office which invests in money market instruments. There is no minimum investment and interest rates fluctuate daily. The LGIP has one day liquidity which enables the City to transfer up to 2 million dollars from the pool into the bank within one day.
- Certificates of Deposits are FDIC insured up to \$100,000, 25%, or 110% collateralized with the Oregon State Treasury, depending upon the financial condition of the institution. They are also guaranteed by the issuing bank. The Certificate of Deposit's interest rate, term, and amount of are fixed at time of purchase by the City. Because of the "anemic" interest rates available on CDs, all City investments are currently in the LGIP.

The impetus for revising the Investment Policy came from the 1992 Audit Management Letter prepared by Coopers & Lybrand Certified Public Accountants which stated: "As we noted in the prior year, the City's investment policy currently restricts investments to direct and guaranteed obligations of the United States, the Oregon Local Government Investment Pool and certificates of deposit and requires certain diversification percentages for each type of investment.

"We endorse the City's efforts in having a sound investment policy; however, we believe the City should consider expanding its investment policy to allow for investments in bankers acceptances, bank repurchase agreements and other such investments allowed under Oregon law.

"Expansion of the City's investment policy will allow for greater flexibility without sacrificing safety. Particularly in light of the lower interest rates presently available in the market place, the City needs to have the flexibility to invest in safe investments which yield a higher rate of return.

"Recommendation. We again recommend the City expand its investment policy to allow for greater diversification of investments."

Based on this recommendation the Finance Department proposed that the existing investment policy be revised. The resultant proposed policy was presented at the June 8th worksession.

On September 20, 1993, the proposed Investment Policy was presented to the Oregon Short Term Fund Board for input and review. The Fund Board recommended six changes/clarification's and stated "Overall good policy". The recommendations made by the Short Term Fund Board have been incorporated into the proposed policies which are now presented to Council for adoption.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON,
ADOPTING INVESTMENT POLICIES.**

WHEREAS, There is a need for a written investment policy to establish guidelines and standards within which to invest available funds, and

WHEREAS, The existing investment policy for the City of Milwaukie is not considered adequate, and

WHEREAS, The City of Milwaukie is proposing an investment policy which has been reviewed for statutory compliance by the Oregon Short Term Fund Board.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Milwaukie, Oregon adopts the attached investment policies as the approved investment policies for the City:

Introduced and adopted by the City Council of the City of Milwaukie, Oregon on November 2, 1993.

Craig Lomnicki, Mayor

ATTEST:

APPROVED AS TO FORM

O'DONNELL, RAMIS, CREW & CORRIGAN

Pat DuVal, City Recorder

City Attorney

**CITY OF MILWAUKIE
INVESTMENT POLICY**

The following Investment Policies are intended to meet the requirements of ORS 294.035 and to provide the framework within which City of Milwaukie funds may be invested. A copy of ORS 294.035 is attached at the end of this investment policy.

Scope

These investment policies apply to excess cash related to all activities and funds under the direction of the Milwaukie City Council. These excess cash amounts are normally greatest during the period November through January of each year to coincide with turnover of property tax collections by the county tax assessor/collector. The amount expected to be available for investment normally does not exceed \$4,000,000, exclusive of bond proceeds or short term borrowing. Cash accumulations related to bond proceeds or short-term borrowing are included unless more restrictive state or federal regulations are applicable. (Investments which are pledged in conjunction with bond defeasance are specifically excluded from these policies.)

Deferred compensation funds are placed with a third party for investment and are therefore excluded from the restrictions set forth in these guidelines.

Excess cash shall be defined as all liquid assets not necessary to meet current obligations.

Authority

The Finance Director shall serve as the Investment Officer of the City. The Investment Officer is responsible to ensure that funds are invested in a manner to assure that necessary cash is available to meet current obligations and to invest excess cash in accordance with ORS 294.035 through 294.048; 294.125 through 294.155; and ORS 294.810 in addition to these Investment Policies. Investment of any tax exempt borrowing proceeds and of any debt service funds will comply with the 1986 Tax Reform Bill provisions and any subsequent amendments thereto.

In the absence of the Finance Director, the Senior Accountant may act as Investment Officer with prior specific approval of the City Manager.

Objectives

The primary objectives, in order of priority, of the City of Milwaukie's investment activities are as follows:

Legality: The City's investments will be in compliance with all statutes governing the investment of public funds.

Safety: Investments of the City will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from other investments.

Liquidity: The City's investments will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated.

Yield: The City's investments will be designated with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow characteristics.

Prudent Investor

Investments shall be made under the prudent investors rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the probable income to be derived."

Internal Controls

The investment officer shall maintain a system of written internal controls, which will be reviewed annually by the independent auditor.

Cash Flow Analysis

The investment officer shall maintain a historical cash flow record and a cash flow projection which extends twelve months into the future. The projection shall be reviewed and updated on a regular basis. No fixed maturity securities shall be purchased unless the cash flow projection indicates that the funds invested will not be required until the maturity date of the investment.

Bond Proceeds

Surplus funds resulting from debt issuance shall be considered as a separate portfolio and shall not be restricted by the maturity and instrument diversification section of these policies. Such maturities shall coincide with the projected cash flow needs resulting from the projected construction schedule.

Selection of Investment Instruments

Before the investment officer invests any surplus funds, a competitive bid process shall be conducted. If a specific maturity date is required, either for cash flow purposes or for conformance to maturity guidelines, bids will be requested for instruments which meet the maturity requirement. If no specific maturity is required, a market trend (yield curve) analysis will be conducted to determine which maturities would be most advantageous. Selection of bids will be made so as to provide the highest rate of return within the parameters of these policies.

Authorized Investment Instruments

- ◆ Legally issued general obligations of the United States, its agencies and instrumentalities, and those of the states of Oregon, California, Washington, and Idaho.
- ◆ Time deposit open accounts, certificates of deposit and savings accounts in banks, mutual savings banks, and savings and loan associations which maintain a head office or a branch in this state in the capacity of a bank, mutual savings bank or savings and loan association.

- ◆ Banker's acceptances that are guaranteed by a qualified financial institution. A qualified financial institution being one which is located in the State of Oregon licensed to do a banking business and not required under ORS 295.018 to maintain a reserve deposit of collateral for 110 percent of its public fund deposits.
- ◆ Deposits in the Oregon State Treasury, Local Government Investment Pool.
- ◆ Repurchase agreements involving legally issued general obligations of the United States and its agencies and instrumentality's. The seller must agree to repurchase the securities within 90 days following the date of the investment. If the maturity of the underlying security exceeds 18 months, the price paid shall not exceed 98 percent of the current market value. If there is a material decline in market value of the underlying collateral, the seller will pledge additional collateral to maintain not less than 100% collateral coverage at all times.

Investment in repurchase agreements must be accompanied by a signed agreement with the seller and a confirmation including a full description of securities held in safe-keeping.

Qualified Institutions

Written procedures and criteria for selection of financial institution will be established by the investment officer.

The investment officer shall maintain a list of all authorized institutions which are approved for investment purposes. The investment officer will request, analyze, and keep on file, periodic financial statements and related information to satisfy himself as to the creditworthiness of each institution on the approved list.

Diversification

The investment officer will diversify the investment portfolio to avoid unreasonable risks within the following parameters:

- Maturity Diversification

Maturity limitations shall depend upon whether the funds being invested are considered short term or long term funds. All funds shall be considered short term except those reserved for capital projects, (i.e., bond sale proceeds). Except for funds reserved for capital projects, investments shall be limited to maturities not exceeding 18 months.

Short Term Portfolio

Investment maturities shall be scheduled to coincide with projected cash flow needs. However, market conditions may make it advantageous to dispose of investments before their maturity dates. The majority of the portfolio will mature in less than 90 days. No investments will be made for a period to exceed 18 months.

Long Term Portfolio

Instruments and diversification for the long term portfolio shall be the same as for the short term portfolio.

Maturity scheduling shall be timed according to anticipated need. For example, investment of capital project funds shall be timed to meet projected contractor payments, usually for a term not to exceed three years.

•Instrument Diversification

	U.S. Government Treasury Bills, Notes and Bonds Maturity less than eighteen months	100% maximum
	U.S. Government Agency Discount Notes and Bonds Maturity less than twelve months	75% maximum
Pool	Oregon State Treasury, Local Government Investment Considered as one day liquidity	100% maximum
	State and local government securities of the states of Oregon, Washington, California and Idaho. Includes bonds issued in Oregon by any City, County or School District subject to ORS 294.035	25% maximum
	Bankers Acceptances Issued by Oregon based bank	50% maximum
	Non Negotiable Time Certificates of Deposit Commercial Banks	25% maximum
	Savings Institutions	10% maximum
	Repurchase Agreements If maturity is greater than next business day, collateral must be at 102%	10% maximum

•Institution Diversification

Bank liabilities with any one qualified financial institution shall not exceed 20 percent of the portfolio. Bank liabilities of any one qualified financial institution shall not exceed one percent of the institution's total assets.

(The combination of CD's and BA's, may not exceed 33% with any one financial institution.)

Bankers' Acceptances (BA's)
No more than 25% of the total portfolio with any one financial institution.

Certificates of Deposit (CD's) - Commercial Banks
No more than 8% of the total portfolio with any one financial institution.

Certificates of Deposit (CD's) - Saving and Loan Associations
Amount per institution based on capital adequacy guidelines; in any case not to exceed 10% of the total portfolio with any one institution.

Repurchase Agreements (Repo's)
No more than 10% of the total portfolio with any one institution; a master repurchase agreement is required.

State and Local Government Securities
No more than 25% of the total portfolio

State of Oregon Investment Pool - State Pool
With the exception of pass-through funds (in and out within 10 days), no more than \$20 million total (\$10 million per account).

Reporting

The investment officer shall submit to the City Council a quarterly investment report that summarizes recent market conditions, economic developments and anticipated investment conditions. The report shall summarize the investment strategies employed in the most recent quarter, description of the portfolio in terms of investment securities, maturities, risk characteristics and other features. The report shall explain the quarter's total investment return, compare the return with target rate of return projections and budgetary expectations.

Amendments

These investment policies may be amended at the request of the investment officer, the City Manager, or City Council. Such amendments shall be approved by the City Council in the same manner as the investment policies.

Safekeeping

Certificates of Deposit will be placed in a secured area within the vault on the premises at the City of Milwaukie or within a city maintained safe deposit box in a banking facility located within the city limits of the City of Milwaukie. All investment securities, including bearer instruments, treasury and agency securities, and bankers acceptances shall be held by the City or placed in third party safekeeping or placed in the trust department of the bank where the securities were purchased which will be considered as a third party for the purposes of safekeeping those securities.

Collateralization

Collateralization will be required on all repurchase agreements. In order to anticipate market changes and provide an adequate level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest.

Collateral will always be held by an independent third party with whom the city has a current custodial agreement.

Accounting Method

Investments will be carried at the lower of cost or market value. Gains or losses from investments will be credited or charged to investment income at the time of write-down, sale, or maturity. Interest on non-matured investments will be accrued as earned. Premiums or discounts on securities will be amortized over the life of the securities. The City will comply with Government Accounting Standards Board (GASB) requirements.

Performance Evaluation

The performance of the City's portfolio shall be measured against the performance of the Oregon Local Government Investment Pool and the 90 day U.S. Treasury Bill rate, using the monthly net yields of both portfolios as the measuring tool.

Policy Review

This investment policy was written for the capabilities of the Finance staff employed by the City of Milwaukie. If a change in personnel in either the position of Finance Director or City Manager occurs, this policy must be reviewed and revised if necessary. If the policy is revised, it must be resubmitted to the Oregon Short Term Fund Board for review and comment and to the Milwaukie City Council for approval in a timely manner.

Savings Clause

In the event any state or federal legislation or regulation should further restrict instruments or institutions authorized by this policy, such restrictions shall be deemed to be immediately incorporated in this policy.

If new legislation or regulation should liberalize the permitted instruments or institutions, such changes shall be available and included in this policy only after written notification to the City Council and their subsequent approval of said changes.

Ethics And Conflicts Of Interest

Officers and employees in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or that could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Mayor and City Manager any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City's portfolio. Employees and officers shall subordinate their personal investment transactions to those of the City.

CITY OF MILWAUKIE



FAX (503) 652-4433

* * * * MEMORANDUM * * * *

October 26, 1993

To: Mayor and City Council

From: Dan Bartlett, City Manager

Subject: Commission Appointments

Action Requested

Consider appointing members to the Center/Community Advisory Board, Historic Review Commission, and Traffic Safety Commission.

Background

Alan Brunk and Della Stuelpnagel are seeking reappointment to their positions on the Center/Community Advisory Board. Both applicants are eligible for reappointment.

Gregg Newstrand and Margaret Parsons have reapplied for their positions on the Historic Review Commission (HRC), and both are eligible for reappointment. Bill Johnson is seeking appointment as the Planning Commission representative to the HRC. Pat Lent, Planning Commission Chair and outgoing representative to the HRC, recommends Johnson's appointment.

Julie Wisner has applied for appointment to the Traffic Safety Commission. Two positions are currently vacant on that advisory board.

Recommendation

The Council may make appointments to advisory board positions at this time or direct staff to continue recruitment. There are no other pending applications.

MILWAUKIE CENTER

5440 SE KELLOGG CREEK DRIVE
MILWAUKIE, OR 97222
(503) 653-8100

APPLICATION CENTER/COMMUNITY ADVISORY BOARD

NAME: Alan E Brunk

ADDRESS: 4304 SE Rio Visto

TELEPHONE: (HOME) 659-0126 (WORK) Retired

AREA RESIDENT SINCE: Portland 1948, Milwaukie 1964

PREVIOUS APPOINTMENTS, OFFICES, BOARD EXPERIENCE: Advisory board, Friends
Board, L & F Steering Committee, Budget Committee for a 10 three
tax program, LIERP, RSVP, SWIBA

EMPLOYMENT OR PROFESSIONAL ACTIVITIES: Retired

OTHER COMMUNITY AFFILIATIONS OR ACTIVITIES: Elks, Contract Bridge League

ARE YOU AVAILABLE FOR REGULAR MEETINGS: yes

WHAT ARE YOUR SPECIAL INTERESTS, GOALS FOR THE CENTER Hope to continue
to help make life easier for our less fortunate senior people

OTHER BACKGROUND OR INPUT YOU FEEL WOULD BE BENEFICIAL TO THIS COMMITTEE
OR COMMITTEES: Have volunteered in community service for quite
a number of years

This information will be kept on file. Please feel free to attach any additional background information you think would be of value.

Thank you.

Alan E Brunk
Signature

Oct 6, 1993
Date

MILWAUKIE CENTER

5440 SE KELLOGG CREEK DRIVE
MILWAUKIE, OR 97222
(503) 653-8100

APPLICATION CENTER/COMMUNITY ADVISORY BOARD

NAME: Della Staelpinagle

ADDRESS: 10524 SE 34th 17 Milwaukie 97222

TELEPHONE: (HOME) 659-5010 (WORK) _____

AREA RESIDENT SINCE: August 1, 1980 - in Portland since 1919

PREVIOUS APPOINTMENTS, OFFICES, BOARD EXPERIENCE: _____

Carver Extension (Pres 2 yrs) Sect 2 yrs)

EMPLOYMENT OR PROFESSIONAL ACTIVITIES: Bookkeeper - Manual Flowers Grow, MFT,

Machine bookkeeper Meier and Frank - Election Bd. PTA.

OTHER COMMUNITY AFFILIATIONS OR ACTIVITIES: Christian Endeavor Secretary of

ME Church 32nd Ave, Room Mother at Abernethy

ARE YOU AVAILABLE FOR REGULAR MEETINGS: yes

WHAT ARE YOUR SPECIAL INTERESTS, GOALS FOR THE CENTER TRAN SECTION

Get the newcomers involved in more than lunch.

"I tell them" 3 times you get the habit." Then DO something

for the environment. Work on the Newsletter

OTHER BACKGROUND OR INPUT YOU FEEL WOULD BE BENEFICIAL TO THIS COMMITTEE OR COMMITTEES: _____

To have an open mind and a pair of willing hands.

This information will be kept on file. Please feel free to attach any additional background information you think would be of value.

Thank you.

Della Staelpinagle
Signature

Date



4

Application for Appointment to City Advisory Bodies

RECEIVED

City Hall - 10722 SE Main Street, Milwaukie, OR 97222
Telephone 659-5171

'90 JUL 9 PM 8 55

Name: GREGG NEWSTRAND Date: JULY 06, 1990

Home Street Address: 3135 SE 175th Place; Portland, OR 97236

Business Phone: 641-4455 Home Phone: 760-1541

Do you live within the Milwaukie City limits? No If so, how long? _____

Are any members of your household currently serving on a City of Milwaukie Board or Commission? If so, which Commission? No

Are you a registered voter in Milwaukie? No

How did you learn about this position? Notified By Mail

Current Position: Regional Personnel Mgr. Employer: Willamette Industries, Inc.

Employer's Address: 1st Interstate Bank Tower Phone: 227-5581
Portland, OR. 97201

Please list any prior civic or professional activities. Commissioner
City of Milwaukie Planning Commission 1985-1989

Why would you like to be appointed to this ^{committee} ~~commission~~? I believe my
experience and background lend themselves well to
making a valuable contribution to the Milwaukie community.

What special training, skills, or experience have you had which would be pertinent to this application? Planning commissioner 1985-1989. Knowledgeable
about the roots of the Historic Review Committee and the
city's historic inventory. I am also an amateur
genealogist and a member of the Genealogy Forum of Oregon
Boards or Commissions in which you are interested. _____

Please complete this form fully so City Council can evaluate your application.
Thank you for the extra time and effort.

.....
Received at City Hall _____ Information Sent _____
Interviewed _____ Appointed _____
Commission HRC Term Expires 10/93

This is an application to be a member of the Historic Review Committee.



Application for Appointment to City Advisory Bodies

City Hall - 10722 SE Main Street, Milwaukie, OR 97222
Telephone 659-5171

Name: MARGARET PARSONS Date: JULY 9, 1990

Home Street Address: 4163 SE HOWE ST., MILWAUKIE OR 97222

Business Phone: 238-4870 Home Phone: 653-0067

Do you live within the Milwaukie City limits? YES If so, how long? 18 YEARS

Are any members of your household currently serving on a City of Milwaukie Board or Commission? If so, which Commission? NO

Are you a registered voter in Milwaukie? YES

How did you learn about this position? I WAS INVITED TO APPLY

Current Position: SENIOR PARTSPERSON Employer: TRI-MET

Employer's Address: 4012 SE 17th, PORTLAND OR Phone: 238-4870

Please list any prior civic or professional activities. I belong to the HPLO and the Oregon Historical Society, also the VFW and American Legion Auxiliaries. I owned and operated an antique business for 8 years.

Why would you like to be appointed to this commission? Because of my interest and concern for the preservation of Milwaukie's history.

What special training, skills, or experience have you had which would be pertinent to this application? I have researched and compiled an application of the William Shindler house for nomination on the National Register of Historic Homes, it was excepted this past January. I am planning to write a more complete history of Milwaukie and its early citizens.

Boards or Commissions in which you are interested. Historic Review Committee

Please complete this form fully so City Council can evaluate your application. Thank you for the extra time and effort.

.....

Received at City Hall Information Sent

Interviewed Appointed

Commission HRC Term Expires 10/93

6



CITY OF MILWAUKIE PLANNING COMMISSION
Application for Appointment to City Advisory Bodies

City Hall - 10722 SE Main Street, Milwaukie, OR 97222
Telephone 659-5171

Name: William F. Johnson Date: 11 DEC 91
Home Street Address: 11140 SE Stanley Ave
Business Phone: _____ Home Phone: 653-1825
Do you live within the Milwaukie City limits? yes If so, how long? one year
Are any members of your household currently serving on a City of Milwaukie Board or Commission? If so, which Commission? no
Are you a registered voter in Milwaukie? yes (Precinct 32 R)
How did you learn about this position? Television Cannel 54

Current Position: Retired Employer: _____
Employer's Address: _____ Phone: _____

Please list any prior civic or professional activities. Past Chairman of Benwell Park Water District, Past Chairman of Fine District #1 Civil Service Commission, Former Chief Housing inspector City of Portland, Former Senior Building Inspector, City Of Portland. Others
Why would you like to be appointed to this commission? I feel that I have something to offer, having had some 33 years enforcing the Planning Code of the City Of Portland as well as the Housing Code, Housing Code and Building Code.

What special training, skills, or experience have you had which would be pertinent to this application? 33 years with the Bur of Bldgs, 35 years with the BPCD Board of directors, 25 years with CCRFPD #1 and 43 years with the Oregon National Guard as a Warrant Officer in charge of the management of soldier traing.

Boards or Commissions in which you are interested. Planning and Zoning Commission

Please complete this form fully so City Council can evaluate your application. Thank you for the extra time and effort.

.....
Received at City Hall _____ Information Sent _____
Interviewed 1/7/92 Appointed 1/7/92
Commission PC Term Expires 2/92

91 DEC 19 AM 9 46
RECEIVED
CITY OF MILWAUKIE

William F. Johnson

MEMORANDUM

DATE: October 19, 1993

TO: Bill Johnson

FROM: Pat Lent

CONCERNING: Commission Appointment

One of the pleasures of being Planning Commission Chair is the chance to recommend appointments of Commissioners to the various City Boards and Committees.

My term on the Historic Review Commission ends soon, and because of your building background, your land use experience, and your interest in Milwaukie's past, I am recommending you to the Council for appointment to that body, which meets every other month on the third Monday.

I am proud to be able to make this recommendation and when Council confirms, you will be given the by-laws, a calendar, and a list of your duties.

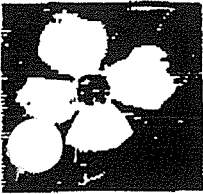
Thanks for being my successor.

Pat

10-20-93

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To	Jim CRUMLEY	From	PAT LENT
Co	COMMUNITY DEV.	Co	CRET
Dept	CITY OF MILWAUKIE	Phone #	786-3316
Fax #	774-8236	Fax #	HERE'S THE COPY



Name: SUSAN Stone Date: 10/27/93
 Street Address: 9212 SE 32nd
 Business Phone: — Home Phone: 654-7209

How long have you been a Milwaukie resident? > 12 years
 Are any members of your household currently serving on a City of Milwaukie Board or Commission? If so, which Commission NO
 Are you a registered voter in Milwaukie? Yes
 How did you learn about this position? Tim Corbett

Current Position: RN Employer: Good Samaritan Hospital
 Employer's Address: 1015 NW 22nd Phone: 229-7421

Please list any prior civic or professional activities. AJC neighborhood association

Why would you like to be appointed to this commission? I want to have input into decisions being made by city officials.

What special training, skills, or experience have you had which would be pertinent to this application? I'm an active supporter of the AJC neighborhood association & feel I'd be an asset in acting as a liaison between the AJC neighborhood ass. & the commission. I have the initiative & the energy to get things done.

Boards or Commissions in which you are interested. Traffic Safety Commission

Please complete this form fully so City Council can evaluate your application.
 Thank you for the extra time and effort.

.....

Received at City Hall _____ Information Sent _____
 Interviewed _____ Appointed _____
 Commission _____ Term Expires _____



Name: Julie Wisner Date: 10/21/93
 Street Address: 3325 S.E. Wister St. 97222
 Business Phone: 654-3212 Home Phone: 654-7468

How long have you been a Milwaukie resident? 40 years
 Are any members of your household currently serving on a City of Milwaukie Board or Commission? If so, which Commission No
 Are you a registered voter in Milwaukie? Yes
 How did you learn about this position? Tim Corbett + Paul Roeyer

Current Position: optician (17 years) Employer: Dr. Ineand O.D
 Employer's Address: 2306 S.E. Washington Phone: 654-1408

Please list any prior civic or professional activities. neighborhood activist
on current issues. Keep to Start

Lake Road neighborhood Assoc. Chairman 34th ave
Task Force - Been attending traffic safety meetings + other
Council meetings - I started Neighborhood Watch in our neighborhood.

Why would you like to be appointed to this commission? I have a desire to
help Milwaukie preserve its safe and livable

environment - I also would like to be an active

participant in establishing the policies that will affect
us in the future when it comes to traffic management.

What special training, skills, or experience have you had which would be pertinent to this application? B.S. Degree P.S.D. in Teaching - Enjoy working

with people - researching information - making decisions

on issues - 34th ave Task Force Chairman + organizer
Been working w/ the public in the health care field for 17 years.

Boards or Commissions in which you are interested. Traffic Safety Comm.

Please complete this form fully so City Council can evaluate your application.

Thank you for the extra time and effort.

Received at City Hall _____ Information Sent _____
 Interviewed _____ Appointed _____
 Commission _____ Term Expires _____

**CITY OF MILWAUKIE
CITY COUNCIL MEETING
OCTOBER 19, 1993**

The one thousand six hundred and eighty-first meeting of the Milwaukie City Council was called to order by Mayor Lomnicki at 7:00 p.m. in the Milwaukie Center with the following Councilmembers present:

Craig Lomnicki,
Mayor
Rick Farley

Jean Schreiber
Rob Kappa
Bob Knudson

Also present:

Dan Bartlett,
City Manager
Jim Coleman,
City Attorney
Charlene Richards,
Assistant to the
City Manager
Angus Anderson,
Finance Director

Tim Corbett,
Public Works Director
Greg Drechsler,
City Engineer
Darrell Lyons,
Program Specialist,
Pat DuVal,
Recorder/Secretary

PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS

Milwaukie Downtown Development Report

Larry Froland, Treasurer, Milwaukie Downtown Development Association, 14110 SE Fair Oaks Lane, Milwaukie, requested continuation and renewal of the City of Milwaukie/Milwaukie Downtown Development Association (MDDA) Agreement. He said the MDDA Board and the City Council had met and agreed to continue consideration of the Economic Improvement District (EID) ordinance to a Spring 1994 meeting. He said extending the business license surcharge ordinance for an additional five years was important to stabilize funding for current and future projects.

Councilmember Kappa asked if the Association had long-range plans. Froland said MDDA's mission is to revitalize the downtown core area and to improve the economic condition. The Association seeks to involve downtown business people in creating a cohesive plan for the future.

Councilmember Kappa asked how business owners found time to volunteer. Froland said each business has an individual goal and many owners have been involved with the Association. He said the Association is seeking to overcome apathy by keeping downtown business owners informed of projects and events.

CITY COUNCIL MEETING - OCTOBER 19, 1993

Karen O'Dowd, Milwaukie Downtown Development Association Manager, discussed the action plan and what the Association is trying to accomplish. She discussed those areas of revitalization that could be measured. These included a 12% increase of assessed value and 4% increase in the number of jobs in the downtown area since the MDDA was formed. She reviewed the projects which included the facade program, sidewalk repair, beautification, and Share the Lights.

O'Dowd reviewed involvement by several of the downtown businesses and volunteer groups. She discussed MDDA participation in light rail planning. She urged that the investment in downtown be continued through the business license surcharge.

Councilmember Kappa asked if the MDDA intended to work with a development plan. O'Dowd responded that development plans were the responsibility of the City, but MDDA would assist in the design development phase.

Councilmember Knudson asked if MMDA had plans to put attractive "Welcome to Milwaukie" signs on McLoughlin Blvd. O'Dowd said signs and banners for special events will be part of the work plan.

AUDIENCE PARTICIPATION

None.

PUBLIC HEARING

Consider Surcharge Ordinance to Support the Economic Improvement Activities of the Milwaukie Downtown Development Association

Mayor Lomnicki called the public hearing on the adoption of an ordinance which imposes a business tax surcharge on businesses in the downtown area at 7:28 p.m.

Mayor Lomnicki said the purpose of the hearing was to consider an ordinance which would authorize the continuation of the business license surcharge ordinance that supports the economic improvement activities of the Milwaukie Downtown Development Association. The Council will then discuss the matter. If the Council decides to move forward with this ordinance, there will be a public hearing set at a later date on this matter.

Staff Report: Dan Bartlett, City Manager, presented the staff report in which the City Council was requested to consider continuing the business license surcharge through 1998 and granting persons conducting business in the District the right to remonstrate. He said that a public hearing was proposed for November 23, 1993, for the purpose

CITY COUNCIL MEETING - OCTOBER 19, 1993

of allowing remonstrance. He said the current assessment was estimated at \$24.75 per employee.

Correspondence: None.

Testimony in Support: Larry Froland said as a business and property owner he has seen benefits from MDDA. He said he believed those participating would see a large return on their investment.

Testimony in Opposition: George Van Bergen said he was both a home owner and business owner in Milwaukie. He said he was concerned with taxes and the City's commitment of \$18,000 from the budget. He said he believed the accomplishments have been cosmetic and no new businesses have been attracted. He said he has not seen the level of involvement by merchants and business men increase. Van Bergen said most people coming into the community are destination oriented, and flowers on the street corners have not been beneficial. He said reality needed to be defined, and the reality was that the downtown area is made up of professionals. He said he believed more could be achieved by making the community more permit friendly. He said MDDA should not simply be an organization to take over Festival Daze. He added that he had never been invited to participate in any of the MDDA activities. As a City tax payer, he said he had a problem that \$18,000 was taken from his taxes to pay for the MDDA. He said he does not expect City leadership to delegate authority to MDDA. He suggested that the only way to have growth is to break into the three major streets to the east. He said the Milwaukie Jr. High School and Milwaukie City Hall were two sites that the City should considered for expansion.

Neutral Testimony: None.

Staff Comments: None.

Questions of Clarification: None.

Close Public Testimony: Mayor Lomnicki closed the public testimony portion of the hearing at 7:45 p.m.

Discussion among Councilmembers: Mayor Lomnicki said the City Manager recommended a second public hearing on November 23, 1993, to consider remonstrances. There would have to be 33% of the downtown businesses remonstrating to halt the EID. Bartlett discussed the procedure and the dates for remonstrances and public hearings.

Mayor Lomnicki said downtown business owners would have to determine if they wished to continue the business license surcharge.

CITY COUNCIL MEETING - OCTOBER 19, 1993

Councilmember Knudson asked for clarification of the term of the Agreement. Bartlett said under ordinance 1702, the City agreed to have the license for three years. MDDA is requesting a five year surcharge period as authorized by the State.

Councilmember Schreiber said any future Council could decide to review the Agreement. She asked how downtown business owners could bring the ordinance back up for review. Bartlett said any Council could reconsider the ordinance and Agreement if there is interest expressed. The surcharge can only be repealed by remonstrance at the designated public hearing and deadline.

Decision by Council: It was moved by Councilmember Schreiber and seconded by Councilmember Farley to read the ordinance continuing the business license surcharge throughout 1998 and granting persons conducting business in the District the right to remonstrate for the first time by title only.

Councilmember Kappa said he was concerned about the group's long-range plan. Mayor Lomnicki said the Manager's report outlined MDDA's goals.

Councilmember Schreiber said downtown business owners must decide if they wish to tax themselves.

Motion passed 5 - 0 with the following vote: Mayor Lomnicki, Councilmember Farley, Councilmember Schreiber, Councilmember Kappa, and Councilmember Knudson aye; no nays; no abstentions. The ordinance was read for the first time by title only.

It was moved by Councilmember Schreiber and seconded by Councilmember Knudson to read the ordinance continuing the business license surcharge through 1998 and granting persons conducting business in the District the right to remonstrate for the second time by title only. Motion passed 5 - 0 with the following vote: Mayor Lomnicki, Councilmember Farley, Councilmember Schreiber, Councilmember Kappa, and Councilmember Knudson aye; no nays; no abstentions. The ordinance was read for the second time by title only.

It was moved by Councilmember Schreiber and seconded by Mayor Lomnicki to adopt the ordinance continuing the business license surcharge through 1998 and granting persons conducting business in the District the right to remonstrate. Motion passed 5 - 0 with the following vote: Mayor Lomnicki, Councilmember Farley, Councilmember Schreiber, Councilmember Kappa, and Councilmember Knudson aye; no nays; no abstentions.

CITY COUNCIL MEETING - OCTOBER 19, 1993

ORDINANCE NO. 1750:

AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON,
PROVIDING FOR CONTINUING THE BUSINESS LICENSE
SURCHARGE THROUGH 1998 AND GRANTING PERSONS
CONDUCTING BUSINESS IN THE DISTRICT THE RIGHT TO
REMONSTRATE.

It was moved by Councilmember Kappa and seconded by Councilmember Farley to set the public hearing date for Tuesday, November 23, 1993, at 7:00 p.m. at the Milwaukie Center, for the purpose of receiving remonstrances. Motion passed 5 - 0 with the following vote: Mayor Lomnicki, Councilmember Farley, Councilmember Schreiber, Councilmember Kappa, and Councilmember Knudson aye; no nays; no abstentions.

Consider Providing for Continued Economic Improvement District Assessments and Grant Property Owners in the District the Right to Remonstrate

Mayor Lomnicki called the public hearing to consider the ordinance that provides for continued EID assessments and the right to remonstrate to order at 7:58 p.m.

Mayor Lomnicki said the purpose of the hearing was to consider an ordinance that provided for continued Economic Improvement District assessments and granted property owners in the district the right to remonstrate. Mayor Lomnicki reviewed the conduct of the hearing.

Staff Report: Dan Bartlett, City Manager, presented the staff report in which the City Council was requested to consider an assessment within the same economic improvement district and establish a method of assessment. Assessments are turned over to the County Tax Collector under Ballot Measure 5 provisions. This item does not have to be acted upon until July 15, 1994. MDDA would like to continue the issue until Spring.

Correspondence: None.

Testimony in Support: O'Dowd said the MDDA board wished an extension until May in order to discuss the issue with property owners.

Testimony in Opposition: George Van Bergen, 2336 SE Washington, said an MDDA levy will not have much impact on him because the Ballot Measure 5 cap would probably be reached.

CITY COUNCIL MEETING - OCTOBER 19, 1993

Councilmember Kappa asked Van Bergen for his development vision. Van Bergen said development would have to break through the barriers to the east. The permit system and the Comprehensive Plan would have to become more friendly. The City needs growth. Flowers do not invite new businesses or encourage customers.

Neutral Testimony: None.

Staff Comments: Bartlett said if Council wished, the issue could be tabled until April 19, 1994, in order to give sufficient time to prepare the budget document.

Questions of Clarification: None.

Close Public Testimony: Mayor Lomnicki closed the public testimony portion of the hearing on the proposed ordinance at 8:07 p.m.

Councilmember Schreiber said she would like to give the downtown manager an opportunity to exhibit her full range of skills and more clearly define Association goals. She said she hoped that the downtown community would focus its energy on the EID concept.

Councilmember Kappa said he would like to see a product within the next year or two. He said he was personally most interested in the downtown and the riverfront end product.

It was moved by Councilmember Kappa and seconded by Councilmember Knudson to table the issue to the second meeting in April, 1994. Motion passed 5 - 0 with the following vote: Mayor Lomnicki, Councilmember Farley, Councilmember Schreiber, Councilmember Kappa, and Councilmember Knudson aye; no nays; no abstentions.

Consider Amendment to Chapter 10.20 of the Milwaukie Municipal Code Regarding Truck Parking in Commercial and Industrial Zones in the City

Mayor Lomnicki called the public hearing to consider amending Municipal Code Chapter 10.20 regarding truck parking at 8:12 p.m.

Mayor Lomnicki said the purpose of the hearing was to consider an ordinance that amends Chapter 10.20 of the Milwaukie Municipal Code regarding truck parking in Commercial and Industrial zones in the City.

Staff Report: Greg Drechsler, City Engineer, presented the staff report in which the City Council was requested to consider an ordinance that would allow truck parking in Commercial and Industrial zones for a period not to exceed 24 hours. The Comprehensive Plan states that a broad

CITY COUNCIL MEETING - OCTOBER 19, 1993

industrial base would be supported and encouraged. Staff developed a recommendation that the time period be changed to allow eight hour parking between 6:00 a.m. and 9:00 p.m. in Commercial and Industrial zones unless a time limit is specifically posted. Two hour parking would be kept in place for trucks within residential areas and between the hours of 9:00 p.m. and 6:00 a.m. in Industrial and Commercial zones. This would also provide a restriction on overnight truck parking.

Councilmember Schreiber asked if this enforcement would also apply to moving vans. **Drechsler** said in certain circumstances, the City Manager could issue a special permit.

Councilmember Knudson asked how this would apply to construction trucks. **Drechsler** said the City Manager would have to issue a permit.

Councilmember Kappa said he was concerned that this might cause more truck traffic on non-designated streets. He said restroom facilities and trash containers might also be required.

Bartlett said this proposed code amendment was in response to businesses located on International Way. He said this ordinance will impact only public streets.

Drechsler said this action applies to only the Commercial/Industrial zones and will not impact residential areas.

Bartlett said the ordinance is City-wide and enforced only in commercial areas. The action should standardize truck parking throughout the City.

Drechsler said the ordinance proposed enforcement between 6:00 a.m. and 9:00 p.m. The two-hour parking limit would be in effect after these hours to eliminate overnight truck parking.

Bartlett said there are signs in certain areas indicating "no parking" for vehicles over five feet high.

Councilmember Farley said he was concerned about clear vision at intersections. **Bartlett** said a 20-foot radius was required at intersections for clear vision. He said a traffic regulation restricting height can be implemented.

Councilmember Schreiber said she was concerned that trailers could be left on City streets. **Bartlett** said trailers without tractors have been ticketed.

Testimony in Support: None.

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Testimony in Opposition: None.

Neutral Testimony: None.

Close Public Hearing: None.

Council Discussion and Decision: It was moved by Councilmember Schreiber and seconded by Councilmember Kappa to read the ordinance amending Section 10.20.060 of the Milwaukie Municipal Code pertaining to truck parking for the first time by title only. Motion passed 5 - 0 with the following vote: Mayor Lomnicki, Councilmember Farley, Councilmember Schreiber, Councilmember Kappa, and Councilmember Knudson aye; no nays; no abstentions. The ordinance was read for the first time by title only.

It was moved by Councilmember Schreiber and seconded by Councilmember Kappa to read the ordinance amending Section 10.20.060 of the Milwaukie Municipal Code pertaining to truck parking for the second time by title only. Motion passed 5 - 0 with the following vote: Mayor Lomnicki, Councilmember Farley, Councilmember Schreiber, Councilmember Kappa, and Councilmember Knudson aye; no nays; no abstentions. The ordinance was read for the second time by title only.

It was moved by Councilmember Kappa and seconded by Councilmember Knudson to adopt the ordinance amending Section 10.20.060 of the Milwaukie Municipal Code pertaining to truck parking. Motion passed 5 - 0 with the following vote: Mayor Lomnicki, Councilmember Farley, Councilmember Schreiber, Councilmember Kappa, and Councilmember Knudson aye; no nays; no abstentions.

ORDINANCE NO 1751:

AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON,
AMENDING SECTION 10.20.060 OF THE MILWAUKIE
MUNICIPAL CODE PERTAINING TO TRUCK PARKING.

AUDIENCE PARTICIPATION

Polly Robinson, Milwaukie Loaves & Fishes Manager, discussed the need for volunteer drivers for the Meals on Wheels program. She said the program helps keep senior residents in their homes and out of nursing facilities.

Councilmember Kappa asked if there were special insurance requirements. Robinson said volunteers are required to have a valid drivers license and their own insurance. She said volunteers are reimbursed for their mileage.

Mayor Lomnicki suggested putting the request on the government access reader board.

CITY COUNCIL MEETING - OCTOBER 19, 1993

Councilmember Farley asked how many routes there were. Robinson said there were 17 routes.

Bartlett said the City would help communicate the need to employees and the public.

OTHER BUSINESS

Consider Property and Casualty Insurance Program Fiscal Year 1993 - 1994

Angus Anderson, Finance Director, presented the staff report in which the City Council was requested to consider a recommendation from the designated Agent of Record for the City, Sedgwick James, Inc. The recommendation included Northland for primary liability and umbrella policy; Northland for auto coverage; self insure for more expensive equipment such as the fire engine and Aquatech; and Chubb for boiler insurance. The total cost is below the \$120,000 budgeted for insurance.

Councilmember Farley asked how this dollar amount compared to last year. Anderson said the total premium was about \$3,000 more and was based on a fiscal year cycle. He said several coverages were increased over last year. These included above ground reservoirs; increased self insured limit; and addition of employment related claims coverage.

Councilmember Farley asked how many vehicles the City owned valued between \$25,000 and \$50,000. Anderson said there were none.

Councilmember Kappa asked what boiler insurance covered. Anderson said it includes any explosion of a mechanical nature.

Councilmember Farley asked if there were exclusions to the boiler policy. Anderson said there were certain exclusion; however, the City does carry earthquake insurance.

Councilmember Schreiber asked how much the City would actually spend in insurance costs. Anderson said the City would probably spend about \$90,000 this year. The balance will be carried over to the next fiscal year in the General Government fund.

It was moved by Councilmember Kappa and seconded by Councilmember Farley to accept the recommendation of Sedgwick James, Inc. for property and casualty insurance coverage. Motion passed 5 - 0 with the following vote: Mayor Lomnicki, Councilmember Farley, Councilmember Schreiber, Councilmember Kappa, and Councilmember Knudson aye; no nays; no abstentions.

Consider Intergovernmental Agreement with Metro for Multi-Family Recycling

Darrell Lyons, Program Specialist - Recycling, presented the staff report in which the City Council was requested to consider an Intergovernmental Agreement (IGA) with for a multi-family recycling program grant for fiscal year 1993-1994.

The grant amount and the City match is \$1845 for a total of \$3690. The funds will help multi-family residence managers provide recycling opportunities and meet waste reduction requirements. Lyons reviewed the proposed program budget which included education, signage, and site preparation at the complexes. The Metro grant portion is designated for recycling containers.

Councilmember Kappa asked how recycling is accomplished in complexes with limited space. Lyons said he has already worked with most of the multi-family residences in the area, and some have required modifications.

Councilmember Farley asked how many complexes did not have recycling. Lyons said there were about 15-20 complexes with five or more units without the service. The programs at each complex are designed for convenience.

It was moved by Councilmember Kappa and seconded by Councilmember Knudson to authorize the Mayor to sign on behalf of the City an Intergovernmental Agreement between Metro and the City for the multi-family recycling program. Motion passed 5 - 0 with the following vote: Mayor Lomnicki, Councilmember Farley, Councilmember Schreiber, Councilmember Kappa, and Councilmember Knudson aye; no nays; no abstentions.

OTHER

Councilmember Kappa discussed the joint City Council, Planning Commission, and Parks and Recreation Commission meeting. Bartlett said the work session will be scheduled depending upon the availability of information from Metro.

Councilmember Schreiber said there was a planning effort for the Clackamas Town Center area. She expressed concern that Milwaukie would be able to track all of the activities. Bartlett said Metro has already been informed that Milwaukie wants to be deeply involved. He said there have been interns brought in temporarily and a Senior Planner will be hired. Bartlett said he and Mayor Lomnicki were meeting with planners to have a voice in what happens within the urban growth boundary.

CITY COUNCIL MEETING - OCTOBER 19, 1993

Bartlett discussed the Neighborhood District Association information in the Council packet.

Councilmember Schreiber discussed the visioning process and community wide issues.

Mayor Lomnicki discussed the Scoping Meeting on October 27 at Rex Putnam High School.

CONSENT AGENDA

It was moved by Councilmember Kappa and seconded by Councilmember Knudson to adopt the Consent Agenda which consisted of the City Council Minutes of October 5, 1993 and a liquor license for David S. and Barbara P. Chow, dba Chopsticks Express. Motion passed 5 - 0 with the following vote: Mayor Lomnicki, Councilmember Farley, Councilmember Schreiber, Councilmember Kappa and Councilmember Knudson aye; no nays; no abstentions.

INFORMATION

Bartlett reported on the Public Safety Building and Chief Mansfield's retirement.

Councilmember Schreiber and Bartlett discussed 32nd Avenue Reconstruction Project.

ADJOURNMENT

Mayor Lomnicki adjourned the meeting at 9:30 p.m.

Pat DuVal, Recorder/Secretary


MILWAUKIE POLICE DEPARTMENT
MEMORANDUM

TO: Dan R. Bartlett, City Manager
FROM: Charles A. Mansfield, Chief of Police *cam*
DATE: October 22, 1993
SUBJECT: APPLICATION FOR LIQUOR LICENSE

State and local law enforcement records fail to reflect any negative information on the below-listed applicant. I therefore find no reason to deny the requested license.

Applicant: Robert Lee
Mee Hwa Sung
dba ERIC'S MARKET
9410 SE 32nd
Milwaukie, OR 97222

MILWAUKIE POLICE DEPARTMENT
MEMORANDUM

TO: Dan R. Bartlett, City Manager
FROM: Charles A. Mansfield, Chief of Police 
DATE: October 22, 1993
SUBJECT: APPLICATION FOR LIQUOR LICENSE

State and local law enforcement records fail to reflect any negative information on the below-listed applicant. I therefore find no reason to deny the requested license.

Applicant: Keum Sook Lee
dba ROSWELL MARKET
8928 SE 42nd
Milwaukie, OR 97222

MILWAUKIE PLANNING COMMISSION WORKSESSION
MINUTES
TUESDAY, OCTOBER 12, 1993

COMMISSION PRESENT

Pat Lent, Chair
Bill Johnson
Gordon Jones
John Littlehales
Don Trotter
Carolyn Tomei

STAFF PRESENT

Maggie Collins,
Community Dev. Dir.
Jim Crumley,
Associate Planner
Mark Jonson,
Community Dev. Intern
Shirley Richardson,
Hearings Reporter

COMMISSIONERS ABSENT

Scott McClure

1.0 CALL TO ORDER

Chair Lent called the meeting to order at 6:35 p.m.

2.0 PROCEDURAL QUESTIONS - None.

3.0 CONSENT AGENDA

3.1 PLANNING COMMISSION MINUTES - September 28, 1993

Carolyn Tomei moved to approve the minutes of September 28, 1993, as corrected. Don Trotter seconded. MOTION CARRIED 3-0 with two abstentions. Bill Johnson and John Littlehales were not at that meeting.

4.0 PUBLIC COMMENT - None.

5.0 PUBLIC HEARINGS - None.

6.0 CONSIDERATION ITEMS - None.

7.0 OLD BUSINESS

7.1 Worksession: JCB Annexation Report - Part II

Jim Crumley reported that on July 27, 1993, the Planning Commission reviewed Part I of a two-part report analyzing the fiscal impact of the recent twenty acre annexation to the City of Milwaukie which included the Johnson Creek Public Services Facility. Part I identified the basic public services provided by the City.

CITY OF MILWAUKIE PLANNING COMMISSION WORKSESSION
MINUTES OF OCTOBER 12, 1993
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He then reviewed IMPACTS OF ANNEXATION OF A PORTION OF JOHNSON CREEK BOULEVARD-AN-92-01, PART TWO with the Commission. Part II identifies the financial factors which would be useful in assessing a fiscal impact of an annexation to the City of Milwaukie; a general procedure to calculate the actual costs to the General Fund of providing basic City services to newly annexed areas.

Once the costs of providing services have been tabulated, there is a four-step process to determine the fiscal impact. Step 1, divide the total cost of providing basic services by the total number of tax parcels within the City. Step 2, Calculate the anticipated revenue for the annexed area by totaling the increase in property tax and the estimated pro-rata increase in the cigarette, liquor and gas taxes together with increases in library and "State Shared" revenues. Step 3, Calculate the new revenue per lot by dividing the anticipated revenue by the number of lots annexed to the City. Step 4, Calculate the net cost of providing basic services by subtracting the new revenue per lot from the average cost per lot of providing services to the City as a whole.

Table I identifies the various funds and departments within each category which contribute to the cost of providing City services. The expenses are broken down into the costs for providing personnel, materials and supplies, and capital outlay.

Over the long term, the redevelopment of industrial property along Johnson Creek Boulevard will ultimately prove to be an asset to the City by supplying services, employment and revenue.

City Council has reviewed this report as a information item. It will be filed and available for reference when other annexations are considered.

7.2 Worksession: Citizen Involvement Program

Mark Jonson reviewed the revised bylaws with the Commission. He noted that these corrections should be considered:

- Moving Article V-D to Article VI-A-4.
- Article IX-D, delete "...tenants of ORS 192.610 to 192.890, Public Meetings,..." to "...tenants of Oregon Public Meeting Law,..."
- Delete Article XII.
- Article XIII - delete the word "model."

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Discussion followed on the draft bylaws and the following changes were suggested by the Commission:

1. Delete all of the current Article I. Change Article I title: PURPOSES OF THE _____ NEIGHBORHOOD DISTRICT ASSOCIATION
2. Insert Article I-A: "To provide a forum for neighbors to gather and address neighborhood concerns and neighborhood needs in order to enhance the livability of the area."
3. Article I-B: (from current Article II-B, inserting "other neighbors") "To provide a channel for two-way communication between City government, other neighbors, and _____ Neighborhood District Association residents."
4. Delete current Article II-B and move II-C to II-B.
5. Change Article II title: (from Article XI) RECOGNITION.
6. Article II-A: (from Article XI) "It is recognized that official recognition..."

Change the words, "...Association model bylaws and other..." to "...Association adopted standard bylaws and other..."
7. Insert Article II-B: (use current II-C) "To provide a Land Use Review Committee for _____ Neighborhood..."
8. Article III: as stated.
9. Article IV: as stated.
10. Article V-B-1: Throughout the entire document, change the word "tenants" to "requirements."
11. Article V-B-2: Change, "...performing her defined duties:" to "...performing the defined duties."
12. Article V-B-3: Delete, "...and Land Use Review Committee..." in the first sentence.
13. Check spelling of City of Milwaukie throughout document.
14. Move Article V-D-1 to Article IV.
15. Delete Article V-D-2.
16. Move Article V-D-3 to Article VI.

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MINUTES OF OCTOBER 12, 1993
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17. Delete Article V-D.
18. Change Article VI-A: "The term of office shall be two years for all officers."
19. Change Article VI-B: "The term of office for the first Vice Chair shall be one year to insure staggering of terms. Secretary/Treasurer shall be two years."
20. Change Article VI-C: from "... positions shall be replaced..." to "...positions shall not be replaced..."
21. Insert Article VI-D: "Officers may serve no more than two consecutive terms."

An article shall be included specifying that the Board may establish standing and ad hoc committees as it deems necessary. They shall make recommendations to the Board for Board actions and shall not have the power to act on behalf of the organization unless authorized by majority vote of the membership.

22. Change Article VI-B...change "...at least 2 months in advance..." to "...at least one meeting in advance..."
23. Delete current language in Article VII-A and replace with, "The Land Use Review Committee shall elect at least three officers. Membership of the Board of Directors of the neighborhood association may be appointed to serve on the Land Use Review Committee. Other Land Use Review Committee members must be elected by majority vote of the membership."
24. Delete Article VII-B and replace with, "Action by the Land Use Committee shall be conducted by majority vote of the members present."
25. Current Articles VII-B, C, D renumbered.
26. Delete current Article VII-E and replace with, "The Land Use Review Committee shall insure that accurate minutes of all committee meetings are kept and made available for review."
27. Order of the Article VII Sections may be reviewed and suggested by staff.
28. Insert after the last sentence in Article V-3-B: "Recordkeeping for incoming funds is a responsibility of the Association Treasurer."

Donations and accounting of association funds needs to be in the guidelines of the association handbook. Auditing should be reviewed as a possibility. The accounting information should be made available to public review yearly.

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- 29. Change wording in Article VIII from "...may not charge dues or other remuneration to its..." to "...may not impose dues or other charges to its..."
- 30. Add the word "newspaper" to Article IX-C: "...Door hangers; News letters; Newspaper advertisements."
- 31. Delete Article IX-C (second C).
- 32. Change wording in Article IX-D from "...tenants of ORS 192.610 to 192.690, Public Meetings..." to "...the requirements of the Oregon Public Meeting Laws,..."
- 33. Change Article X-A from, "Except as noted in Article VII above..." to "Except as noted in Article VII-B above..." and

Change, "...membership at any properly publicized meeting where a quorum exists." to "...membership present at any properly publicized meeting."
- 34. Delete Article X-B and replace with language about meetings being conducted in a business-like manner.
- 35. Delete all of Article XII.
- 36. Remove the word "model" throughout document.
- 37. Add a provision allowing an Association to adopt operating rules and procedures to Article X.
- 38. Add an Article XIV: "Suggestions for revisions to the bylaws can be made by a two-thirds vote. Proposed revisions to the bylaws would be submitted to the Council for review and consideration.
- 39. The numbering and order of sections may be reviewed and adjusted by Staff for purposes of coherence.

Mark Jonson will redraft the bylaws and have them ready for review at the next Commission meeting on October 26, 1993.

8.0 OTHER BUSINESS

8.1 Community Development-Public Works Coordination Roles and Responsibilities Worksession

Maggie Collins reported that a meeting was held with the Clackamas County regarding the corrections facility on Johnson Creek. She stated that there are approximately 80 people using the facility at this time. The following course of action was agreed upon:

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MINUTES OF OCTOBER 12, 1993
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1. The County will investigate the site and assess the site in terms of who is using the pathway now and what the safety factors are.
2. The City will inquire about future Tri-met plans and whether there are any options or changes in the transit situation where the bus stop might be placed closer.

The County is willing to work with the City to set up a design process to resolve the problem. The first meeting is scheduled for October 22, 1993. The first issue to be discussed is safety. It is hoped that during this meeting the situation can be assessed to determine solutions to any safety issues for the site.

8.2 Community Development Department Report

Maggie Collins reported that the letter from the Planning Commission to the City Council was received and acted upon last Tuesday. City Council has decided to have a joint worksession with the Commission on riverfront development issues in about a month.

ISSUES FOR STAFF

McLoughlin Blvd. It was asked that Staff provide an update on the McLoughlin Boulevard projects, including the ODOT parking lot, City parking lot, and frontage completion information.

Mill End Store. Staff was asked to provide information on the current status of the landscaping for the Mill End Store.

Monthly Community Development Report. It was suggested that a monthly report on the status of outstanding conditions could be submitted to the Commission. **Maggie Collins** stated that monthly reports to the Commissioners could start in November.

8.0 NEW BUSINESS

Chair Lent encouraged new members to attend the training session offered by the City on November 6, 1993. Staff needs to know by October 22, 1993, which Commissioners plan to attend.

- 9.0 NEXT MEETING: October 26, 1993
- 9.1 Light Rail Working Groups Report
- 9.2 Transportation Planning Rule Amendment Worksession
- 9.3 CD Report

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Bob Johnson moved to adjourn the meeting of October 12, 1993. Carolyn Tomei seconded. MOTION PASSED UNANIMOUSLY. The meeting adjourned at 9:15 p.m.

Pat Lent, Chair

Shirley Richardson, Hearings Reporter

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MILWAUKIE
CIVIL SERVICE COMMISSION
WORKSESSION
MINUTES - May 17, 1993

A meeting of the Milwaukie Civil Service Commission was held on May 17, 1993, in the Salal Room at Milwaukie Center. The following members were present:

Terri Nelson, Chairperson
Dave Graf, Vice Chair
John Siefer
Heidi Brockett

Staff Present:

Charlene Richards, Assistant to the City Manager
Cynthia Nagy, Personnel Assistant

Audience: None

I. CALL TO ORDER

Meeting was called to order at 5:45 pm by Terri Nelson, Chairman.

II. MINUTES

John Siefer made a MOTION that the Minutes of April 13, 1993, be approved as written. Heidi Brockett SECONDED. MOTION PASSED UNANIMOUSLY.

III. INFORMATION

None

IV. OLD BUSINESS

A. Problem Review/Resolution

Chairperson Nelson asked Ms. Richards what would be the best way to present or review the materials from the last session.

Ms. Richards said there were a couple of things that need to be looked at in the discussion. A couple of formatted options were given. People discussed who would do the complaint review: if the City Manager would, or if a review board would make the decision or recommendation before or after the City Manager made a decision, and what would be reviewed.

The existing process is that after the grievance goes to the City Manager and he makes a decision, his decision may be appealed either to the Civil Service Board or arbitration.

The City is in the process of putting together a Discipline/Discharge Manual. Currently discipline and grievance handling is cumbersome. Before the department head can make a recommendation to the City Manager, they have to complete an investigation and before providing due process for discipline or suspension without pay, or termination, they have a meeting with the employee.

The supervisor hears the employees side, and interviews any witnesses. If the decision is a written reprimand or less, they actually take the disciplinary action themselves. They might even be able to do a one day suspension, because it doesn't fall into due process.

If discipline is stronger, such as more days off without pay, a demotion, or even termination, then the supervisor or department head makes the recommendation to the City Manager.

Legally, whoever makes the effective disciplinary determination must hold the due process meeting. Then there is another meeting or hearing with the City Manager to make sure all the facts are heard and then the City Manager makes the decision. That process is already established.

The complaint review process begins when the disciplinary decision, by the department head or the City Manager is grieved. The City is looking at perhaps providing more delegation to the department heads so that they have the authority to effectively discipline all the way up to termination.

Before it goes that far, it always goes to Human Resources (HR) and then to the labor attorney.

Mr. Graf: "For the City's protection?"

Ms. Richards stated yes. I will usually handle it until it gets very serious and we are probably talking about due process and then we will run it by the labor attorney, not the City attorney.

I will look into consistency across the City, and then talk to the labor attorney, because they know the law, have more expertise and represent a lot of different jurisdictions and cities. The law firm represents US Bancorp. One of the speakers at our last meeting was from US Bancorp.

A lot of different steps and reviews take place before the grievance process begins.

When the process begins, it could include the hearings officer, review panel, or the City Manager. This is the same as Tigard's.

Mr. Siefer asked what the difference was between option one and option two except for the last paragraph?

Ms. Richards stated that the difference is where it happens.

The three different options, and the question is do they (hearing officer or review panel) report to the City Manager if it's one of these two, and does the City Manager make the final decision (which is what Tigard has). Or if it is the City Manager or if the employee delegates to a hearings officer or review board, is the decision final and binding.

In option one, the City Manager makes the final decision and it is binding. In the other, the employee gets the option of choosing, and the decision from that source is final and binding.

Mr. Siefer felt he had a problem with that. It would put the process right back with the Civil Service Board, and you wouldn't accomplish his objective.

Ms. Richards thought that it would be nice if before the City Manager made the final decision, that either a hearings officer or review committee heard the evidence and made a recommendation to him. Rather than coming back after the fact and being told that he didn't think about this or that and bringing up additional information that should have been looked at.

What we want to avoid is additional litigation.

Ms. Brockett had a concern regarding the length of the time involved in the process. Before, the City Manager could make the decision in a relatively short time. When she worked at Lewis and Clark, the process seemed to be more important, and 99% of the time it would have been easier just to make a decision quickly.

Ms. Richards informed the Commission that at the most it would lengthen the process by three weeks. It probably won't take that long. Generally, these are quick decisions and they aren't appealed to the board. In the last three years there has been one appeal to the board.

The City is using Portland's Discipline and Discharge manual and training as a basis for establishing a manual and training for us. Portland developed their manual three years ago and have no problems. Everything has been upheld as far as their decisions even when they have gone to

arbitration. Our manual will not be as cumbersome. They are much larger than we are and need more layers.

Excepting the Personnel Rules, the contracts will have their own process, since they have chosen not to use the Civil Service Board. Items such as promotions, classifications and discipline are the three areas that will remain covered.

Mr. Siefer asked how the citizens would be selected for the panel. Would there be a problem getting independent citizens? Should it be all City employees, or would that create a problem?

My other concern is there is no penalty if the City Manager doesn't make his decision within the 15 day period. Is it an automatic win for the other party?

Ms. Richards opened the discussion. In the case of using an arbitrator they usually have 30 days to make their decision. If for some reason they go beyond that period you have no choice but to wait. Although, I have never known one to go beyond that 30 day limit.

If for any reason he would miss that deadline, we would contact the other party and let them know what the situation is, and ask if we could mutually agree for an extension.

Commission agreed to Mr. Graf's idea that we need a disclaimer in case the City Manager is unable to make the decision (i.e., ill, out of town, etc.). Have an acting or designee, or if there are extraordinary circumstances and the decision is delayed, the other party must be informed and there are no repercussions to either side.

They want the hearing and decision to proceed in an orderly and timely manner.

Mr. Siefer preferred having the decision be accomplished by secret ballot for the hearings panel to avoid the vote being political. It would consist of three persons, so it would never be a tie vote. He also wanted the independent citizen removed and an agency person from another city used instead.

After discussion, it was determined Ms. Richards would check with the attorney to find the legality and reasons for either an open vote or a secret ballot. Whether it would be the employee option or the prerogative of the panel.

Ms. Richards said she would check with the attorney, but felt there could be problems in a secret ballot if the case goes on to court and findings are needed for a defensive decision.

Ms. Brockett felt the panel could create inconsistencies, where a hearings officer makes decisions all the time, knows what they are doing, and is consistent.

Would the City Manager say that he didn't agree with the panel if their decision was inconsistent with how similar problems had been dealt with in the past?

Mr. Graf voiced his concern about the City Manager having the final say either way. But the Commission should remember the employee would still have the option of taking the final decision to an appeal court.

Why shouldn't we have a hearings officer rather than a panel? Cost? Do we need to have three options for the employee?

Ms. Richards said that Tigard felt that sometimes it helps in a technical question. Cost could easily run \$1500.

Final determination of the Commission was the employee would make the decision as to whether they want the City Manager or a review panel. The idea of a hearings officer was rejected.

If a review panel is chosen, it would consist of three people:

1. City department manager from a different department than the defendant employee;
2. Peer from a different department who is not involved in the issue;
3. Department Manager from an outside agency that is germane to the issue.

The Employee would have the choice of selecting either the Department Head, or the peer employee for the panel.

The City Manager would make the choice of the outside managerial employee. If the Employee objected to the choice, he would have the right of refusal, and the City Manager would choose someone else.

The three (3) member panel would hear the decision and make a final recommendation to the City Manager. If the City Manager goes against the panel recommendation, he will need to justify that decision.

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Civil Service Minutes
May 17, 1993
Page Six

The time frame between each action on a grievance, will be 15 business days.

If for any reason the City Manager has a problem with the 15 business day limit, he or his designee, would be required to notify the employee in writing of the delay.

Mr. Graf explained to Ms. Brockett that past Civil Service Minutes included the Commission wanting to have a draft drawn up, presented to the City Council within a short time period, and have the Commission abolished.

Ms. Richards stated once she has drafted the Commission's complaint review process, she will take the process to the Personnel Rules Committee for comments. The next step will be to revise the draft form, send it out to the Commission and ask for comments before the next worksession, and then finalize it and send it to the City Council.

The next worksession will be in October.

V. ADJOURN

Chairperson Nelson asked if there was no further business, would anyone make a motion to adjourn?

Dave Graf MOVED to adjourn. John Siefer SECONDED. MOTION PASSED UNANIMOUSLY. Meeting adjourned at 7:45 p.m.

Cynthia K. Nagy, Personnel Assistant

SECTION 14 - COMPLAINT RESOLUTION PROCESS

DRAFT ⑦

14.01 GENERAL OVERVIEW

(A) The City welcomes suggestions for improvement in City human resource management and policies. Employees are encouraged to offer comments or address concerns to their supervisors, IN-CAT or to the City's Human Resource Services staff. Employees with an actual complaint about the application of City personnel rules may submit a formal written complaint.

(B) Any employee has the right to submit a written complaint concerning the interpretation, application, or implementation of any of the policies, rules, or regulations. This Complaint Process is apart from the Grievance procedures provided for in the negotiated bargaining agreements between the City and the unions representing the bargaining units of the City. All employees will have complete freedom from any sort of reprisal for use of, or participation in, any aspect of the complaint/appeal process.

14.02 COMPLAINT DEFINED

A complaint will be considered to exist when an employee has a factual complaint relating to employment, working conditions, or the application of these Personnel Rules.

14.03 PROCEDURE

(A) An employee who believes a grievance exists may file a written complaint with the immediate supervisor stating the nature of the complaint, the date of the circumstances giving rise to the complaint and the date of the employee first knew of the circumstances, if later. The complaint should, at a minimum, refer to the policy, rule, or regulation in question, the condition or situation causing the complaint to be filed, and the action recommended by the employee to resolve the complaint.

(B) The employee and the supervisor will normally meet within fifteen calendar days to discuss the complaint and attempt to informally resolve the complaint. If the complaint is not resolved to the employee's satisfaction, the employee may, within fifteen calendar days, forward the written complaint to their Department Head. Following review, the Department Head will, within fifteen calendar days, make a decision regarding the resolution of the complaint and will, in writing, inform both the employee and the supervisor of that decision.

(C) Either the employee or the supervisor has the right to appeal the decision of the Department Head to the City Manager. The appeal request will be in writing and must be filed within fifteen calendar days of receipt of the decision from the Department Head. The appeal request should include copies of any correspondence, etc., related

to the original complaint. The request should include direction to the City Manager to review the complaint or to have a Complaint Resolution Panel review the complaint.

(D) The City Manager based on the recommendation of the employee will utilize one of the following two options to investigate and make a final decision on the disposition of the appeal.

1. The City Manager may personally review the appeal. This review may include the gathering of any information pertinent to the original complaint or the appeal, interviews with the employees, advice of legal counsel, or any other process deemed necessary by the City Manager to make an informed decision on the appeal. The City Manager will normally make a decision on the appeal within fifteen calendar days from the date the appeal was filed with the City Manager. The decision of the City Manager will be in writing, with copies to all interested parties, and will be final.

2. The City Manager will ensure that a Complaint Resolution Panel is established to review the appeal. The three members of the Complaint Review Panel will be:

a. A nonmanagerial employee from a Department other than the Department that originated the complaint and subsequent appeal.

b. A managerial employee from a Department other than the Department that originated the complaint and subsequent appeal.

c. A managerial employee from another agency.

Selection of the above panel members will be as follows:

The employee filing the complaint may select either the panel member for category a. or b.

The employee filing the complaint may reject the first selection made by the City Manager for category c. If the first selection is rejected, the City Manager will make the new selection.

Final selection of the panel members will normally be within fifteen calendar days of receipt of the complaint by the City Manager. The City Manager will inform the interested parties of the names of the panel members. The Complaint Resolution Panel

will have the latitude to gather information related to the appeal as outlined for the City Manager in Section 1 above. The panel will have fifteen calendar days to review the appeal and make a recommendation to the City Manager regarding the disposition of the appeal.

The City Manager will review the recommendation of the Complaint Resolution Panel and, within fifteen calendar days of receipt of the Complaint Resolution Panel recommendation, make a final decision on the disposition of the appeal. The decision of the City Manager will be in writing with copies provided to all interested parties and will be final.

CITIZEN'S UTILITY ADVISORY COMMISSION

1

6:00 pm
October 6, 1993
Johnson Creek Facility

The thirty-eighth meeting of the Citizen's Utility Advisory Commission was held October 6, 1993 in the conference room at the Johnson Creek facility. Chair Kay convened the meeting at 6:06 pm. Present were:

Michael Kay, Chair
Ralph Klein
Carl Jacob
Alan Fletcher

Richard Raynor
Anne Smith
Tom Alford

ABSENT:

None

STAFF PRESENT:

Tim Corbett, P.W. Director
Connie Leasure, Staff Ass't

Kay opened the meeting by introducing new member Carl Jacob, and asked him to give a brief outline of his background. Jacob stated that he has lived in Milwaukie about five years. After receiving an Associates degree in Accounting, Jacob earned a Real Estate license and made his living selling real estate until his retirement in 1988. He has volunteered to serve on the commission as a way to give something back to the community.

The remainder of the group present then introduced themselves and gave a similar history.

I APPROVAL OF MINUTES

The minutes for the July meeting were approved with one correction: Jacob noted that his last name has no "s" on the end.

II DISCUSSION

A. Finalize Water Rate Recommendation

Jacob MOVED and Raynor SECONDED a motion to continue the discussion at Item #4 of the DRAFT water rate recommendation. This item addressed the question of whether low-income rates should continue to be offered; Fletcher suggested that perhaps this questions was not within CUAC's role, as policy is generally set by Council. Corbett replied that while the amount of funds gained or lost as a result of low-income claims is less than 01% of the total water revenues, he feels that a recommendation one way or the other is desirable. Kay stated that he sees the issue as fairness and humanity. Fletcher asked Corbett to describe how low-income application is made; Corbett noted that Finance handles the application for and award of low-income status. There was extended discussion about this subject; after receiving a consensus opinion, Kay proposed that the following wording for the recommendation: CUAC LEAVES POLICY DECISIONS OF RATE ADJUSTMENTS TO COUNCIL. This wording was acceptable to the group.

Revisiting Item #3, the date rate increase is effective, there was discussion about equity between customers. As half of the City pays one month, the other half the next month, the question was how to ensure that each half of the customers pay for the same amount of increase. That problem could be addressed by using words to the effect that the increase become effective "during the winter low-use period", rather than January 1st, or "as near to January 1st, 1994 as practical". While there were questions about whether the meters could be read monthly during the transition, or the billing cycle made monthly rather than bi-monthly, Corbett emphasized that these types of measures would double the administrative costs and thereby nearly cancel out the revenue increase. Klein commented that in the future the City should be positioning itself to take advantage of new meter reading technology, which eventually will allow the water meters to be read from the truck using radio, and perhaps the time savings will allow monthly reading cycles. Corbett agreed, and explained what steps the City is taking in that direction.

Moving to Item #5, Fletcher commented that while he agrees that the rate study should be updated every two years, he feels that stating "The consultant" should do the update appears to commit the City to spending money. Corbett replied that he had chosen that wording due to his perception that the CUAC was somewhat uncomfortable with the idea of staff doing such work. He also feels that using the consultant who did the original work may actually save money for the City, as they are in touch with current rate model, etc. and can make suggestions about handling the money that are advantageous to the City (such as retiring old bonds now rather than saving the money while interest rates are so low). Corbett will reword the item stating that the study should be updated by "A consultant" rather than "The consultant", leaving the choice of who does the work to Council or the City Manager.

Alford asked why the suggested rate increase jumped from and original 7% to the current 11%; Corbett replied that the initial study was based on the increase becoming effective July '93 - with the date having been pushed back to Jan. '94, there are lost revenues which will need to be made up. There was extended discussion about the increased costs to the City for testing, etc. required by the Safe Drinking Water Act, costs which have escalated far above the national cost-of-living increase. Smith asked how the CUAC could influence the City's future software purchases - she feels that there are packages available which would allow the implementation of block rates without the problems which the current software apparently has. Corbett replied that the problems have more to do with time and manpower to facilitate a new rate structure. Kay requested that the Finance Director attend an upcoming CUAC meeting to discuss implementation of the new rates.

At this point, Fletcher MOVED and Smith SECONDED a motion to accept the draft recommendation as revised. Corbett read the changes, which were confirmed. The vote was five (5) for, two (2) against - motion carried.

B. Storm Water Utility Implementation Schedule

3

Kay asked how the consultant is progressing on the task plan schedule. Corbett replied that they are doing their best, and they are shooting for implementation around January 1st, '94, although he expects it may not begin until March '94. Fletcher asked how the information on this utility will be disseminated to the public; Corbett said that information will be published in the Pilot - in fact, he is already getting calls from the citizens on this issue. Kay noted that there already is some slip in the schedule, as the CUAC has yet to see the items they were supposed to be reviewing at this very meeting. Corbett agreed, noting that as Milwaukie was the last jurisdiction to get involved, so the process will have to be fast-tracked. He will bring everything possible to CUAC to review, but time constraints may necessitate that it be offered as information rather than for review.

C. Set Next Meeting Date

According to the new revised schedule, the next meeting date will be Wednesday, November 3rd.

III Information Sharing

Corbett reported that the KOLTT study is still ongoing; Kay showed a timeline for the project, and explained to the newcomers the what and whys of the study. The preliminary design is done, and construction is expected to be complete by September of '94.

Kay requested an update on the 32nd Avenue Reconstruction Project, noting that STOP signs have been placed on every street intersecting 29th along the detour. Corbett said that this was done in response to citizen requests, and explained how the project is proceeding.

Fletcher asked about the work in progress on King Road. Corbett replied that this is a Clackamas County project which has been extended through the Milwaukie portion of the road to ensure continuity. The road is being ground down and resurfaced, then the markings will be changed to provide one travel lane in each direction, one wide turn lane in the middle, and two narrow bike paths on each side of the road. There was some discussion about the very wide turn lane which seem to dictate the very narrow bike paths on each side; some of the members feel that the bike paths should be wider at the expense of the extra-width turn lane.

V. ADJOURN

There being no further business, the meeting was adjourned at 8:01 pm.

CITY OF MILWAUKIE



COMMUNITY DEVELOPMENT
PUBLIC WORKS

5101 S.E. JOHNSON CREEK BLVD
MILWAUKIE, OR 97006

TELEPHONE 652-4410
FAX 654-6236

1

MEMORANDUM

COMMUNITY DEVELOPMENT DEPARTMENT

October 19, 1993

To: Milwaukie Planning Commission
Thru: Maggie Collins, Community Development Director
From: Eileen Goldsmith, Community Development Department
Re: Initial South/North Study Working Group Reports, October 26, 1993

The Milwaukie South/North Study Citizen Working Groups are now completing their first phase of analysis of high-capacity transit alternatives for the City. Your contributions to these Working Group meetings have been most helpful.

The four Working Groups are now prepared to present their initial findings to you. Attached is each Group's draft Report, focusing on these topics:

- * Problem definition for the Working Group area. This is the guiding statement of the key local transportation issues for each group.
- * Transportation mode preference and justifications.
- * Alignment or design option preferences and justifications.
- * Station, park & ride, and transit center placement and justifications.
- * Significant outstanding issues and concerns in the Working Group area.

For reference, also attached is a copy of the Metro South/North Study criteria, which each Working Group used in its evaluation process.

Each Working Group has chosen a representative who will report the Group's findings. Your comments and questions at this time will help the Working Groups provide greater focus to their revised reports. The Working Groups will submit revised reports to you on November 9 and to the Milwaukie City Council on November 16.

Attachments

Draft Working Group reports
South/North Study Evaluation Measures
Alignment Maps
EG/October 13, 1993

Tier I Evaluation Methodology Report

DRAFT

South/North Corridor
Alternatives Analysis

August 1993

METRO

Prepared by:
Steven M. Siegel & Associates
Portland, Oregon

4. EVALUATION MEASURES

4.0 Introduction

In Section 2.5, a Tier I goal and seven Tier I objectives were derived for the Corridor Study from the purpose and needs analysis. These objectives, or sub-sets thereof, serve as the basis for making the narrowing decisions set forth in Chapter 3. The Tier I evaluation methodology described in this chapter prescribes two or more *criteria* for each of the objectives, and one or more *measures* for each criterion. The following subsections define, for each objective, the criteria and measures to be used in Tier I evaluation.

The list of measures identified in this report represents an initial determination of such factors based on analyses to date. The final list of criteria and measures to be included in the evaluation process may be modified due to further technical analyses and public involvement.

4.1 Objective 1: Provide High Quality Transit Service

The automobile provides the quality of service by which most people judge other transportation options. If transit is to be effective in reducing the region's reliance on the automobile, it must offer a competitive quality of service.

Transit network statistics used to calculate the quality of service measures; including capacities, travel times, transit ridership, and auto volumes will be derived from the EMME2 model described in the *Travel Demand Forecasting Methodology Report, January 1993*. These models will be applied to the road and Tier I transit network configurations. The assumptions used in the ridership forecasts are documented in that Methodology Report.

4.1.1 Ease of Access To/From Network

[a] *Number of residential units/population within station areas*

This measure indicates the amount of people living within a one-half mile walk of a transit station or stop.

[b] *Number of jobs within station areas*

This measure indicates the amount of people working within a one-half mile walk of a transit station or stop.

[c] *Elderly and Disabled (E&D) Accessibility*

This measure will primarily be used in the evaluation of modal alternatives. It

which have some sort of transit priority [the type of treatment is not differentiated].

[c] *Per cent of corridor passenger miles on exclusive right-of-way*

Another measure of reliability to be used in Tier I is the total amount of corridor passenger miles occurring in reserved ROW (this includes LRT passenger-miles, which are in reserved ROW, and bus passenger-miles, which are not in reserved ROW). The alternative with the most corridor passenger miles occurring in separated ROW would provide reliable transit operations to the greatest amount of transit travel among the alternatives.

4.1.5 Ridership

[a] *Corridor Transit Ridership*

Corridor transit ridership refers to the daily number of linked trips (transfers not counted) on the transit network within the corridor travel shed in the forecast year on all transit modes.

[b] *HCT Transit Ridership*

The daily number of transit trips using the HCT component of the South/North transit system (e.g., busway, LRT, Commute Rail or River Transit). HCT ridership will be estimated on a segment-by-segment basis.

[c] *Transit Ridership to/from Major Centers*

The daily corridor number of transit trips produced in and/or attracted to downtown Portland, Vancouver, east Portland and Clackamas County in the forecast year.

4.2 Objective 2: Ensure Effective Transit System Operations

4.2.1 Downtown Portland Operations

Because of additional downtown Portland transit service associated with all of the modal alternatives, it is critical to ensure that downtown portion of the system continues to operate in an efficient and reliable manner. The following measures will be used in Tier I to assess downtown Portland operations:

[a] *Number of Peak Hour Transit Vehicles in Downtown*

P.M. peak-hour bus and light rail volumes in downtown Portland by street/alignment.

Are there any unusual maintenance requirements such as special facilities, unusually long down-times, special employee skill or contract service requirements, new types of maintenance requirements (e.g., dredging, removing debris from the right-of-way) etc? Or are there any special advantages?

[d] *Operating requirements*

Are there significant limitations or advantages to operating the mode at certain grades, under adverse weather conditions, at certain river levels [for river transit]. Are unusually long dwell times needed at stops? Are there any unusual time-of-day restrictions or requirements on operations? Are any special fuels required? If so, are they readily available?

[e] *Driver requirements*

Is any special driver training or licensing required? Are trained drivers readily available? Are different unions and union rules involved? Can existing drivers be easily employed?

[f] *Environmental considerations*

Is the mode unusually noisy? Does the mode operate in a particularly sensitive environment? Are there any significant special environmental requirements associated with the mode?

[g] *Regulatory requirements*

Are there any federal, state, or local regulatory requirements associated with the mode that effect its operational effectiveness such as federal railroad statutes or rules, waterway and greenway protection statutes or rules, PUC rules, Coast Guard or Corps of Engineers requirements, Section 4(f) requirements, etc?

4.3 **Objective 3: Maximize the Ability of Transit Network to Accommodate Growth in Travel Demand**

Federal guidelines require that the transit networks shown in an AA/DEIS be adequate for a design year approximately 20 years in the future. An important local consideration is the effectiveness of the alternatives to respond to growth beyond the 20 year time frame. The capacity of the various alternatives are restricted by different factors. The measures which follow identify these factors and qualitatively assesses the capacity of the alternatives and the ease of expanding the South/North Corridor transit system to meet travel demands in the forecast year and beyond.

4.4.1 Highway System Use

- [a] P.M. peak-hour, peak direction traffic volumes at cutlines

Detailed traffic analyses will be performed in Tier II, not in Tier I. To estimate this impact in Tier I, traffic volumes will be estimated on a cutline basis. The relative effectiveness of the alternatives in achieving highway and arterial service level objectives and traffic infiltration through neighborhood objectives will be measured by the difference between their projected traffic counts at these cutlines.

4.4.2 Traffic and Neighborhood Infiltration Relief

- [a] P.M. peak-hour transit ridership at key traffic congestion cutlines in Corridor

This measure indicates the potential of the transit alternatives to resolve the traffic congestion problems identified above. By removing cars from the peak hour road system, the transit alternatives increase the level of service on highways and arterials reduce the likelihood or amount of traffic infiltration in neighborhoods. Specifically, peak direction transit ridership will be calculated at each of the cutlines tested on the highway system. The higher the ridership at key cutlines on the highway system, the higher the potential of the transit system to assist in relieving traffic congestion and neighborhood infiltration.

4.5 Objective 5: Promote Desired Land Use Patterns and Development

FTA requires the assumption underlying an AA/DEIS be that the alternatives will not affect the amount of population and employment growth but could affect the distribution of land development in the corridor. Accordingly, the AA/DEIS will not project quantitative differences between the alternatives in the amount of population and employment within the region or corridor. Instead, the relative ability of the alternatives to promote efficient land use and land development patterns will be evaluated on a qualitative basis.

4.5.1 Support of Activity Centers

- [a] Proximity of stations to downtown Portland, Lloyd District, Central Eastside Industrial District, downtown Milwaukie, downtown Vancouver, Clackamas Town Center, Van Mall, downtown Oregon City

The ability of the alternatives to provide visibility, accessibility and foot-traffic to the major activity centers in the Corridor will be qualitatively assessed.

- [b] Other significant considerations

Qualitative assessment of the ability of the alternative to be physically and

corridor by an average fare per boarding rider [note that boarding rides include originating trips and transfers].

4.6.2 Cost-Effectiveness

Cost-effectiveness analysis provides a means of comparing the benefits of each alternative with its costs. FTA has established a Cost-Effectiveness Index as a standardized measure for evaluating the relative merits of fixed guideway alternatives within a corridor. The Index measures the cost-per-added-rider of an LRT alternative compared to a TSM Alternative. This measure will be used in Tier II, when the networks are refined and the costs are more reliable.

The Tier I cost-effectiveness measures include:

- [a] *Net Operating Subsidy per rider*
- [b] *Net Operating Subsidy per place mile*
- [c] *Boarding Riders per Revenue Hour*

This measure is the ratio of the number of riders on the HCT line divided by the amount of time the HCT line operates. The measure will be generated on a segment-by-segment basis.

- [d] *Annualized total public cost per rider*

The annualized capital cost of the alternative and forecast year net operating subsidy [for the corridor] will be totaled and divided by the average number of annual transit riders in the corridor - producing an average public cost per rider.

4.6.3 Financial Feasibility

A detailed capital cost and system operating cost feasibility analysis will be prepared in Tier II when costs and funding prospects are better known. The Tier I "financial feasibility" criterion focuses on the comparative prospects of the various alternatives to secure sufficient funding.

- [a] *Applicability of capital funding options to mode/alignment*

The Pre-AA Funding Inventory was prepared to identify the funding options available to plan and construct fixed guideway projects in the South/North Corridor. The existing funding authorities of FTA, C-TRAN, Tri-Met, METRO, Clark County, cities and counties, and the states of Oregon and Washington which could reasonably

options. This may include the impacts of the alignment alternatives and options on such factors as capacity, traffic conflicts, design safety, etc.

4.8 Application of Evaluation Methodology to Tier I Decision Process

The aforementioned criteria and measures will be used in various combinations to evaluate the choices outlined in Chapter 3. Table 4-1 shows the criteria which are applicable to Scoping Process decisions. Table 4-2 shows the criteria which are applicable to the selection/rejection of design options throughout (on an on-going basis) Tier I. Table 4-3 shows the criteria which are applicable for the Final Tier I Decision Report.

MILWAUKIE SOUTH/NORTH STUDY WORKING GROUP REPORT
 Working Group #1 - North Milwaukie
 October 26, 1993

(9)
DRAFT

1. Definition of Transportation Problem

- (a) Too many cars on McLoughlin Blvd. at rush hour
- (b) Lack of adequate alternate routes and travel modes
- (c) Accommodating future growth to the south & east
- (d) Through-traffic infiltration in neighborhoods

2. Transit Mode Preference & Justifications

Light rail, primarily serving commuters from the south and southeast. In order to meet the objective of easing rush-hour congestion on McLoughlin Boulevard, the service must be fast, clean, cost-effective, convenient, safe, and competitive with the automobile.

3. Transit Design Option Preferences & Justifications

The group identified significant benefits and flaws with two major design options in this area: McLoughlin-SP and PTC-SP. The group was split in its conclusions regarding which option worked best for the area.

McLOUGHLIN-SP	PTC-SP
fast	fast
serves future growth & redevelopment	less disruptive to businesses & traffic
good transfer potential	less costly to build; available ROW
draws ridership from neighborhoods on both sides of McLoughlin	environmental impacts on Oaks Bottom
easier design; available "dead space" between street and Southern Pacific tracks	more aesthetic for riders
less impact on neighborhoods	neighborhood impacts in Sellwood/Garthwick
	operating considerations: curves decrease speed, affect visibility

Design option descriptions:

The McLoughlin-SP option would follow the east side of McLoughlin Boulevard between the trees and the Southern Pacific Railroad to Ochoco St., where it would veer to the east to parallel the SP tracks. The alignment enters downtown Milwaukie adjacent to the SP railroad tracks.

- (a) McLoughlin Boulevard commuter destinations
- (b) Commute vs. neighborhood transit service
- (c) Cost & other study data as it comes available
- (d) Neighborhood impacts: noise, vibration, traffic circulation, safety, etc.
- (e) Environmental impacts at Oaks Bottom
- (f) Relation of new transit service to Springwater Corridor
- (g) Relationship with Southern Pacific Railroad
- (h) Crime, safety, and security issues associated with new transit service
- (i) Improving transit service for Ardenwald neighborhood
- (j) An "eastside connector" as a complement to, or substitute for, service to downtown Portland
- (k) Sellwood Bridge capacity and use; options for a new bridge south of Sellwood
- (l) The impact of the new Tacoma overpass on bridge traffic and on Johnson Creek Boulevard
- (m) Public opinion in Sellwood, west bank neighborhoods
- (n) Accommodating future growth in the region
- (o) Incorporating adequate bicycle facilities into transit design
- (p) Creative responses to underlying transportation problem of peak loading

Working Group members:

Terry Adkins
Margaret Branson
Gail Cheshire
Presley Cheshire
Don Graf
Ray Guimary
Brent Jacobs
Gerri Sue Lent
Karen Williams

EG/DRAFT/October 12, 1993

MILWAUKIE SOUTH/NORTH STUDY WORKING GROUP REPORT
 Working Group #2 - Central Milwaukie
 October 26, 1993

1. Definition of Transportation Problem

The major local transportation problem is access for employees and patrons of downtown businesses to the downtown area. The problem is intensified by internal circulation problems, inadequate parking, and a lack of adequate transportation alternatives for commuters from the east and south.

2. Transit Mode Preference & Justifications

The group prefers light rail transit with a system of feeder buses to serve it. Light rail has the advantages of being quiet, comfortable, and cost-effective, and would operate largely on exclusive rights-of-way, allowing for greater speed.

3. Transit Design Option Preferences & Justifications

The group identified a number of benefits and flaws with the two major design options for entering Milwaukie from the north, the SP right-of-way and 21st Ave. These design options are difficult to study exclusive of consideration of bus transfer center locations and overall redevelopment goals for the downtown core.

21st Ave.	Southern Pacific
intense disruption during construction pays off with improved infrastructure, better downtown development opportunities	serves potential redevelopment site at Milwaukie Junior High -- mixed use commercial and retail opportunities with inviting public space
keeps light rail in downtown core, avoiding problem faced in downtown Gresham	too far from Main St. to serve existing job base?
provides opportunities for pedestrian-oriented development, as group discussed with Visual Preference Survey photos	less disruptive during construction; may be less expensive to build
serves existing Main St. job base	exclusive right of way
shared right-of-way with auto traffic	

Major issues identified with the Washington St. alignment leaving downtown Milwaukie to the east include:

- * Shared right of way with auto traffic
- * Neighborhood impacts, including elimination of left turns, numerous intersections, and right-of-way acquisition

- * Clear sightlines throughout downtown area to Willamette River
- * Pedestrian-oriented mixed-use development

Working Group members:

- Joe Bernard
- Dave Church
- Don Cooper
- Dwight Dillon
- Bee Hall
- Paul Hawkins
- Steve Morse
- Karen O'Dowd
- Darlene Weil

EG/DRAFT/October 15, 1993

DRAFT (13)

MILWAUKIE SOUTH/NORTH STUDY WORKING GROUP REPORT
Working Group #3 - South Milwaukie/Oak Grove
October 26, 1993

1. Definition of Transportation Problem

- (a) Congestion and poor travel times on McLoughlin Boulevard at peak times
- (b) Lack of adequate east-west streets
- (c) Lack of adequate north-south neighborhood streets forces neighborhood traffic onto arterials

2. Transit Mode Preference & Justifications

The group chose light rail as the mode that makes the most sense now, while noting that either river transit or commuter rail would have merit as part of a future multi-modal transit system for the region.

3. Transit Design Option Preferences & Justifications

The group compared the two major alignment choices in their area, the old Portland Traction Company trolley route (called PTC or Arista Drive) and McLoughlin Boulevard. Based on its initial discussions and evaluation of each option according to the criteria of the South/North Study, the group strongly prefers the McLoughlin Boulevard alignment. The group drew the following major conclusions on the benefits of the two alignments:

McLOUGHLIN	PTC/ARISTA
better potential for park & ride siting	exclusive ROW
fewer environmental and neighborhood impacts	less disruptive to business community during construction
ease of access to McLoughlin enhances ridership	serves existing retirement communities on River Rd.
could better support businesses on McLoughlin	
potential for safer conditions on McLoughlin for drivers and pedestrians	
potential to improve traffic circulation <ul style="list-style-type: none">* U-turns* synchronized signals* controlled speeds	
gets more cars off McLoughlin	

- (b) Rider safety/crime
- (c) McLoughlin business district viability during and after construction
- (d) Business-friendly design on McLoughlin Boulevard, including preserving parking facilities
- (e) Projected employment and population growth in Clackamas County; opportunities to steer new development with transit; commuter destinations
- (f) Preferences of Gladstone residents
- (g) Comparisons of McLoughlin and PTC alignments to 205 alignment
- (h) Status of right-of-way on PTC alignment
- (i) Cost and other data from the South/North study as it becomes available
- (j) Redevelopment opportunities on McLoughlin Blvd.
- (k) Current Tri-Met ridership in the McLoughlin Corridor

Working Group members:

Doug Daniels
Dianne Heimel
Ed Heimel
Mary Kellum
Palmer Kellum
John Santos

EG/DRAFT/October 13, 1993

MILWAUKIE SOUTH/NORTH STUDY WORKING GROUP REPORT
Working Group #4 - East Milwaukie/CTC
October 26, 1993

1. Definition of Transportation Problem

The road and street system is inadequate to handle the consequences of development along it. The problem is especially pronounced in the Clackamas Town Center area where commuter traffic clashes with internal shopper circulation patterns.

2. Transit Mode Preference & Justifications

Light rail, as a primarily commute service

3. Transit Design Option Preferences & Justifications

The group divided their segment, from Milwaukie to Clackamas Town Center (CTC) and beyond, into two segments for the purpose of comparing different design options. The first segment stretches from approximately Milwaukie Marketplace to the Linnwood-Harmony intersection. The second section stretches from Linnwood-Harmony to the Town Center, approximating the Town Center special study area defined by project staff.

The group did have some recommendations for the CTC special study area. Their overall preference in this area is to move commuters through the area as quickly and directly as possible. Therefore the group rejected the proposed design that curves north toward Meier & Frank, then turns south crossing Sunnyside Road and the Promenade parking lot, exiting Clackamas Promenade next to Target. The group recommends reconsidering an alignment along Sunnyside Road in this segment. The design could be at grade or elevated. The group also suggests more study incorporating a future highway bridge at Causey Lane.

The group identified the benefits of design options in the 224 alignment according to South/North Study criteria as follows:

RAILROAD AVE.	HIGHWAY 224	LAKE ROAD
population in area (4.1.1)	jobs in area (4.1.1)	population in area (4.1.1)
potential park & ride at vacant site at 32nd & Railroad (4.1.2)	better for transfers & park & ride siting (4.1.2)	
entirely exclusive right-of way (4.1.4)	predominantly exclusive right-of-way (4.1.4)	

		little opportunity to gain speed (4.7.2)
		shared right-of-way (4.1.4)

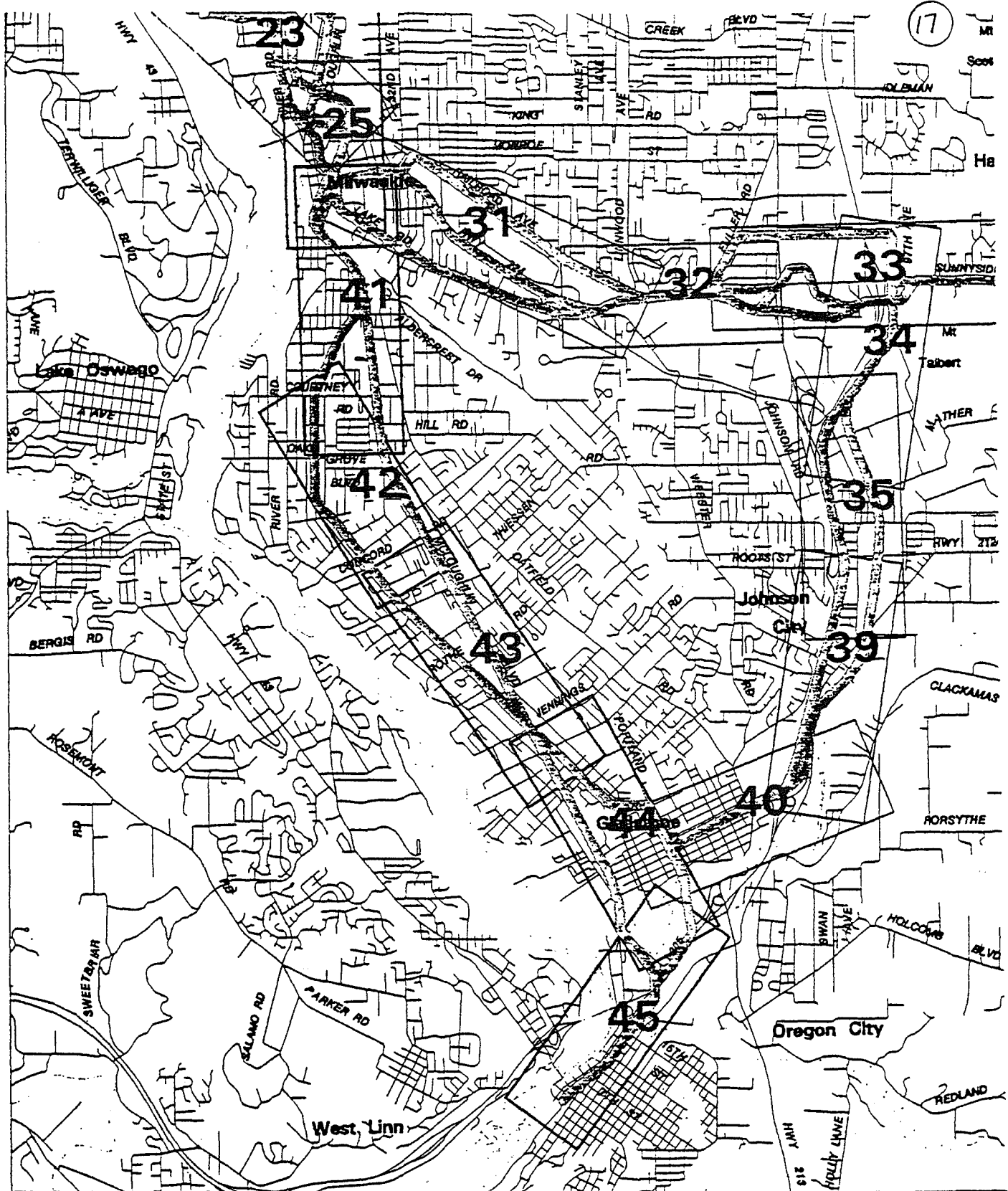
4. Station/Park & Ride/Transit Center Location Preferences

From west to east, the group identified the following potential sites for stations and park & rides in its initial analysis:

- (a) Large park & ride at terminus on Sunnyside Road
- (b) Park & ride at east side of Sunnyside interchange to capture traffic before Sunnyside overpass and Clackamas Town Center
- (c) No park & ride at 82nd and Harmony, a site that Clackamas County has identified as a potential park & ride location. The group determined that it would compound the existing traffic problems at 82nd & Harmony by bringing more cars through the intersection at peak times.
- (d) A neighborhood stop in the Harmony Road segment serving OIT, North Clackamas Park, and LaSalle High School.
- (e) A neighborhood stop around the midpoint of the long Highway 224 alignment. On Railroad Ave., the stop would be located approximately at 47th Ave. On the 224 and Lake Road options, the stop would be located approximately at Freeman Way. If the Railroad option were chosen, a stop at 47th Ave. could incorporate a pedestrian bridge across the SP railroad tracks providing access to the International Way industrial area.
- (f) A park & ride in Milwaukie at the west end of this segment. This could be a parking structure.

5. Other Outstanding Issues & Concerns

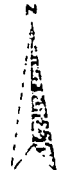
- (a) The segment from Linnwood to I-205 needs a great deal of further study to address the following concerns:
 - * environmental impacts
 - * traffic system in decline
- (b) Fareless zone in Clackamas Town Center/Kaiser area
- (c) Projections of future regional employment and population hubs
- (d) How high-capacity transit in this segment meshes with ongoing highway planning, and with regional 2040 planning
- (e) Setting the terminus as far out Sunnyside Road as possible (even to Damascus?)

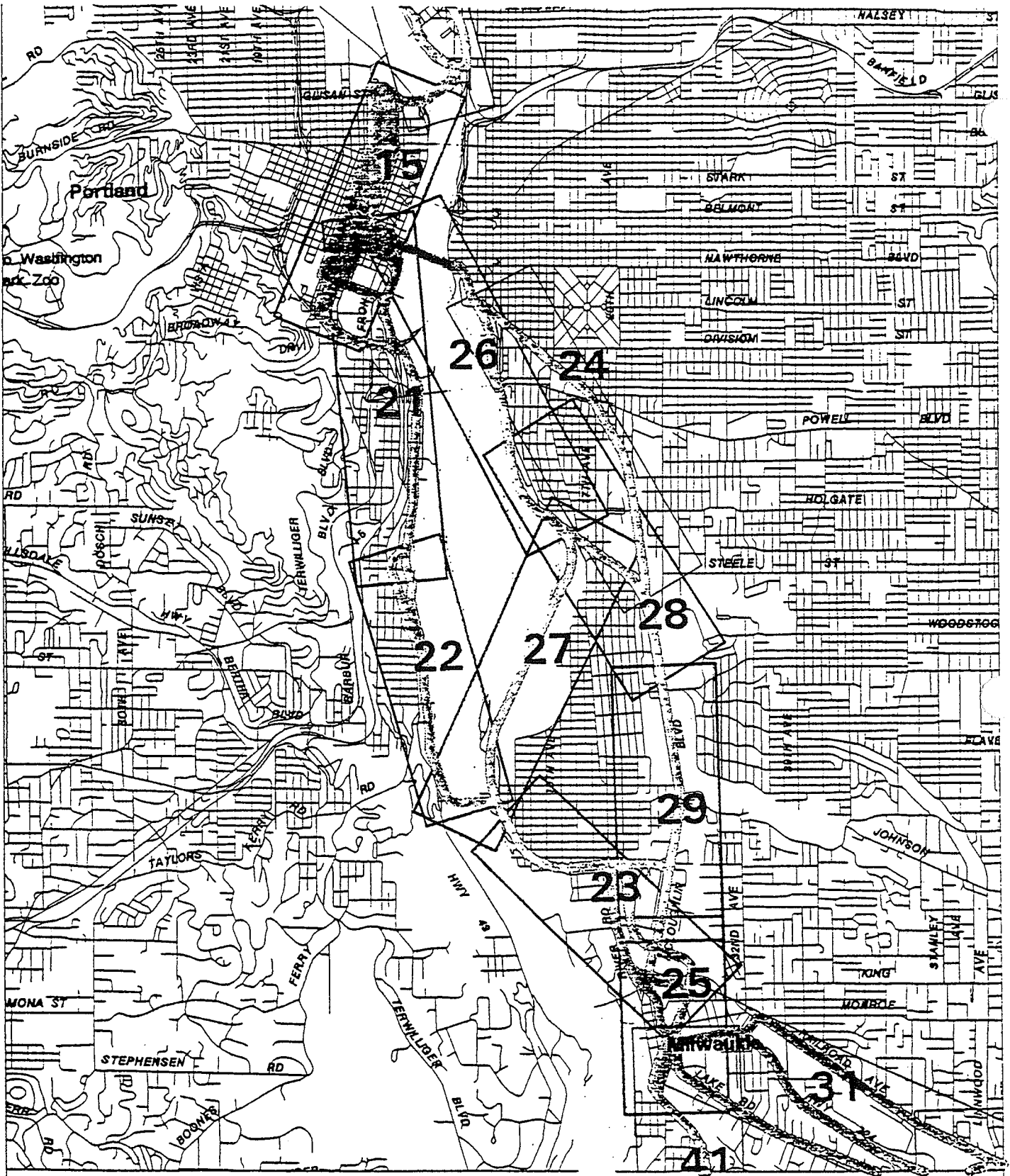


Milwaukie To
Oregon City Segment
Figure 11

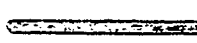
Alignment Alternatives
34 Engineering Map Number

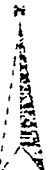
South/North Transit Corridor Study

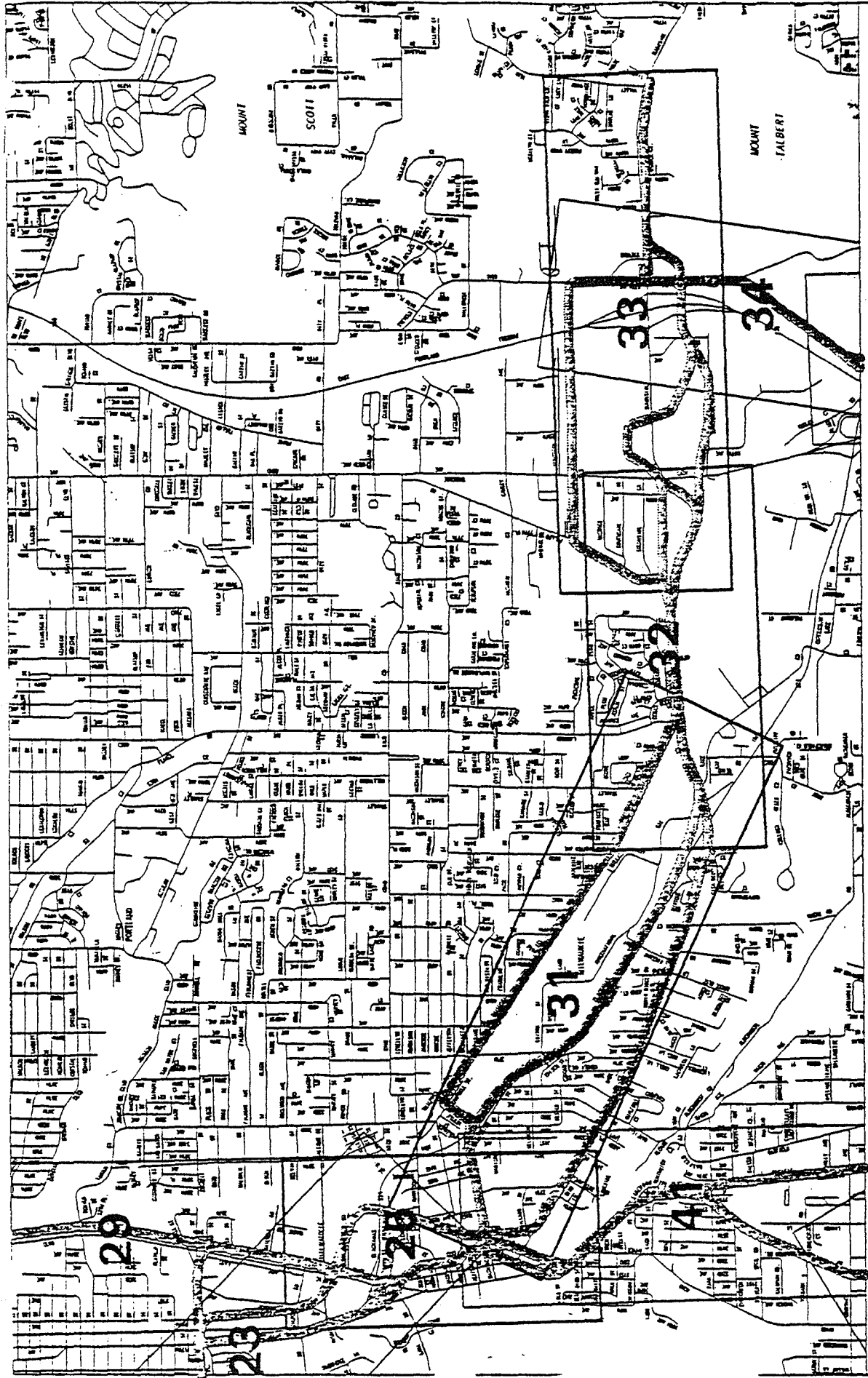




Portland CBD
 To Milwaukie
 Figure 14

 Alignment Alternatives
34 Engineering Map Number





Milwaukie To
 Clackamas Town Center
 Figure 13

Alignment Alternatives
34 Engineering Map Number

CITY OF MILWAUKIE



COMMUNITY DEVELOPMENT
PUBLIC WORKS

5101 SE JOHNSON CREEK BLVD
MILWAUKIE, OR 97206

TELEPHONE 852-4410
FAX 854-8236

1

MEMORANDUM

TO: City of Milwaukie
Planning Commission

THRU: *MJC* Ms. Maggie Collins, Director
Milwaukie Community Development Department

FROM: Mark Jonson

DATE: October 18, 1993

RE: Revised Draft of the Neighborhood District
Association Standard Bylaws

Attached is a revised draft of the bylaws that contains the changes that you indicated during the work session, October 12th, 1993.

I have made one suggested modification beyond those discussed at the work session. I moved what was Article IV, Section D (Article IV covers Representation of Districts and Duties of Officers in this draft) to the revised Article II of the current draft which covers recognition requirements.

The article in question concerns representation of districts from the standpoint of diversity. Previously this issue was covered by charging officers with the duty to encourage the development of diverse memberships. Since your revised bylaw draft creates an article specifically covering recognition requirements, you may want to include this section as a recognition requirement, charging the duty to the group as a whole.

Please feel free to call me with any comments or questions about this suggestion or about any other portions of the bylaws.

CITY OF MILWAUKIE
_____ NEIGHBORHOOD DISTRICT ASSOCIATION
STANDARD BYLAWS

ARTICLE I: PURPOSES OF THE _____ NEIGHBORHOOD DISTRICT ASSOCIATION

- A. To provide a forum for neighbors to gather and address neighborhood concerns and needs in order to enhance the livability of the area.
- B. To provide a channel for two-way communication between City government and _____ Neighborhood District Association residents.

ARTICLE II: REQUIREMENTS FOR RECOGNITION BY THE CITY COUNCIL FOR THE _____ NEIGHBORHOOD DISTRICT ASSOCIATION

- A. The _____ Neighborhood District Association shall represent District _____ as described in Chapter 1 of Milwaukie's Comprehensive Plan. (see the attached map, Exhibit #1).
- B. The _____ Neighborhood District Association shall adopt and abide by the City of Milwaukie Neighborhood District Association Standard Bylaws.
- C. The _____ Neighborhood District Association shall maintain a separate Land Use District Review Committee comprised of members and/or officers of the Association.

*****SUGGESTED here instead of IV D*****

- D. The _____ Neighborhood District Association shall actively seek and encourage membership that represents a broad cross-section of their districts. Broad cross-section representation shall include racial, cultural, gender, age, economic, social, professional and other diversities within the Neighborhood District.

ARTICLE III: MEMBERSHIP REQUIREMENTS

- A. Anyone of voting age or older is a member of the _____ Neighborhood District Association who is:
 - 1. A resident within the neighborhood district; or
 - 2. A property owner whose property is located within the neighborhood district; or
 - 3. A business owner whose business is located within the neighborhood district; or

Neighborhood District Association
Standard Bylaws
Page 2

4. A designated representative of a business, corporation, or trust located within the neighborhood district; or
 5. A designated representative of a non-profit business or group located within a neighborhood district.
- B. All rights, privileges, and responsibilities of membership including the right to vote on Association business shall accrue to members.
- C. Only Neighborhood District Association members as defined above may be elected or appointed to officer or committee positions;

ARTICLE IV: REPRESENTATION OF DISTRICTS AND DUTIES OF OFFICERS:

- A. The officers of the Neighborhood District Association shall comprise the Board of the Association and shall represent the Neighborhood Association. Neighborhood District Associations shall elect at least three officers: Chair, Vice Chair and Secretary/Treasurer.
- B. The duties of the Neighborhood District Association Officers shall include the following:
1. The Chair's responsibilities shall include management and leadership of all Neighborhood District Association activities. The Chair shall also be responsible for ensuring that the Neighborhood District Association complies with the requirements of the Neighborhood District Association Standard Bylaws and other applicable guidelines.
 2. The Vice Chair's responsibilities shall include assisting the Chair in performing the defined duties:
 3. The Secretary/Treasurer's duties may be separated if a separate Treasurer position is designated by the Neighborhood District Association (see C below). Otherwise, the Secretary/Treasurer's duties shall include:
 - a) Ensuring that accurate minutes of all Association meetings are kept; ensuring that attendance registration is kept at all Association meetings; ensuring that attendance reports and minutes are maintained and that they are available for review by anyone who asks; ensuring that minutes and registration lists of all meetings are forwarded to the City of Milwaukie; ensuring that meeting notification and agendas are transmitted to the City and to members in a timely manner; ensuring that current and updated lists

of officers and Land Use Review Committee members are provided to the City.

- b) The safekeeping and accounting of all Neighborhood District Association funds and the proper disbursal of those funds in accordance with City and Neighborhood District Association guidelines. The Secretary/Treasurer shall also maintain records of incoming donations, funds and contributors and shall make those records available to all who ask.
- C. Other Officer positions may be created and defined by Neighborhood District Associations. Additional Officer Positions may be appointed by the Board of Directors or elected by the Neighborhood District Association membership for specific duties or elected at large, with duties defined by the Board. Any additional officer positions elected shall be subject to the same membership and election requirements as the required officers.
- D. Neighborhood District Associations shall hold a minimum of four meetings each year where agenda items are addressed.

ARTICLE V: ELECTIONS OF OFFICERS AND TERMS OF OFFICE

- A. The term of office for required officer positions shall be two years except that the first term of office of the Vice Chair shall be limited to one year so that staggering of officer terms may be facilitated.
- B. Terms of office for any additional defined officer positions shall be staggered so that a substantial number of officer positions shall not be replaced or reelected each year.
- C. Officers may serve no more than two consecutive terms.
- D. Elections of officers shall be well publicized, through regular channels, at least one meeting prior to the scheduled election to both to the Neighborhood District Association membership and to the public.

ARTICLE VI: LAND USE DISTRICT REVIEW COMMITTEES

- A. The Land Use District Review Committee will represent the Neighborhood District for the purpose of review and commentary on land use issues of interest to the neighborhood district.
- B. The Land Use District Review Committee shall have the authority to speak on behalf of the Neighborhood District Association.

Neighborhood District Association
Standard Bylaws
Page 4

- C. Action by the Land Use District Review Committee shall be by majority vote of the members of the Land Use District Review Committee present at official meetings of the Committee.
- D. Land Use District Review Committee positions that are not filled by elected Board members must be elected by majority vote of the Neighborhood District Association membership.
- E. The Land Use District Review Committee shall elect at least three officers by majority vote of the Committee membership. The elected officers shall direct the efforts of the Land Use District Review Committee.
- F. The Land Use District Review Committee shall keep accurate minutes of their proceedings and shall make those minutes available for review by anyone who asks.
- G. The Land Use District Review Committee shall conduct a minimum of two meetings per year where District membership or the public may bring agenda items.

ARTICLE VII: COMMITTEES

At it deems necessary, the Board of Directors of the Neighborhood District Association may establish additional standing and ad hoc committees that do not address land use commentary issues. Committees shall not have the power to act but shall be advisory in nature unless authorized by the membership of the Neighborhood District Association by a majority vote.

ARTICLE VIII: FINANCE

The Neighborhood District Association may not impose dues or other charges on its membership. The Neighborhood District Association may solicit and accept donations from any source. The Neighborhood District may also pursue other fundraising activities not precluded by law.

ARTICLE IX: OPEN MEETING AND NOTICE REQUIREMENTS

- A. All meetings of Neighborhood District Associations and Land Use Review Committees, including regular, special and Board meetings shall be unqualified, open meetings where anyone may attend and propose agenda items for consideration or offer comment on agenda items before the Association.
- B. All meetings of Neighborhood District Associations including regular, special and Board meetings shall be reasonably publicized to active members and to the public. Agendas for publicized meetings should be submitted with meeting notifications.

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- C. Notice activities must include notification to the City for inclusion in regular City publicity channels. In addition, Neighborhood District Association Memberships shall receive notice from the Association. Membership notification may include, but is not limited to: Telephone trees; Door hangers; News letters; and newspaper advertisements.
- D. Where applicable, open meeting and notice policy shall comply with the requirements of Oregon public meeting laws, or other statutes and administrative guidelines.

ARTICLE X: ACTION BY NEIGHBORHOOD DISTRICT ASSOCIATIONS

- A. Except as noted above in Article VII, Section C, action by Neighborhood District Associations shall be conducted by majority vote of the membership present.
- B. Meetings shall be conducted in a businesslike manner consistent with Robert's Rules of Order.
- C. Members shall have the right to introduce agenda items for consideration at all regular and special meetings in writing or by motion from the floor.
- D. Additional operating rules and procedures:

Neighborhood District Associations may adopt or modify additional rules and procedures that do not conflict with the Neighborhood District Association Standard Bylaws by a 2/3 vote of the Association membership present at a regular or special meeting.

ARTICLE XI: STANDARD BYLAW CHANGES:

Proposals for the City Council to alter or redraft the Neighborhood District Association Standard Bylaws shall be by a 2/3 vote of the Association membership at a regular or special meeting.

Community Development Department

mj
greendisk pc3rdby.law

October 19, 1993

Paul H. Roeger, P.E.
City of Milwaukie
Public Works Department
P.O. Box 22009
Milwaukie, OR 97222

RECEIVED
OCT 21 1993

CITY OF MILWAUKIE
DEPT. OF PUBLIC WORKS

Dear Paul,

As I have seen through the meeting I last attended, it seems as is the Traffic Safety Commission is off to a solid start. With the change in meeting times to 7:00p.m., I think that you will find a more productive part of the evening ahead of you.

During the meeting I received an impression that the TSC is going to be placed as a priority agenda for the upcoming year with the City of Milwaukie.

In the last three weeks, much has changed with my responsibilities and personal life and it is my feeling that it would be in the best interest of the Commission if I should resign from my brief post as Seat #4 with the TSC.

On September 25, I was engaged to my best friend on the planet, Jennifer. We will be married on September 10, 1994. On Tuesday, October 12 I was elected Supporting Director for the Home Builders Association of Metropolitan Portland. That was quickly followed by an appointment on Saturday, October 16, 1993 as a Director for the National Association of Homebuilders in Washington D.C.

With my responsibilities as Chairperson of the 1994 Street of Dreams at Marylhurst, I feel that I will not be able to focus my full attention of my responsibilities with the TSC.

I do think you folks are on the right track, and your work sessions will provide you an opportunity to accomplish some long term goals. I apologize for making a commitment that I am unable to keep, but do want to let you know now, instead of later, so the TSC can form a solid foundation.

You will be happy to know that Jennifer & I will remain in our little house on 29th and are happy to be citizens of Milwaukie.

Warm regards,


David J. Tangvald

9725 SE 29TH AVE.
MILWAUKIE, OR 97222
(503) 659-2731

CLACKAMAS BASIN WATER AUTHORITY COMMITTEE
Gladstone City Hall
August 26, 1993

The Clackamas Basin Committee meeting was held August 26, 1993, in the conference room at Gladstone City Hall. Chairman Frentress called the meeting to order at 7:30 p.m.

MEMBERS PRESENT:

- Bob Frentress, Mt. Scott, Chair
- David Bunnell, Clackamas
- Brian Cox, Clackamas
- Alan Fletcher, Clairmont
- Bruce Hamilton, Clackamas
- Lowell Hanna, Clairmont
- Allen Herr, Oak Lodge
- Dale Jutila, Clackamas
- Rob Kappa, Milwaukie
- Denny Klingbile, Damascus
- Guy Konnersman, Clairmont
- Les Larson, Oak Lodge
- Ron Partch, Gladstone
- John Reeves, Damascus
- John Rissberger, Mt. Scott
- John Thomas, Mt. Scott
- Fred Whitfield, Damascus

ALSO IN ATTENDANCE:

- Shirley Richardson,
Hearings Reporter

I. INTRODUCTIONS

None.

II. CONSENT AGENDA

David Bunnell moved to approve the consent agenda and the minutes of July 29, 1993, as submitted. Rob Kappa seconded. MOTION CARRIED UNANIMOUSLY.

III. DISCUSSION OF CONSULTANT SELECTION PROCESS

Allan Fletcher submitted a memo to the Committee on the consultant selection process. He then reviewed the selection process with the Committee. Two members from the Committee were present and sat in on the interviews.

CLACKAMAS BASIN WATER AUTHORITY COMMITTEE

Minutes of August 26, 1993, Meeting

Page 2

Interviews were held on August 6th with both firms making a presentation. The presentations lasted about 45 minutes. This was followed by an 1-1/2 hour, in-depth question and answer period. The Steering Committee deliberated for several hours after the consultants left.

Staff time was spent on August 10th assessing the prospective firms strengths and weaknesses as it related to what was wanted from the study. The Steering Committee focused on a financial and operational analysis that would allow well informed decision-making by each of the members involved. Criteria involved overall clarity, understanding of the scope of work, unique ability and methodology, and the ability to instill confidence in all participating groups.

A decision was reached that resulted in the selection of Shaun Pigott Associates. Staff then began its process of determining the final scope and pricing elements.

Staff met with Shaun Pigott on August 13, 1993. A first draft scope was presented. A second meeting took place on August 23, which resulted in the final scope and negotiated price.

Chairman Frentress commended Staff on the thorough work done on this selection process. He stated that he feels comfortable with the selection that was made. Those members who attended the meetings expressed satisfaction and thoroughness of Staff in the selection process.

Ron Kappa stated that the two meetings were helpful in clearing up on both sides what was expected and what could be produced. He reported that the proposed price is \$66,460. This is a 18% cut from what was originally proposed.

IV. PRESENTATION OF FINAL SCOPE OF WORK FOR THE WATER AUTHORITY FINANCIAL AND OPERATIONAL STUDY

Alan Fletcher introduced Shaun Pigott of Shaun Pigott Associates. Mr. Pigott reviewed with the Committee the scope of work as drafted by himself and Staff.

There are two main goals in the scope of work; the evaluation, effectiveness and feasibility of creating a Water Authority of Clackamas Basin, and a feasibility analysis which will enable a go/no go decision. The scope of work is to end at the decision making point.

The task plan includes a quantifiable insurance policy to determine what regional options are cost effective as to what each entity is taking on their own compared to a regional basis.

The operational analysis will focus on some of the regional opportunities (regional infrastructure) as well as institutional, governmental, organizational options.

The financial analysis is designed to look at specific rate impacts of regional opportunities.

The public involvement strategy will focus on development of a specific action plan that the regional authority can utilize. A newsletter will be produced that will let people know that the analysis is underway, what the objectives are, and what directions are being established up to the go/no go decision.

There is a six-month timeframe on the documentation and presentation process. Monthly position papers will be created and submitted to the Steering Committee identifying what issue papers are outstanding and what decisions are needed from the Committee to proceed with work.

A matrix will be created that identifies the evaluation criteria and regional options. Annexation will be addressed under operation and analysis.

John Rissberger moved to accept the scope of work presented by Shaun Pigott Associates and ratify the decision of the Steering Committee. The total cost of the scope of work is not to exceed \$66,460.00. John Reeves seconded. MOTION CARRIED UNANIMOUSLY.

V. DISCUSS AND CONSIDER IMPLEMENTING SUB-COMMITTEE ON ANNEXATION AND REPRESENTATION ISSUES.

It was the consensus of the Committee that a subcommittee on annexation be formed.

David Bunnell moved to have Rob Kappa, Lowell Hanna, Fred Whitfield, Brian Cox, and Ray Jaren be members on a Sub-committee for annexation and representation issues. Mt. Scott and Oak Lodge will submit the name of their representative at the next meeting. Staff will act in a support capacity for this sub-committee.

CLACKAMAS BASIN WATER AUTHORITY COMMITTEE

Minutes of August 26, 1993, Meeting

Page 4

VI. ELECTION OF OFFICERS AND STAFF SECRETARY

Chairman Frentress opened nominations for election of officers.

David Bunnell moved to nominate Bob Frentress for the office of Chairman. Allen Fletcher seconded. MOTION CARRIED UNANIMOUSLY.

Bob Frentress moved to nominate Dave Bunnell as Vice Chairman. Les Larson seconded. MOTION CARRIED UNANIMOUSLY.

Ron Kappa moved to nominate Les Larson for the position of Treasurer. Dave Bunnell seconded. MOTION CARRIED UNANIMOUSLY.

It was the consensus of the Committee that Tim Corbett be appointed as Staff Secretary.

VII. NEXT MEETING DATE

The next meeting date will be Thursday, September 23, 1993

VIII. COMMENT ON NEXT MEETING AGENDA

None.

IX. ANY OTHER BUSINESS

Boundary Committee Meeting. Dale Jutila passed out notes from the Boundary Committee meeting in July. He asked that the members review the notes for information purposes.

Shaun Pigott Contract. Alan Fletcher indicated that the contract with Shaun Pigott should be completed by next meeting. A press release will be prepared by Staff for Chairman Frentress to review and approve. The release will be printed after the Labor Day weekend.

House Bill 3520. Alan Fletcher provided the Committee with copies of House Bill 3520, Water Authority Bill, and Senate Bill 59, Goldschmidt's task force on merges and consolidation.

CLACKAMAS BASIN WATER AUTHORITY COMMITTEE

Minutes of August 26, 1993, Meeting

Page 5

X. ADJOURNMENT

There being no further business, old or new, the meeting was adjourned at 8:53 p.m.

REINVENTING WATER SERVICE IN THE CLACKAMAS BASIN

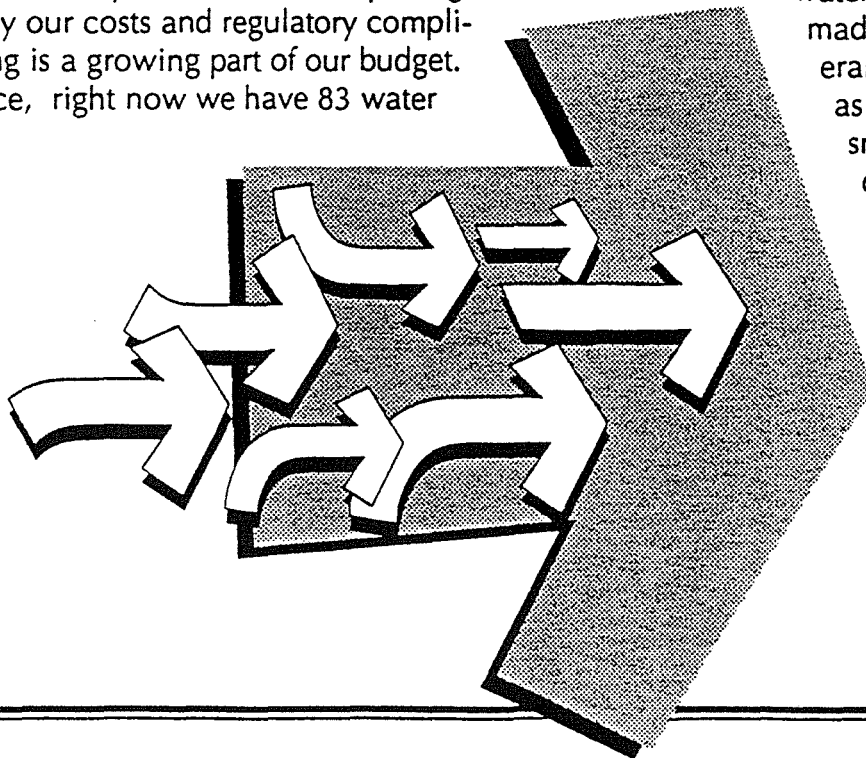
Districts and cities within the Clackamas Basin are in the process of taking a hard look at how they will be providing water service in the future. Alternative approaches toward "reinventing" how water districts and cities could supply, treat, and deliver water now and into the next century are being considered. This process started in 1991 when the Clackamas Basin Water Authority Committee including the districts of Clackamas, Mt. Scott, Oak Lodge, Clairmont, and Damascus along with the cities of Milwaukie and Gladstone joined forces to look at the possibilities of regionalizing water service in the basin.

WHY A BASIN-WIDE APPROACH?

The overriding objective is to increase long term rate stability for all water customers in the Basin while providing water at a reasonable and fair price. Keep in mind that our pricing is driven by our costs and regulatory compliance/testing is a growing part of our budget. For instance, right now we have 83 water

quality related regulations. By 1995, this number will increase to 112. The testing and monitoring requirements that go along with these regulations have and will continue to impact our costs. This whole regulatory environment is one of the key factors driving our decision to look at regionalization – each district/city in the Clackamas Basin is conducting many of the same tests within each system. This duplication could be greatly reduced by forming a regional program.

Related to this goal is our objective to assure an adequate future supply of water. In order to do this we need to increase our clout in affecting future state/federal water allocation decisions. The districts and cities within the Clackamas Basin need to be better coordinated in terms of planning for the future in specific areas such as water supply, sources, and demand. To gain a greater voice in how water related decisions are made at the state and federal level, we need to act as a Basin rather than smaller individual jurisdictions.



The bottom line is cost effectiveness and making sure that current and future water customers can rely on an adequate supply of quality water ... at a reasonable price. The belt tightening that Oregonians demanded through Ballot Measure 5 does not specifically target water utilities, but the message is still very clear to us ... control costs and keep the rates down to the extent possible.

For all these reasons, it was considered critical that the 7 Clackamas Basin water jurisdictions take a step back before planning their individual "futures." This has given the jurisdictions an opportunity to investigate the potential savings through regional approaches and comprehensive watershed planning.

WHAT HAS BEEN HAPPENING

The first step taken by the jurisdictions was the development of an intergovernmental agreement framework. This outline identifies the institutional, technical, and financial issues that must be addressed as regional service options are investigated. Such questions include:

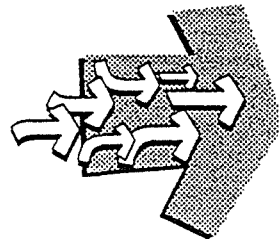
- What is the legal authority of a regional program ?
- Who would represent the water customers ?
- How would cities participate ?
- How would current functions be consolidated ?
- What are the financial/operational impacts ?
- Is the approach consistent with current regional watershed plans ?

These are the types of issues which must be factored into the evaluation.

A further step was taken in mid-September when the Clackamas Basin Water Authority Committee, who is leading the regional assessment, began a financial and operational analysis of the alternative regional approaches. This project will develop actual cost information and operational issues affecting formation of a regional water authority within the Clackamas Basin. The Project will look at the facility and operational advantages of a regional program and translate them into financial/rate impacts. Rather than "guesstimating" that consolidation of water operations into a regional program makes sense, the Project will detail the financial impacts of moving forward with a Basin-wide program.

TRACKING OUR PROGRESS AND GETTING INVOLVED

This analysis will be conducted over the next 6 months with active involvement by each of the 7 water jurisdictions. This Newsletter is our first opportunity to get the word out and offer you the opportunity to participate in the process. Contact your water district or city and let them know what you think. Regionalizing water service is an approach which we think makes sense, but service to our customers is the key and we need to get a handle on your concerns as we move into this analysis.



HOUSE BILL 3661: New Law on Land Use Planning In Oregon SEPTEMBER 1993

On August 3, 1993, Oregon's legislature passed an important new law on land use planning: House Bill 3661. Speaker of the House Larry Campbell described it as the "most positive reform of Oregon's land use system and planning since 1973." The legislation adds some new elements to the statewide planning program and revises many others. This summary outlines the bill's main provisions.

Areas Affected by HB 3661

House Bill 3661 deals mainly with rural land use. It focuses on two types of land:

- 16 million acres of agricultural land zoned Exclusive Farm Use (EFU);
- 9 million acres of forestland zoned for timber conservation.

The bill will not take land out of or add it to those zones. It will, however, change the regulations that apply there.

Effects on Farm and Forest Lands

HB 3661's main effect will be to make it easier for owners of farmland and forestland to get permits for new dwellings. The bill directs the Land Conservation and Development Commission (LCDC) to repeal rules for "small-scale resource lands" adopted in December 1992. In place of those rules, HB 3661 establishes a system for "lots of record." Owners of such lots will be exempted from many of the zoning regulations that limit residential development in farm and forest zones.

"Lot of Record"

A "lot of record" is a lot or parcel of land that retains key development rights that it had when it was created. It doesn't have to comply with certain more restrictive laws adopted after its creation. Such property is said to be "grandfathered in."

Consider, for example, a vacant forestland parcel created in 1982 that meets HB 3661's lot-of-record criteria. It retains its right to have one new dwelling even though forestland regulations applied in, say, 1990 might otherwise limit that right.

Not every lot or parcel of land in a farm or forest zone will qualify as a lot of record. Those that do must satisfy the following criteria:

- The lot or parcel was lawfully created before January 1, 1985; and
- has been owned by the same person (or relative or heir of that person) since January 1, 1985;
- has no dwelling on it;
- is not highly productive farmland or forestland;
- complies with other applicable regulations.

Where several adjoining tax lots or parcels make up a tract owned by the same person, only one house may be built on the tract.

Protecting Highly Productive Farmlands and Forestlands

HB 3661 classifies the best agricultural land as *high-value farmland*. That term encompasses all farmland with soils rated by the Soil Conservation Service as *prime*, *unique*, or Class I or II. It also includes certain other lands with soils good for intensive agriculture like orchards and dairies. Most high-value farmland is in the Willamette Valley.

HB 3661 classifies the best forestlands in terms of a tract's capacity to grow commercial wood fiber, measured in cubic feet per year. In western Oregon, a tract is high-quality forestland if it's capable of producing at least 5,000 cubic feet per year. In eastern Oregon, the standard is 4,000 cubic feet.

On the highly productive farmlands and forestlands described above, HB 3661's lot-of-record provisions do not apply.

Minimum Lot Size Requirements

Oregon's planning laws require counties to keep farmland and forestland from being divided into pieces too small for commercial farming or forestry. Counties do that by specifying "minimum lot sizes." Newly created parcels must have at least the number of acres specified in whatever minimum applies to them. HB 3661 sets general minimums of 80 acres for dividing farmlands and forestlands and 160 acres for rangelands. A county must apply those minimums unless it already has a lower minimum lot size that was approved by LCDC after January 1, 1987, or unless the county can justify some lower standard.

(Please see next page.)

Provisions for New Dwellings In Farm and Forest Zones

This legislation, combined with current laws and rules, provides a variety of ways for new homes to be established in farm and forest zones. The following list outlines the main ways. Those created or altered by HB 3661 are shown in italics.

New dwellings may be allowed:

- *On lots of record;*
- *As "farm dwellings";*
- *As "nonfarm dwellings" on high-value farmland;*
- *As "nonfarm dwellings" on other farmland in the Willamette Valley;*
- *As "nonfarm dwellings" on other farmland outside the Willamette Valley;*
- *For farm help;*
- *Temporarily, during a medical hardship;*
- *To replace existing dwellings;*
- *On large tracts of forestland (for western Oregon, at least 160 acres; for eastern, 240 acres);*
- *On large multi-tract holdings of forestland (totaling at least 200 acres in western Oregon or 320 acres in eastern Oregon);*
- *Under a "template test" for smaller tracts of forestland.*

A Response to the Smith Decision

HB 3661 responds to a recent court decision called *Smith v. Clackamas County* by amending laws on nonfarm dwellings. The amendment makes it easier to establish such dwellings in farm zones outside the Willamette Valley. It allows a nonfarm dwelling to be established on an unproductive part of a farm. Under the *Smith* ruling, a nonfarm dwelling could be approved only if a majority of soils on the whole farm were unproductive.

"Right to Farm," "Right To Forest"

Owners of homes in farm and forest zones sometimes sue farmers and foresters for carrying out routine activities necessary to grow crops or trees. For example, a homeowner might sue a farmer over the noise and dust from plowing and disking fields. Right-to-farm laws protect farmers against such litigation. HB 3661 expands right-to-farm laws and creates new right-to-forest provisions.

A Response to the Clark Decision

HB 3661 clarifies the law on appeals of local land use decisions. The bill says that LUBA (the Land Use Board of Appeals) must defer to a local government's interpretation of its own plan unless that

interpretation is inconsistent with the plan's express language, purpose, or underlying policies, or is inconsistent with state laws, goals, or rules. The legislature adopted this new standard in response to *Clark v. Jackson County*, a recent court case involving a LUBA appeal.

Marginal Lands

Laws adopted in 1983 gave counties an option to zone land under a "marginal-lands" system. Only two counties (Lane and Washington) did. HB 3661 now requires the two counties to make a choice: in EFU zones, either use the old marginal-lands system or apply the new provisions for lots of record. In forest zones, the two counties may use both systems. HB 3661 prohibits other counties from using the marginal-lands system now.

Composition of LCDC

LCDC has seven members. Current law requires that there be at least one member from each of the state's five congressional districts, and one member must be a local elected official. HB 3661 expands those requirements by calling for one member to be a county elected official and another to be a current or former city elected official.

When Plan Amendments Take Effect

A recent court decision (*Von Lubken v. Hood River County*) raised a question about the timing of amendments to local land use plans and regulations. Should such amendments take effect when they are adopted by the local government or later, after LCDC has reviewed and approved them? HB 3661 answers that question by specifying that such amendments take effect when they are adopted. But until LCDC approves an amendment, a local government must apply relevant state planning goals to any land use decision involving that amendment.

When HB 3661 Takes Effect

HB 3661 takes effect on November 4, 1993. Some parts of it will not go into effect until later, after LCDC and the counties amend their rules and ordinances to comply with the new law.

For more information . . .

For details on how this new law might affect your community or property, call your county planning department. For general information on HB 3661, contact DLCD's Salem office at the address below. Or call your nearest DLCD field representative, in Bend (388-6424), Newport (265-8869), or Portland (731-4065). □

Department of Land Conservation and Development
1175 Court Street NE, Salem OR 97310 Telephone 503 373-0050

**FOCUS
Forum on Cooperative Urban Services**

**MEETING NOTES OF THE
September 16, 1993 MEETING
Beaverton City Hall**

Participants Present

Chair Bonnie Hays, Washington County
Don Allen, City of Sandy
Scott Burgess, City of West Linn
Eric Carlson
Greg Chew, McKeever/Morris, Inc.
Bill Collins, Multnomah County
Bryan Cox, Clackamas Fire District #1
Jim Crawford, City of Portland
Tim Erwert, City of Hillsboro
Gordon Faber, City of Hillsboro
Bill Gaffi, Unified Sewerage Agency
Lynda Jenkins, City of King City
Jeff Johnson, Tualatin Valley Fire and Rescue
Scott Lazenby, City of Sandy
Jerry Lowman, Tualatin Valley Water District
Bob Kincaid, City of Lake Oswego
Conrad Kristensen, Clackamas Fire District #1
Mike McKeever, McKeever/Morris, Inc.
Maureen Miltenberger, City of Canby
Mark Mullins, City of Sandy
Dennis Mulvihill, Washington County
Lou Ogden, City of Tualatin
Steve Rhodes, City of Tualatin
Vergie Ries, City of Beaverton
Jean Schreiber, City of Milwaukie
Tim Spreadborough, Clairmont Water District
Forrest Soth, City of Beaverton
Jerry Taylor, City of Cornelius
Jerry Uba, Metro
Doug Vorwaller, Clackamas County
Merrie Waylett, Metro
Neal Winters, Tualatin Hills Parks and Recreation District

1.0 Approval of August Meeting Notes

Chair Bonnie Hays asked if there were any changes to the Meeting Notes of the August 19 meeting. Bob Kincaid, on behalf of Alice Schlenker, stated that in section 3.0, second paragraph, the words "State" and "Transportation" should be deleted. The General Membership approved the Meeting Notes as corrected.

2.0 Discussion of Fire Safety Issues

The members on the discussion panel on fire safety issues included:

- Bill Collins, Multnomah County
- Conrad Kristensen, Clackamas Fire District #1
- Jim Crawford, City of Portland
- Jeff Johnson, Tualatin Valley Fire and Rescue

After the panel discussion and presentation, participants had questions and comments on this issue. A post-presentation survey was conducted.

For a complete review of the panelist presentations and the questions and comments, a videotape of the meeting is available. Please see the note at the end of this document.

3.0 "E-MAX" Video/Electronic Technology Presentation

Mark Mullins, Mayor of Sandy, and Scott Lazenby, City Manager of Sandy, made a presentation on video and electronic technology for teleconferencing. The General Membership was asked if it would support Mr. Mullins and Mr. Lazenby's continued study of the feasibility of this technology. This study, which will cost FOCUS nothing, will be done in conjunction with the Portland State University Institute of Metropolitan Studies. At a later date, the findings of the study will be presented to FOCUS. The General Membership agreed to support the continued study.

4.0 FOCUS Business

The General Membership addressed the following business issues:

4.1 Updates on Other Subcommittees

Subcommittees for the following topics were being created: Finance, Governance, and the Education/Land Use. For further information on meeting dates, participants were asked to call Greg Chew, the FOCUS staffperson.

4.2 By-laws Amendment Update

Mike McKeever stated that two ballots for FOCUS by-law amendments #4 and #5 were unanimously approved. Amendment #4 rectified General Membership and Steering Committee representation for special districts. Amendment #5 modified the membership fee allocation formula.

4.3 Additional By-Law Amendments

Mr. McKeever stated that the Steering Committee also forwarded additional by-law amendments. The proposed amendments #6, #7 and #8 clarify special district membership and non-city/county/special district memberships and representation. The General Membership approved that the ballots be mailed out for formal approval.

4.4 Other Business

Chair Hays stated that the Metro Planning and Transportation Department sent the FOCUS membership to a series of workshops. The State Transportation Planning Rule is being discussed in three workshops. Metro and the Retail Task Force are developing model ordinances to comply with the Rule. Local government input is needed. The first meeting is set for September 28 at the Portland Conference Center.

Chair Hays also stated that the draft Intergovernmental Agreement will be abandoned unless members indicated they wanted one. No one stated a need for the IGA. Chair Hays said she would not explore it further.

5.0 Adjourned

Chair Hays thanked Tualatin Valley Community Access for videotaping the meeting and the City of Beaverton for providing the meeting room. The meeting was adjourned at approximately 8:00 p.m.

Meeting notes by Greg Chew

For a videotape of this meeting, produced by the Tualatin Valley Community Access, please contact Greg Chew at 228-7352.

MEMORANDUM

COMMUNITY DEVELOPMENT DEPARTMENT
OCTOBER 25, 1993

To: Mayor and City Council
Thru: Dan Bartlett, City Manager *Dan*
From: *MC* Maggie Collins, Community Development Director
Re: Activity Report - 1st Quarter, FY 93-94

Program: Zoning Ordinance Administration and Current Planning

Review and Sign-off: Building Permit Requests - 86
Sign Permit Requests - 23

Land Use Application Processing (from Comprehensive Plan Amendments to Variance Applications): 8

Initiated Process for Review and Permits for Daily Display Signs

Program: Comprehensive Plan and Zoning Administration

Continued regular meetings of City Historic Review Commission. Completed Comprehensive Plan Amendment recommended by the HRC, which added a new site to the Historic Resources Inventory.

Applied for Milwaukie downtown area to be considered for Regional Design Image work by Metro.

Participated in review and final sign-off on the Clackamas County/DLCD Urban Management Project involving Public Investment Area designation.

Held a legal issues worksession for the Planning Commission.

Conducted a Field Tour of the City Riverfront area with the Planning Commission.

Held public hearings on adoption of the Springwater Corridor Master Plan as an ancillary document to the Milwaukie Comprehensive Plan.

Began development of a process for creation of neighborhood district associations throughout the City.

Program: Transportation

Coordinated with the Clackamas Transportation Coordinating Committee and actively participated in a Transportation Summit meeting held for all local jurisdictions in the County.

Participated in City/County Light Rail coordination meetings.

Began a local public involvement program based structured on four Light Rail Working Groups being organized and staffed.

Participated in the planning of Metro South/North Transit Study Workshops, Milwaukie being represented at all four workshops.

Memo to Mayor and City Council
Re: Activity Report - 1st Quarter FY 93-94
Page 2

Participated in a Sellwood-Moreland Neighborhood transportation "mini-summit", sponsored by City of Portland.

Actively participated on Tri-Met's Five-Year Plan Advisory Committee, and presented testimony for increased transit services to Milwaukie at Tri-Met's public hearing on next year's funding levels.

Monitored progress of 32nd Avenue Transportation Network Study; held public meetings to discuss neighborhood concerns for 32nd Ave. (Ardenwald Transportation Meetings).

Produced the first edition of the "Milwaukie Corridor Mailer," the City's newsletter highlighting High Capacity Transit activities.

Program: Natural Resources Planning

Actively participated in Johnson Creek Corridor Committee activities.

Actively participated on Willamette River Corridor Master Plan Technical Advisory Committee.

Submitted and monitored a joint Metro, Portland and Milwaukie application for federal transportation funds for the Eastside Milwaukie Bike Loop (from east of McLoughlin to Milwaukie waterfront area).

Participated in the Metro Tails Working Group process.

Participated in City plan for Scott Park Restoration Project, including the "duck removal" project.

Received copies of the Kellogg Creek-Mt. Scott Creek Urban Stream brochure, of which Community Development was a co-sponsor.

Program: Economic Development

Continued work on property acquisition projects, including the feasibility of Portland Traction Co. purchases.

Other:

Continued coordination meetings with Engineering and Building divisions.

Staff attended three seminars and training sessions.

Staff participated in two City Block Parties.

Staff participated in Johnson Creek Facility frontline customer service training.

CITY OF MILWAUKIE



FAX (503) 652-4433

MEMORANDUM
October 22, 1993

TO: Honorable Mayor and City Council

THROUGH: Dan Bartlett, City Manager *Dan*

FROM: Charlene Richards *CR* Assistant to the City Manager

SUBJECT: Human Resource/Community Services Quarterly Report

What follows is the Quarterly Report (July, August and September 1993) for Human Resources and Community Services. If you have any questions, please speak with me at 659-5171.

HUMAN RESOURCE SERVICES

Staff developed a complaint review procedure based on Civil Service Commission direction. A meeting was scheduled for October to present the draft procedure for comment by the City's Personnel Rules Committee. The review procedure is intended to replace the Civil Service Commission. After staff review with the employee committee, the Civil Service Commission will meet in November to develop a proposal for Charter review for Council consideration.

The Performance Evaluation Solving Team (PEST) met and reviewed the progress made in implementing the new performance review process, Employee Goal Review (EGOR). Additionally, they developed a proposed format and process for implementing subordinate appraisal of managers (SAMs). The format was reviewed by the management team and the City Manager. Implementation of the process will begin in January 1994.

The Hiring Process Solving Team developed a form for implementing the recruitment process. They recommended changes in the personnel recruitment tracking form to better document deadlines and assignment of responsibilities.

In September, "An Inside Job" video and training was presented to City Hall and Library facilities staff. The training was a reinforcement of internal customer communications and support concepts.

In September, staff met with MPEA representatives and concluded negotiations for a three year collective bargaining agreement.

During July through September 1993, four employee selection examinations were in progress and two completed. Five regular appointments were made and four seasonal/temporary employees were hired. There was one regular employee separation and seven seasonal/temporary employee separations. Two grievances were settled.

COMMUNITY SERVICES

LIBRARY

BUILDINGS AND GROUNDS

- * The cooling system was connected to the city water supply. This should improve the system's effectiveness.
- * The Scott Park project commenced. The pond shoreline was reconfigured.
- * The circulation desk was modified to mitigate work-related injuries.
- * New shelving was purchased by the Friends of Ledding Library for the adult and children's libraries.

PUBLIC SERVICES

- * This quarter was the busiest first quarter in the history of the Ledding Library. Library circulation increased 7% over last year's first quarter.
- * A popular paperback collection for young adults was started.
- * The Friends of the Library donated the funds for the purchase of a CD-Rom workstation. The library is subscribing to a newspaper index and a periodical index.

CHILDREN'S SERVICES

- * Our summer reading program ended on August 17th. We had 475 members of the Reading Club and we presented 20 programs which were attended by 850 children and adults.
- * During August, we applied for a state grant for a CD-Rom workstation for the Children's Library. The State Library's Development Office will review proposals this fall.

PARK DISTRICT

One Park and Recreation Commission (PARC) meeting was held and officers elected. North Clackamas Park and Recreation District (NCPRD) staff updated the PARC on the Ardenwald and Scott Park projects as well as plans for developing a North Clackamas Park Master Plan. NCPRD is installing new signs with City and NCPRD acknowledgement.

SOLID WASTE AND RECYCLING

EDUCATION

- * Conducted meeting with elementary school principals at district office to present the October 1993 special school recycling event. Received 100% support from all schools.
- * Held workshop at City Hall on alternatives to garden pesticides.
- * Prepared monthly articles about recycling for "Pilot".

CUSTOMER RELATIONS

- * Continued development of proposed new Administrative Rules to include customer service performance standards.

RATE REVIEW

- * Completed rate review with Council decision to not increase rates.

METRO RECYCLING PLAN AND REPORTS

- * Council approved year 4 recycling plan and IGA with Metro.

COMMERCIAL RECYCLING

- * Met with Clackamas County to co-develop commercial recycling plan.

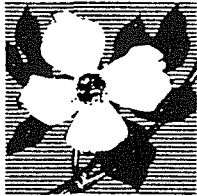
MULTI-FAMILY RECYCLING

- * Completed Metro report for year 3.

QTR9394.1

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CITY OF MILWAUKIE



POLICE DEPARTMENT
2566 S.E. Harrison • phone 652-4400

MEMORANDUM October 20, 1993

TO: Mayor and City Council

THROUGH: Dan R. Bartlett, City Manager *DB*

FROM: Charles A. Mansfield, Chief of Police *CA M*

SUBJECT: QUARTERLY REPORT: JULY-SEPTEMBER, 1993

During the third quarter of 1993, offenses reported to the police were at a slightly lower level than for the comparable period in 1992. For the year to date, total offenses showed a reduction of 5.5%. Major offenses ("Part I crimes) were up 6.5% and the lesser ("Part II") crimes showed a 16% drop.

For the same nine month period, case clearances were less, but total arrests were slightly more. Felony arrests showed the greatest percentage increase, up 25.6%.

Arrests are up slightly, the bulk accounted for in the adult category, as there has been a marked decrease in juvenile arrests. An analysis of juvenile arrest trends will be conducted in the next quarter in an effort to determine if our "zero tolerance" and general enforcement policies have contributed to this reduction.

The number of traffic accidents continue to decline, down 11% for the quarter and 14% for the year to date. Much of this can be attributed to a more aggressive traffic enforcement program, with an overall increase of traffic citations by 24.8% for the year. As more "traffic stops" are undertaken, the public has a higher awareness of police presence, which translates into safer driving practices by a larger number of drivers.

The department also conducted its safety belt enforcement program during this quarter. Over 225 citations were issued by officers working overtime under a state traffic safety grant. The city's safety

belt compliance rate is now over 80%, a commendable rate.

Officer response to alarm calls has begun to level off, considering the number of installed alarms, which is approaching 1,000 locations. The department responds to an average of 60 alarm incidents per month. Most of these are residential alarms.

Department staff has continued working on the internal communications process and is developing major revisions to the way in which our training and career development program is conducted. A special group continued to work on the transition to the new Public Safety Building, now scheduled for late November or early December.

We have now added video camera equipment in two police vehicles. This new tool has been very effective in DUII prosecutions and other traffic related cases. In the next quarter we will be completing arrangements for the new 800 megahertz radio system with a target operational date in the first quarter of 1994.

On the subject of personnel, the department will be hiring two police officers in the very near future. A promotional examination for Police Sergeant should be completed by the end of this month. We will soon be hiring a receptionist for our new building and filling a dispatcher vacancy.

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CITY OF MILWAUKIE



COMMUNITY DEVELOPMENT
PUBLIC WORKS

6101 S E. JOHNSON CREEK BLVD
MILWAUKIE, OR 97206

TELEPHONE: 652-4410
FAX: 774-8236

MEMORANDUM

TO: Mayor and City Council

THRU: Dan Bartlett, City Manager *DB*

FROM: R. Tim Corbett, Public Works Director *RC*

SUBJECT: Public Works Quarterly Report

DATE: October 24, 1993

=====

Action Requested

None. Information only.

Discussion

The following report provides information on Public Work's FY 93-94 first quarter activities and expected activities in the second quarter of FY 93-94.

Street Division

1st Quarter Activities

1. Began work on 32nd Ave. reconstruction.
2. Ongoing pothole and sign maintenance.
3. Awarded contract for Franchise Fee Feasibility Study.

Future Activities

1. Complete 32nd Avenue Reconstruction as well as street improvements around the Public Safety Facility.
2. Begin to assess Pavement Management Systems for future implementation in coordination with ARC INFO implementation.

Water Division

1st Quarter

1. Extensive coordination and locate activities related to 32nd Avenue reconstruction.
2. Completed Water Cost of Service and Source Demand Study.
3. Continued efforts to coordinate regional water supply through the Regional Purveyors Advisory Group (RPAG). Work for Phase II Supply and Demand Study has begun and staff is monitoring progress through the Participant's Committee.
4. Involvement in the Clackamas Basin Water Authority Committee. Completed IGA to perform a Water Authority Operational and Financial Analysis and began the study.
5. Completed water line upsizing project on Sherret Street.

Future Activities

1. Implement Water Source/Demand and Cost of Service Study recommendations.
2. Continue efforts to coordinate regional water supply through the Regional Purveyors Advisory Group (RPAG).
3. Review final study efforts of the Clackamas Basin Water Authority Committee.
4. Complete water line project on Licyntra Lane.

Sewer Division

1st Quarter

1. Continued sewer line maintenance and TV program.
2. Continued efforts to negotiate a Sewerage Treatment Agreement with County.
3. Began to finalize work with consultant to complete the portion of the Sewerage Facility Plan related to the Milwaukie collection system.
4. Awarded contract to conduct a Sewer Rate Cost of Service Study.

Future Activities

1. Finalize the City of Milwaukie's Sewerage Facility Plan.
2. Continue TV program of sewer lines and assess the need for inflow and infiltration reduction projects identified in past studies.
3. Finalize a sewage treatment agreement with CSD 1.
4. Finalize Milwaukie Sewerage Facility Plan and develop a flow meter and TV camera monitoring plan to define time lines for projects included in the study.

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Engineering and Administration Divisions

1st Quarter

1. Began to work towards implementation of a Storm Water Utility.
2. Developed SDCs for Surface Water for future implementation.
3. Developed a downtown City parking lot permit system.
4. Assisted the Park District with project management in the renovation of Scott Park.
5. Completed the FY 93-94 draft of the City wide 5 Year Capital Improvement Program.
6. Began involvement in completing the KOLTT study which deals with regional sewerage treatment.

Future Activities

1. Continue to provide input to the County on formation of a Storm Water Agency.
2. Complete the final draft of the 5 year CIP/Facilities Plan.
3. Develop a Storm Water Utility by the spring of 1994.
4. Finalize input on KOLTT study.

Facilities Maintenance

1st Quarter

1. Began construction of the City Hall elevator work.

Future Activities

1. Complete work on City Hall elevator project.
2. Review roofing needs in City owned buildings.
3. Conduct an HVAC review of City hall.

Building Division

1st Quarter

1. Issued 102 permits with revenues totaling \$30,481 through August of this fiscal year.

Future Activities

1. Continue to monitor profit/loss to ensure that Building is self funded.
2. Begin parking patrols of downtown permit lots.