



<p>Work Session</p>	<p>WS</p>
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Milwaukie City Council



MINUTES
MILWAUKIE CITY COUNCIL
 www.milwaukieoregon.gov

WORK SESSION
 MAY 6, 2014
 City Hall Conference Room

Council President Hedges called the work session to order at 5:00 p.m.

Council Present: Council President Hedges and Councilors Scott Churchill, Mark Gamba, and Mike Miller

Council Excused: Mayor Jeremy Ferguson

Staff Present: City Recorder Pat DuVal, Finance Director Casey Camors, Community Development Director Steve Butler, Planning Director Denny Egner, Public Works Director Gary Parkin, Engineering Director Jason Rice, and City Attorney Tim Ramis

Staff Excused: City Manager Bill Monahan

City Manager's Report

Ms. DuVal announced that Mayor Ferguson and City Manager Monahan were excused and provided the City Manager's report; there was no discussion about the agenda and she gave an update on Audience Participation questions. Ms. DuVal also discussed upcoming events and noted the Council hearing training for the May 20, 2014 appeal of the Planning Commission's decision on the Northwest Housing application.

Community Development Update

Mr. Rice gave an update on the construction bids for Riverfront Park, the Four Parks Master Planning review process, the bid process for the Monroe Street Water Project, and discussed the 17th Avenue Multiuse Trail project "kick-off".

Mr. Egner reported on recent Planning Commission activity, including the community murals program, Wichita Park improvements, and Moda Health parking expansion. He also noted the appeal process of the Northwest Housing Alternatives zone change.

Mr. Butler discussed the Monroe Street Neighborhood Greenway project contract with the Oregon Department of Transportation (ODOT) and reported on other ongoing economic development activity.

Method of Bond Sale

Ms. Camors introduced John Peterson, a financial advisor with Piper Jaffray, and reviewed the possibility of the City's selling bonds based on the results of the 5/20/14 election. She explained that they were seeking Council input on the method of bond sale, either competitive or negotiated, and discussed the differences in sales methods. She noted the costs of either method would be about the same and that the City would be rated single-A with relatively simple general obligation bonds.

Councilor Churchill asked what City data would be reviewed by bond purchasers. **Ms. Camors** and **Mr. Peterson** replied that the City's financial, management, and political structures would be considered; they discussed the review process and said they anticipate a stronger competitive rating than the City had in 1991. They discussed the timing of selling the bonds in conjunction with making the next payment to TriMet.

Councilor Miller asked about securing the best possible rate and expressed concern about not allowing a competitive process. **Mr. Peterson** compared competitive and negotiated sales and said the best rates would be secured through a competitive process, but a negotiated sale would provide more time to aggressively lock-in a rate.

Councilor Churchill inquired about other bonds in the region affecting the market and **Mr. Peterson** replied that other bonds could affect the City's bond sales, but he didn't think the City's bond size or the number of other bonds would be enough to totally satisfy the demand in the market.

Councilor Gamba asked about the advantages of negotiating with a local buyer. **Mr. Peterson** discussed the political goals of the City justifying that method; he discussed the increased transparency of the competitive process versus the increased control of the negotiated process.

Council President Hedges summarized the differences in sales methods as a public relations exercise in supporting local business or getting the best deal possible; he expressed his support of getting the best deal process.

Ms. Camors and **Mr. Peterson** discussed recent market activity and interest rates.

Council agreed on pursuing the competitive process for selling bonds.

Citizens Utility Advisory Board (CUAB) Annual Update

Mr. Parkin introduced Greg Deane, a member of the CUAB, and highlighted the CUAB's recent activity including reviewing the Stormwater Master Plan and seeking increased flexibility in user water rates; he reported that the CUAB had considered rate equity and agreed to not change the current structure.

Mr. Deane and **Mr. Parkin** discussed the CUAB's review of other agencies' structures and the fairness of the current system the City employs, taking into account funding needs for upcoming capital improvement projects; with Councilor Gamba's input the CUAB agreed to do an internal review of the equity in the current rate structure.

Mr. Deane commented on the amount of work to be done to update the current water system and **Mr. Parkin** added that the City's Water Master Plan lays out when pipes will be replaced, ramping up to meet recommended best practices. He also discussed other major capital improvements that will be done and the fixed component of the water rate.

Council President Hedges inquired about any Waste Water rate changes from Clackamas County Service District No. 1 (CCSD1). **Mr. Parkin** reported that the City had received a schedule of anticipated rate increases, which have been included in the rate calculation; he noted that the CUAB will be reviewing any possible changes that might take affect 7/1/2014.

Ms. Camors stated that the CCSD1 rate increases were included in the proposed budget and the Master Fees and Charges schedule, and that any additional changes would be brought to Council for consideration.

The group discussed possible rate changes from the county and the North East Sewer Extension (NESE) area homes were noted as being exempt from any rate changes.

Councilor Churchill asked about if the 20% fixed part of the rate would meet the needs of upcoming capital improvement projects. **Mr. Parkin** said he was comfortable that the current rate would get the system up to the recommend replacement practices cycle.

Kellogg Good Neighbor Committee (KGNC) Annual Update

Mr. Parkin reviewed the KGNC's role and introduced the committee members including Karin Power, chair, and Dion Shepard, KGNC member.

Ms. Power discussed the funds the KGNC oversees and recent activities. She discussed the implementation of the landscaping plan and concerns about path width, lighting, sightlines, and seasonal flooding. She confirmed that CCSD1, Water Environment Services (WES) owns the pathway property around the plant and discussed with **Councilor Churchill** the tension regarding WES spending funds on projects outside of its primary objective of running the sewage plant. Ms. Power reported the KGNC's priorities as short-term landscape solutions to ameliorate odors, review existing vegetation, screen undesirable views, and plan around future opportunities to increase pathway use.

Council President Hedges commented on the WES use of funds outside operating the sewage plant; he suggested tying expenses to operating the plant. **Ms. Powers** commented on long-term liability issues with the pathway if no investment is made and short-term KGNC funding priorities.

Councilor Gamba discussed the lack of funds available to address the plant's big issues; he noted the KGNC was using the funds they have to study the issues to recommend action to WES who could then recommend actions to the county commission to action upon. **Ms. Power** provided additional information on KGNC studies and recommended projects at the plant; she expressed hope that the KGNC could garner public support for long-term projects.

Ms. Shepard and **Ms. Power** commented on the funding used to determine the causes of the odor and the results of that study. They discussed the WES-issued call-in cards to report odor and the weather station WES installed to check odor reports.

The group discussed WES' liability for anything that happens on the trail and if the City would ever become liable. **Ms. Power** said she was unsure if WES carried liability insurance but would look into that concern, adding that it is common to carry property insurance and any City-WES use agreements would consider liability concerns; she added that KGNC is working with WES on a new master plan that should consider these concerns.

Quasi-Judicial Land Use Hearing Process Review

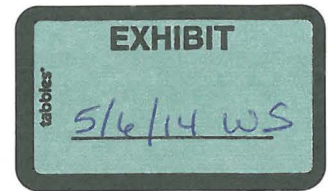
Mr. Ramis provided a review of state and municipal land use appeal rules and principles. He discussed the role of and constraints on the Council, the types of appeals brought to Council, and the types of evidence that can be heard.

Council President Hedges adjourned the work session at 6:59 p.m.

Respectfully submitted,



Scott S. Stauffer, Administrative Specialist II



Memorandum

To: City Council
From: Steve Butler, Community Development Director
Denny Egner, Planning Director
Jason Rice, Engineering Director
CC: Pat DuVal, Acting City Manager
Date: May 6, 2014
Re: Community Development Department Projects - City Council Update for 5/06/14 Work Session

Parks & Sustainability

- Milwaukie Riverfront Park
- Four Parks Master Planning
- North Clackamas Parks & Rec. District
- City Swale/Median Maintenance Contracts
- Sustainability Plan
- Tree City USA
- Public/Government Access

Engineering

- Adams Street Connector
- 17th Avenue Multiuse Trail
- Stanley Avenue Stormwater
- Wastewater Main Repair Program
- Monroe Street Waterline Project

Planning

- Annexations
- Land Use and Development Review
- Light Rail Permitting
- Zoning Code Enforcement
- Moving Forward Milwaukie: Enhancing Our Commercial Districts
- Code Amendments

Community Development

- Kellogg Ped/Bike Bridge
- ODOT TGM Grant - Monroe Street Neighborhood Greenway
- Economic Development

Building

- Building Safety Month Presentation

Parks & Sustainability

Milwaukie Riverfront Park

- The results of the construction bids for this project will be discussed at the end of tonight's Regular Session.

Four Parks Master Planning

- The Statements of Qualification (five in total) were reviewed by a panel (made up of Community Development Director Steve Butler, Parks & Recreation Board member Lynn Sharp and two North Clackamas Parks & Recreation District staff members). Interviews with the top two candidates are being scheduled for next week.

Engineering

Monroe Street Water Project

- Three bids were received by the City by the April 29th bid opening.
- The lowest bidder was within 4% of the Staff's estimate (\$85,000 under budget)
- Staff has already launched an outreach effort to the downtown businesses as well as the affect property owners along Monroe and has made contact with many of them.
- This contract will be before Council on May 20th and is scheduled to begin around June 1st.

17th Avenue Multiuse Trail

- Now that ODOT has signed a contract with the design consultant (HHPR), staff was able to conduct a project "kick-off" meeting on April 29th.
- During the meeting, general timelines were discussed as well as ways to minimize the duration of the project.
- A letter was sent out to adjacent property owners informing them of a survey that will take place this week and the next.
- Staff is now coordinating a "Ride Along" with key members of the project team as well as the public. Our goal will be to gather information about the site through the lenses of pedestrians and cyclists. This information will then be used to address the challenges this site presents. The date for this "Ride Along" has been scheduled for May 21st, 9-12.

Planning

Land Use and Development Review

- Planning Commission
 - Mar 13, 2014 – The Commission is scheduled to discuss a staff proposal for a method to measure the size of a mural. On April 8th the Commission recommended changes to the sign code and adoption of a new Municipal Code title allowing murals in the community. The Commission is also holding worksessions on Metro's Climate Smart Communities project and on the vision expressed in City plans for Milwaukie's downtown.
 - May 27, 2014 – Public hearing scheduled for proposed improvements to Wichita Park at 5908 SE Monroe St (land use file #CSU-13-12).
 - June 10, 2014 – Public hearing scheduled for proposed parking expansion at Moda Health (land use master file #P-14-01). The application will go to the Design and Landmarks Committee on May 19 for a recommendation involving Downtown Design Review and Willamette Greenway conditional use review.
- City Council - The Historic Milwaukie NDA has appealed the Planning Commission's approval of the zone change for the Northwest Housing Alternatives property on SE Willard St. An appeal hearing with Council is scheduled for May 20.
- Development Review – On May 6, 2014, the Planning and Engineering Directors signed off on the final plat for a two lot minor partition on Logus Road. Preliminary approval for the partition was granted in December 2013.

Moving Forward Milwaukie: Enhancing Our Commercial Districts

- The fifth meeting of the project advisory committee occurred on April 21. The committee discussed key policy issues and recommendations for the Action and Implementation Plan. The Council is scheduled to discuss the Action and Implementation Plan on May 20.

Community Development

ODOT TGM Grant—Monroe Street Neighborhood Greenway

- ODOT is still in the process of negotiating a work contract with the consultant. Once the contract is finalized, the City will enter into an intergovernmental agreement (IGA) with ODOT. Staff is expecting the IGA to be ready for Council approval at June 3 meeting. The project will officially begin shortly thereafter.

Economic Development

- On May 7 (tomorrow), staff is hosting a meeting with downtown business and property owners to talk about the potential for a "parklet" program on a pilot project basis. Parklets involve the use of on-street parking spaces as seating areas for business patrons and/or the general public. The meeting is intended to provide an opportunity to gauge interest and determine whether a pilot project program should be tried out. Staff will present the results of tomorrow's meeting at the May 20 Work Session.

JORDAN RAMIS PC
ATTORNEYS AT LAW



Two Centerpointe Dr 6th Fl
Lake Oswego OR 97035
www.jordanramis.com

Phone: (503) 598-7070
Toll Free: (888) 598-7070
Fax: (503) 598-7373

LEGAL MEMORANDUM

TO: Mayor Ferguson and City Council
FROM: Timothy Ramis
DATE: May 6, 2014
RE: **Land use training issues**
File No. 49979-36735

ACTION REQUESTED

None. This is for discussion only.

BACKGROUND INFORMATION

This session will bring new or newish Councilors up to speed on how to participate in quasi-judicial decision making, with focus on land use decisions. Experienced members will benefit from reflecting on past decisions and sharing those experiences with the group.

MATTERS FOR DISCUSSION

We will focus our remarks on the following subject areas:

<p>1. GENERAL PRINCIPLES OF LAND USE</p>	<p><u>Key Words and Concepts:</u> Statewide planning goals Milwaukie Comprehensive Plan Legislating v. adjudicating Parties and participants</p>
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- Structure of the Oregon system: How statewide goals translate to local plans
- Twin City Council responsibilities: making land use laws (legislating), and deciding questions under those laws (development applications)

- Role and responsibilities of land use participants
 - Applicant
 - Opponents / Supporters
 - Staff
 - Planning Commission
 - Design and Landmarks Committee
 - Council
 - Neighborhood District Associations

2. COUNCIL APPEAL PROCEDURES	<u>Key Words and Concepts:</u> Type III hearing Evidence & argument Standard of review / (De novo on the record) Substantial evidence Evaluating witness testimony
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- **Types of matters appealable to Council**
 - Council hears appeals of certain hearings that the Planning Commission conducted, such as.
 - Conditional use or community service use permits
 - Some downtown design review
 - Some variances
 - All subdivisions
- **Evidence and Argument**
 - Definitions:
 - **Evidence:** testimony, documents, or things, offered to the decision-maker, to establish or refute a fact of consequence to a question.
 - **Argument:** oral or written statement, made by a person, offered to affect how a decision-maker evaluates one or more pieces of evidence.
 - Groundrules for evidence and argument at appeal hearing:
 - Evidence is limited to that introduced below (this is the “record”)
 - New arguments are allowed, provided they are directed toward evidence in record
 - New issues can be raised, including new code sections
- **Evaluating testimony and evidence**

- Oregon law requires Council to base a decision on evidence.
- Evidence may be **direct or indirect**:
 - Example: seeing an airplane flying in the sky is direct evidence of flight.
 - Example: seeing a white contrail, in an otherwise clear sky, is indirect evidence that an airplane flew there recently.
- Evidence must constitute **substantial evidence**. Evidence that the council believes, when viewed in light of contrary evidence, must be sufficient enough for a reasonable person to rely on it. LUBA will not disturb a decision based on substantial evidence, even if there is contrary evidence in the record, so long as written findings explain why council believed certain evidence and why it is sufficient.
- **Testimony must be evaluated**. You may believe everything a witness says, some of it, or none of it. In deciding what to believe you may take into account factors such as these:
 - The opportunity and ability of the witness to perceive or know the things he or she testified about;
 - The witness's memory;
 - The manner in which the witness testified;
 - Witness interest in the outcome of the matter, or any bias or prejudice;
 - Whether other evidence contradicted the testimony;
 - The reasonableness of the testimony in light of all the evidence
- **Standard of review for appeals: de novo on the record (note: applicable to Type III appeals only)**: Council renders a new evaluation of existing evidence; a new evaluation of all testimony old and new; and new evaluation of old and new arguments.

<p>3.</p> <p>LIMITATIONS ON DECISION-MAKER CONDUCT</p>	<p><u>Key Words and Concepts:</u></p> <p>Right to an impartial decision</p> <p>Ex parte contact</p> <p>Site visit</p> <p>Actual conflict of interest</p> <p>Potential conflict of interest</p> <p>Personal bias</p> <p>Criteria for decision</p> <p>Rule of necessity</p>
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- **Right to impartial hearing body, free from bias** (i.e. councilor can make a fair decision). Applicants have a right to an impartial hearing. The hearing body acts as a judge—each person in the group must be free of personal interest or bias. Here are

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several examples of activity that reduces impartiality, and that must be dealt with **before** a hearing begins:

- **Ex parte contacts** (“Ex parte” = outside the presence of a party). In quasi-judicial hearings, the right of a party to rebut the evidence and argument the decision-maker has received outside the party’s presence. Examples:

- Attendance at a NDA meeting where the application is discussed after submittal to the City
 - Receiving emails about the application
 - Being approached by persons who wish to present their views to you

A decision is not automatically invalid if ex parte contacts have occurred. To remedy a problem, disclose ex parte contacts. To disclose means to identify the person with whom contact was had, present substance of what was discussed, and make these statements on the record. The councilor should make this record at the first hearing after contact.

- **Site visits:** a form of ex parte contact—councilor may gain information about the premises outside the presence of the applicant.

Remedy: disclose site visits in same way as an ex parte contact

- **Conflicts of interest:** situations in which a councilor may potentially or actually benefit financially from a decision.

Conflict of interest is governed by state law, ORS Chapter 244. The mere *appearance* of a conflict is enough to require the Councilor to apply the advice in this section.

- **Actual conflict:** Exists when a decision or recommendation would provide a financial benefit or reduction to a councilor or family member.
 - Councilor **may not** debate or decide a decision that **would** supply him or a family member with financial benefit or reduction: (example: if a councilor applies for a land use application, the councilor may not participate in a hearing to approve or deny the application.
- **Potential conflict:** Exists where participation **could** result in a private benefit or reduction.
 - Councilor **might be able to participate** in a decision despite a potential conflict if:
 - Councilor discloses the potential conflict on record at first hearing opportunity.
 - Councilor may continue to participate after disclosure of potential conflict, though a member of the public may challenge continued participation, presenting another decision point for the Councilor.

- **Personal bias:** exists where a relationship with someone or something involved in the case prevents the Councilor from being fair to both sides of a case.

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- Differs from conflict because conflict requires monetary gain, whereas bias exists because of the existence of a close relationship to some other person, interest, or tangible or intangible thing
- Remedy for bias: Disclose bias on the record. Bias does not disqualify Councilor unless Councilor believes the bias prevents him or her from being fair. The decision is personal to the affected Councilor.
- Examples of bias:
 - Emotional connection to a person involved in case;
 - Self-identity with a matter of significance to the case, which could not be overcome by persuasive contrary evidence;
- **Criteria-based decisions:** Evidence must be directed towards the criteria for decision. Evidence that tends to prove a fact of significance, as to the criteria, is said to be relevant. Questions such as the following may help Councilors keep the criteria in mind as the hearing progresses:
 - What are the criteria?
 - What do the terms mean?
 - What evidence bears on the criteria?
 - How does that evidence demonstrate satisfaction or nonsatisfaction?
 - Is there contrary evidence, and if so which evidence will be relied on and why?
- **The rule of necessity**—limited instance where biased or interested decision makers can proceed to final decision
 - The rule reflects a common law legal policy: given a choice between a tainted decision, and collapse of the process, the law prefers action over letting rights and claims go stale.



MILWAUKIE CITY COUNCIL WORK SESSION

City Hall Conference Room
10722 SE Main Street
www.milwaukieoregon.gov

AGENDA
MAY 6, 2014

A light dinner will be served.

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|----|-----------|---|-----------------------------------|---|
| 1. | 5:00 p.m. | City Manager's Report | Pat DuVal | |
| 2. | 5:15 p.m. | Method of Bond Sale | Casey Camors | 1 |
| 3. | 5:30 p.m. | Citizens Utility Advisory Board Annual Update | Gary Parkin and Board Members | 3 |
| 4. | 6:00 p.m. | Kellogg Good Neighbor Committee Annual Update | Gary Parkin and Committee Members | 5 |
| 5. | 6:15 p.m. | Quasi-Judicial Land Use Hearing Process Review | Tim Ramis | |
| 6. | 6:45 p.m. | Adjourn Work Session | | |

Information

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

Public Notice

- The Council may vote in work session on non-legislative issues.
- The time listed for each discussion item is approximate. The actual time at which each item is considered may change due to the length of time devoted to the one previous to it.
- The Council requests that mobile devices be set on silent or turned off during the meeting.
- The City of Milwaukie is committed to providing equal access to information and public meetings per the Americans with Disabilities Act. For special accommodations, please call 503-786-7502 or email ocr@milwaukieoregon.gov at least 48 hours prior to the meeting.



MILWAUKIE CITY COUNCIL
STAFF REPORT

WS 2.
5/6/14

To: Mayor and City Council
Through: Pat DuVal, Acting City Manager
Subject: **Method of Bond Sale**
From: Casey Camors, Finance Director
Date: April 24, 2014 for May 6, 2014

ACTION REQUESTED

Consider the methods available in issuing General Obligation bonds and direct staff to move forward with either a negotiated or competitive sale.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

On May 20, 2014 Milwaukie Citizens will vote on the City's Bond Measure.

BACKGROUND

A negotiated sale and a competitive sale are the two methods by which an underwriter can purchase bonds from issuers for resale to the public:

Negotiated Sale: In a negotiated sale, an underwriter is selected to purchase the bonds. The underwriter, in turn, sells the bonds to its investor customers. The terms of the bonds are tailored to meet the demands of the underwriter's investor clients, as well as the needs of the issuer. Negotiated sales also involve a process known as a presale in which underwriters seek customer indications of interest in the issue before establishing final bond pricing.

Competitive Sale: In a competitive sale, bonds are advertised for sale. The advertisement, by way of a notice of sale, includes both the terms of the sale and the terms of the bond issue. Any broker dealer or dealer bank may bid on the bonds at the designated date and time. The bonds are awarded to the bidder offering the lowest interest cost.

State and local government bond issuers should sell their debt using the method of sale that is most likely to achieve the lowest cost of borrowing while taking into account both short-range and long-range implications for taxpayers and ratepayers. Differing views exist among issuers and other bond market participants with respect to the relative merits of the competitive and negotiated methods of sale.

When state and local laws do not prescribe the method of sale of municipal bonds, the Government Finance Officers Association (GFOA) recommends that issuers select a method of sale based on a thorough analysis of the relevant rating, security, structure and other factors pertaining to the proposed bond issue.

In general, presence of the following factors may favor the use of a competitive sale:

- The rating of the bonds, either credit-enhanced or unenhanced, is at least in the single-A category.

- The bonds are general obligation bonds or full faith and credit obligations of the issuer or are secured by a strong, known and long-standing revenue stream.
- The structure of the bonds does not include innovative or new financing features that require extensive explanation to the bond market.

In general, presence of the following factors may favor the use of a negotiated sale:

- The rating of the bonds, either credit-enhanced or unenhanced, is lower than single-A category.
- Bond insurance or other credit enhancement is unavailable or not cost-effective.
- The structure of the bonds has features such as a pooled bond program, variable rate debt, deferred interest bonds, or other bonds that may be better suited to negotiation.
- The issuer desires to target underwriting participation to include disadvantaged business enterprises (DBEs) or local firms.
- Other factors that the issuer, in consultation with its financial advisor, believes favor the use of a negotiated sale process.

We do not anticipate a cost differential between negotiated and competitive sale methods for the City of Milwaukie bonds. Specifically for the City of Milwaukie, the City Council should consider the following:

- Elements favoring a competitive sale:
 - We expect to be at least rated in the single-A category.
 - If the City issues bonds at this time they will be GO bonds.
 - The GO bonds that the City intends to issue are straight forward, fixed-rate, level debt service bonds.
- Elements favoring a negotiated sale:
 - The City may wish to target local underwriting participation (local provider).
 - Other factors – the City is not a frequent issuer of bonded debt and there are no currently outstanding, publically traded GO Bonds for the City.

CONCURRENCE

N/A

FISCAL IMPACTS

N/A

WORK LOAD IMPACTS

N/A

ALTERNATIVES

Direct staff to move forward with either a negotiated bond sale or competitive bond sale.

ATTACHMENTS

1. N/A
- 2.
- 3.



WS 3.
5/6/14

Memorandum

To: Bill Monahan, City Manager

From: Gary Parkin, PW Director

CC:

Date: April 4, 2014

Re: Citizen Utility Advisory Board (CUAB) annual meeting with City Council

The CUAB had a busy year. The primary focus has been on water rate structures as the board has worked to understand the different structures and their effects and impacts. Determining an equitable rate structure to recommend to City Council has been an interesting endeavor. Field trips to review the City's water infrastructure helped the members understand the issues.

In addition, the CUAB worked with Finance reviewing the Wastewater Fund and made a recommendation to Council regarding the need for a rate adjustment. They also reviewed the Utility Capital Improvement Plan and the Street Surface Maintenance Program's annual report to City Council as part of their routine duties.

The group completed the year with four of the five positions occupied. It is a group with one member (Michael Osborne) in his first year, (Greg Deane) just completing his first year and two of the members (Vincent Alvarez and Kevin Hasey) in their second year. Beth Kelland was with the CUAB for six years before she moved out of the City last fall. The group worked very well together, merging different opinions into a unified position.

The CUAB looks forward to another full year of work in support of the City's utilities. Currently the board is engaged in studying water rate structures to determine if the current structure should be changed. The following work plan lists the anticipated work for the upcoming fiscal year.

CUAB/Engineering Department Work Plan 2014-2015

Item	Definition	Status	Complete Date
1. Street improvement funding program	CUAB to provide review of implementation including street selection and allocation of funding. Review progress against program goals.	Program instituted by CC on Jan 2, 2007. CUAB to review progress on implementation of program goals	Ongoing
2. 2015-2020 CIP	Review the implementation of the adopted plan. Make recommendations on adjustments.	Ongoing	Presented to CUAB Nov 2013/Feb 2014
3. Utility Master Plans	Review the newly adopted plans, focusing on recommendations and project implementation.	Review in Sept/Oct	Ongoing
4. Water rate review/study	Review new rate structures as desired by Council.	Meeting with Councilor Gamba prior to recommending to Council	June 2014
5. NE wastewater extension and annexation project	Review cash flow as the loan for the sewer extension project to the area north-east of Milwaukie (West of Linwood, north of King Rd) is paid back as properties connect.	City is collecting reimbursements as properties are annexed and connected.	July 2014 (continuing as connections are made)
6. Issues from Public Works	(As needed)	Ongoing as issues come up.	
7. Wastewater treatment rate structure	Review revenue collections vs. projected, evaluate rate effectiveness.	Ongoing	Summer-Fall 2014



WS 4.
5/6/14

Memorandum

To: Bill Monahan, City Manager

From: Gary Parkin, PW Director

CC:

Date: April 4, 2014 for April 15th Work Session

Re: Kellogg Good Neighbor Committee (KGNC) annual meeting with City Council

The KGNC just completed its first year. The committee was established in accordance with provisions in the Intergovernmental Agreement between Clackamas County and the City. The purpose of the committee is to determine how to best utilize funds (the Good Neighbor Fund per section 4.11 of the agreement) that are designated to mitigate the impact of the Kellogg Treatment Plant on the community.

Work accomplished during the initial year of the committee includes:

- Developing the scope of the committee
- The committee acted on and recommended approval of a request by the City to use Good Neighbor Fund money to provide matching funds for a grant used to improve Riverfront Park
- The group's focus has been on updating the landscaping around the plant for the purpose of odor reduction and beautification

Moving forward the committee will be involved with the landscaping enhancement around the perimeter of the plant, reviewing the planting plan, working with the County through the contractor selection process and providing a forum for public involvement throughout the process. The committee is hopeful that a volunteer planting effort will be incorporated into the landscaping project.

The Good Neighbor Fund has provided funding for an odor study and reviewed the study report on odor issues within and around the plant. Time will be spent this year determining how to prioritize the proposed projects and determine funding to address the odor issues.