

REGULAR MEETING

Oregon City, Oregon, December 7, 1988

A regular meeting of the City Commission was held in the Commission Chambers of City Hall on the above date at 8:00 p.m.

Roll call showed the following present:

Mayor Kenneth M. Mitchell
Commissioner David D. Spear
Commissioner Carol A. Powell
Commissioner Wayne G. Wilson
Commissioner-Elect Bob Smith
Commissioner-Elect Dan Fowler

Thomas Fender III, City Manager
Jean K. Elliott, City Recorder
Edward J. Sullivan, City Attorney

Mayor Mitchell opened the meeting by leading the Pledge of Allegiance.

It was moved by Powell, seconded by Spear, to approve the minutes of November 10, 1988, as published.

Roll call: Wilson, Aye; Powell, Aye; Spear, Aye; Mitchell, Aye.

This was the opportunity for citizens to present items for Commission consideration on future agendas.

Jim Cook, 425 Cherry Avenue, addressed the Commission requesting assistance regarding the resident located across the street, Dennis Harding, operating a paint contracting business in his home. Mr. Cook noted that Harding's application for a business license had been rejected and the Planning Division had advised Mr. Harding that his home business was a violation of Code. Mr. Cook was advised that the City was attempting to curtail the home occupation.

There was no Commission input.

At this time, Mayor Mitchell honored a number of volunteers for their efforts on behalf of the City during his tenure as Mayor. A cake and coffee break was called at 8:45 with the meeting reconvening at 9:12 p.m.

A Proclamation was read by Mayor Mitchell proclaiming December 11 - 17, 1988 as "Drunk and Drugged Driver Awareness Week" in Oregon City.

Manager's Report No. 88-225, Water and Sewer Costs in Oregon City, was presented. The report noted that on November 21, 1988, the City received a letter from Charlie Swan, 11822 S.E. 36th Street, Milwaukie, regarding the matter of water and sewer costs as they relate to a number of properties located in Oregon City and owned by Mr. Swan. Contained within his letter was a request to address the Commission regarding these and two additional matters.

In an effort to provide the Commission with information relative to the water and sewer costs in Oregon City versus those same costs in surrounding communities, the following information was provided regarding the cities of West Linn, Gladstone, Milwaukie, Lake Oswego and Oregon City with each City billing on a bi-monthly basis:

	<u>WATER</u>	<u>SEWER</u>
West Linn	\$19.00/1400 cu. ft.	
	\$1.10/100 cu. ft. over	\$20.50
Gladstone	\$17.00/1200 cu. ft.	
	\$1.00/100 cu. ft. over	\$19.50 - Tri-City
		\$18.00 - Cl. Co. Sewer
		\$12.00 - Oak Lodge
Milwaukie	\$7.20/600 cu. ft.	
	\$0.70/100 cu. ft. over	\$18.80
Lake Oswego	\$17.60 basic chg. plus	
	\$0.40/100 cu. ft.	**
** Sewer service is computed each spring based upon 80 percent of previous winter water usage and is billed per month until the next spring re-computation. Average billing is estimated to be about \$12 per month.		
Oregon City	\$20.95/1500 cu. ft.	
	\$0.85/100 cu. ft. over	\$21.00

With regard to Mr. Swan's request to discuss the Historic Review Committee and the possibility of additional penalties directed toward older buildings, no information was available with regard to what Mr. Swan had in mind.

Mr. Swan was present and addressed the Commission noting that he had not been asked regarding having his property on the historical roster and that he should be able to get off the roster and that he was concerned regarding the cost of water and sewer service in Oregon City versus the costs in Portland. He distributed a handout which outlined a comparison of the two areas. With regard to the Historic Review Committee and historic properties, he provided a handout which outlined insurance and repair liabilities of properties on historical rosters. He concluded by noting that the Commission should examine how the cost of water is spread. No action was taken by the Commission.

Manager's Report No. 88-231, Resolution No. 88-73; A Resolution Establishing the Minimum Bimonthly Rate and the Income Criteria for the Special User Rate and the Income Criteria for the Special User Rates to be Charged for Sanitary Sewer Service Furnished Each User Within the City Limits, was presented. The report noted that on the December 7, 1988 agenda, there was Resolution No. 88-73 that would amend the income criteria for the Senior and Disabled Citizen Special User Rate Program. The income criteria is being changed to be consistent with what the Tri-City Service District uses and consistent with the special water rate program. This consistency is important to enable the City to use one application form for the annual applications for the three different special rate programs.

The report concluded that the resolution also raises the sanitary sewer user charge from \$4.00 per equivalent residential unit per month to \$5.00 effective July 1, 1989. This raise was discussed at work session and is part of the implementation program for the EPA required combined sewer separation program. It was recommended that the City Commission adopt Resolution No. 88-73.

The Development Services Director outlined the report and presented the revenue need as it related to the sewer separation mandated by EPA. When asked regarding grant monies, Block noted that Community Development Block Grant funds could be applied for in 1991.

It was moved by Powell, seconded by Wilson, to adopt Resolution No. 88-73 as presented.

Roll call: Powell, Aye; Spear, Aye; Wilson, Aye; Mitchell, Aye.

RESOLUTION NO. 88-73

A RESOLUTION ESTABLISHING THE MINIMUM BIMONTHLY RATE AND THE INCOME CRITERIA FOR THE SPECIAL USER RATES TO BE CHARGED FOR SANITARY SEWER SERVICE FURNISHED EACH USER WITHIN THE CITY LIMITS.

WHEREAS, the City has an agreement with the Tri-City Service District that allows the City to set its own sewer rates by resolution, and
 WHEREAS, the City needs to increase sewer rates and income criteria for the special user rate program from time to time and desires to set by resolution, and
 WHEREAS, the City desires to use the same income eligibility criteria as that established by the Tri-City Service District.
 NOW THEREFORE, BE IT RESOLVED by the City Commission of Oregon City, a municipal corporation of the State of Oregon, at regular session held the 7th day of December, 1988, that:

Section 1 - SEWER USER RATE shall be effective July 1, 1989 as set forth below:

<u>Customer Class</u>	<u>Bimonthly Charge</u>
Rates per equivalent residential unit (ERU)	\$10.00
Senior/Disabled citizens (Subject to income eligibility)	\$ 5.00

Section 2 - INCOME ELIGIBILITY CRITERIA FOR THE SENIOR/DISABLED CITIZEN SPECIAL USER RATE PROGRAM shall be:

\$10,675 for a single person, or
 \$14,300 for all persons residing in the residence.

Adopted, signed and approved this 7th day of December, 1988.

/s/Kenneth M. Mitchell
 Mayor-Commissioner

/s/Carol A. Powell
 Commissioner

/s/Wayne G. Wilson
 Commissioner

/s/
 Commissioner

/s/David D. Spear
 Commissioner

Comprising the City Commission
 of Oregon City, Oregon

Manager's Report No. 88-230, Resolution No. 88-74, A Resolution Establishing the Minimum Bimonthly Rate and the Income Criteria for the Special User Rates to be Charged for Water Furnished Each User Within the City Limits, was presented. The report noted that on the December 7, 1988 agenda, there was Resolution No. 88-74 that would amend the criteria for the Senior and Disabled Citizen Special User Rate Program. The income criteria was being changed to be consistent with what the Tri-City Service District uses and consistent with the special water rate program. This consistency was important to enable the City to use one application form for the annual applications for the three different rate programs.

The report concluded that the resolution also raised the base water rate from \$20.95 bimonthly to \$21.50 for the first 1,500 cubic feet of water used and the overage from \$0.85 per 100 cubic feet to \$0.95 over the 1,500 cubic feet allowable for single-family and multi-family units; and from \$10.55 bimonthly to \$10.75 for the Senior/Disabled Citizen Special User Rate Program. The same percentage increase was also being passed on to the larger meter sizes. The raise was discussed at work session and is part of the funding program for the City's Capital Improvement Program. It was recommended that the City Commission adopt Resolution No. 88-74.

The Development Services Director outlined the report and presented the revenue aspect related to this proposal.

It was moved by Wilson, second by Powell, to adopt Resolution No. 88-74 as presented.

Roll call: Spear, Aye; Wilson, Aye; Powell, Aye; Mitchell, Aye.

RESOLUTION NO. 88-74

A RESOLUTION ESTABLISHING THE MINIMUM BIMONTHLY RATE AND THE INCOME CRITERIA FOR THE SPECIAL USER RATES TO BE CHARGED FOR WATER FURNISHED EACH USER WITHIN THE CITY LIMITS.

WHEREAS, the City has in the past set water rates and income criteria for the special user rate program in the City Code by Ordinance, and

WHEREAS, the City has had to amend City Code to adjust these rates and income criteria from time to time and needs to increase these rates and income criteria at this time and desires to set by resolution, and

WHEREAS, the City desires to use the same income eligibility criteria as that established by the Tri-City Service District.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of Oregon City, a municipal corporation of the State of Oregon, at regular session held the 7th day of December, 1988, that:

<u>Customer Class</u>	<u>Bimonthly Charge</u>
Single Family	
First 1,500 Cubic Feet	\$ 21.50
All over 1,500 Cubic Feet	\$ 0.95
Multiple Family (Each Unit)	
First 1,500 Cubic Feet	\$ 21.50
All over 1,500 Cubic Feet	\$ 0.95
Senior/Disabled Citizens (Subject to Income Eligibility)	
First 1,000 Cubic Feet	\$ 10.75
All over 1,000 Cubic Feet	\$ 0.95
Large Size Meters for First 1,500 Cubic Feet	
1"	\$ 23.45
1 1/4" - 1 1/2"	\$ 30.15
2"	\$ 36.85
4"	\$ 50.30
6"	\$ 73.65
8"	\$133.90
10"	\$167.35
All Over 1,500 Cubic Feet	\$ 0.95

Section 2 - INCOME ELIGIBILITY CRITERIA FOR THE SENIOR/DISABLED CITIZEN SPECIAL USER RATE PROGRAM shall be:

\$10,675 for a single person, or
\$14,300 for all persons residing in the residence.

Adopted, signed and approved this 7th day of December, 1988.

/s/Kenneth M. Mitchell
Mayor-Commissioner

/s/Carol A. Powell
Commissioner

/s/Wayne G. Wilson
Commissioner

/s/
Commissioner

/s/David D. Spear
Commissioner

Comprising the City Commission
of Oregon City, Oregon

Manager's Report No. 88-234, Petition for Annexation of Property Lying East of Division Street Between Davis and Morton Roads - Resolution No. 88-72, was presented. The report noted that on the December 7, 1988 agenda, there was a petition for annexation submitted by James H. Bean and Danial R. Kloer, property owners of approximately 15.65 acres lying East of Division Street between Davis and Morton Roads. Attached for Commission review was a copy of the petition and maps of the subject property and report on urban services availability.

The report continued that this property was previously outside of the City's Urban Growth Boundary but has recently been included in the Boundary and is now able to be annexed into the City. The property owners have discussed development plans and urban service needs with the City and have submitted Waiver of Remonstrance and Consent to Local Improvement District forms for extension of streets, sidewalks, sanitary sewers, storm sewers and water lines to the property.

The report concluded by recommending adoption of Resolution No. 88-72 which approved the subject annexation and would forward the petition to the Portland Metropolitan Area Local Government Boundary Commission for final action. Following annexation, the Planning Commission would process the comprehensive plan and zone changes for the property.

It was moved by Powell, second by Wilson, to adopt Resolution No. 88-72 as presented.

Roll call: Wilson, Aye; Powell, Aye; Spear, Aye; Mitchell, Aye.

RESOLUTION NO. 88-72

A RESOLUTION INITIATING ANNEXATION OF TERRITORY TO THE CITY OF OREGON CITY.

This matter is before the City Commission of the City of Oregon City, hereinafter referred to as the Commission; and
It appearing that:

1. The Commission is authorized by ORS 199.490 (2) (B) to initiate an annexation upon receiving consent in writing from a majority of the electors registered in the territory proposed to be annexed and written consent from owners of more than half the land in the territory proposed to be annexed.
 2. The Commission has received the necessary "consents" in sufficient numbers to meet so-called "double-majority" annexation requirements listed above and has set the boundary of the territory proposed for annexation as authorized by ORS 199.490 (2) (B).
 3. The territory proposed to be annexed is presently within the Clackamas County Fire District No. 54, and would, by operation of ORS 199.510 (1), be automatically withdrawn from that district immediately upon consummation of the annexation.
- NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF OREGON CITY, AS FOLLOWS:
1. That the Commission by this Resolution approves the proposed annexation with the boundaries described in Exhibit "A" and depicted in Exhibit "B" attached hereto;
 2. That the City Recorder is hereby directed to file certified copies of the statements of consent and this Resolution with the Portland Metropolitan Area Local Government Boundary Commission at once.

The foregoing Resolution adopted this 7th day of December, 1988.

/s/Kenneth M. Mitchell
Mayor-Commissioner

/s/Carol A. Powell
Commissioner

/s/Wayne G. Wilson
Commissioner

/s/
Commissioner

/s/David D. Spear
Commissioner

Comprising the City Commission
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Manager's Report No. 88-235, A Resolution Recommending a Boundary Change for the Holcomb, Outlook, Park Place (HOPP) Health Hazard Annexation to the Portland Metropolitan Area Local Government Boundary Commission, was presented. The report noted that on the December 7, 1988 agenda, there was a resolution that recommended to the Boundary Commission two minor amendments to the HOPP Health Hazard Annexation boundary.

The first change was to include a small portion of Holcomb Boulevard right-of-way lying between existing City limits and the Health Hazard boundary located at the overpass of the Oregon City Bypass. This area measures approximately 60 feet by 260 feet and contains approximately 0.36 acres. Attached was a legal description and map. In order to provide sanitary sewer service to the Health Hazard Area, the City would need to lay a new sewer line in Holcomb Boulevard. In order to avoid an extra-territorial service issue from arising later, staff was recommending that this portion of Holcomb Boulevard right-of-way be included in the Health Hazard Annexation boundary.

The report noted that the second change was to include the Holcomb Grade School. The school was already connected to the public sewer and was probably omitted from the Health Hazard boundary for that reason. The problem with the school being left out was two fold; first, is that the City would take over ownership and operation of the existing sewer lines in the Health Hazard area and the school property would be the only property connected to the City's sewer without being within the City's jurisdiction; and, second, was a policy issue because the agreement with Tri-City Service District indicated that no sanitary sewer service be provided without a concurrent annexation into the City. Sewer service to the school took place prior to the City/Tri-City agreement, however, in light of recent issues involving the Country Village development, all properties currently receiving sewer service should be annexed into the City to avoid the appearance of inconsistent policy.

The report concluded that there would be no property tax revenues involved in either of these changes to the main benefit would be to avoid service boundary issues from developing in the future. The Boundary Commission has the authority to modify the Health Hazard boundary at this time if requested to do so by the City. If the City does not request at this time or the Boundary Commission refuses to include these changes now, the City would be forced to initiate annexation on its own later prior to the extension of sewer service to the neighborhood. It was recommended that the City Commission adopt Resolution No. 88-75 which recommended that the Boundary Commission modify the Holcomb, Outlook, Park Place Health Hazard Boundary as indicated.

It was moved by Wilson, seconded by Spear, to adopt Resolution No. 88-75 as presented.

Roll call: Powell, Aye; Spear, Aye; Wilson, Aye; Mitchell, Aye.

RESOLUTION NO. 88-75

A RESOLUTION RECOMMENDING A BOUNDARY CHANGE FOR THE HOLCOMB, OUTLOOK, PARK PLACE (HOPP) HEALTH HAZARD ANNEXATION TO THE PORTLAND METROPOLITAN AREA LOCAL GOVERNMENT BOUNDARY COMMISSION.

WHEREAS, the City and Metropolitan Area Local Government Boundary Commission have received the Final Order from the State of Oregon Department of Human Resources Health Division on the proposed annexation of certain territory commonly known as the Holcomb, Outlook, Park Place Health Hazard Area, and

WHEREAS, the City has reviewed the proposed boundaries for the proposed Health Hazard area annexation, and

WHEREAS, the City has identified two service area jurisdiction problems with the proposed boundary, and

WHEREAS, the Portland Metropolitan Area Local Government Boundary Commission has the responsibility to resolve service area jurisdiction issues, and has the authority to modify proposed boundaries.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Oregon City, a municipal corporation of the State of Oregon, at a regular session held on the 7th day of December, 1988, that:

Section 1 - The Commission has identified two service area jurisdiction problems with the proposed Holcomb, Outlook, Park Place Health Hazard Area Annexation Boundary as identified in Commission Report No. 88-235.

Section 2 - The Commission hereby recommends changes in the proposed Holcomb, Outlook Park Place Health Hazard Area Annexation Boundary to the Portland Metropolitan Area Local Government Boundary Commission as identified in Commission Report No. 88-235.

Section 3 - The City Recorder is hereby directed to file a certified copy of this Resolution and Commission Report No. 88-235 to the Boundary Commission at once.

The foregoing Resolution adopted this 7th day of December, 1988.

/s/Kenneth M. Mitchell
Mayor-Commissioner

/s/Carol A. Powell
Commissioner

/s/Wayne G. Wilson
Commissioner

/s/
Commissioner

/s/David D. Spear
Commissioner

Comprising the City Commission
of Oregon City, Oregon

Manager's Report No. 88-219, Proposed Ordinance No. 88-1028, An Ordinance Amending Title II: Commissions and Boards, by Deleting Chapter 1: Planning Commission, and Replacing it with a new Chapter 1: Planning Commission, was presented. The report noted that the Planning Commission recently requested that staff pursue changes to the City Code so that the Planning Commission could have seven (7) members, rather than nine (9). It was felt by the Commission that a smaller number would increase efficiency. Also, upon research of the current ordinance, it was found that the section had not been updated since the 1940's.

The report continued that attached for Commission review was proposed Ordinance No. 88-1028. The major change was that the Commission would be reduced in size from nine members to seven. Also, the language regulating length of time was revised so that members cannot serve more than eight (8) consecutive years. This has created a problem when a member was appointed to fill an unexpired term and by doing so was prohibited from serving a full eight years. Other changes include an update of duties, to be more consistent with ORS Chapter 227.

On November 22, 1988, the Planning Commission reviewed proposed Ordinance No. 88-1028 and recommended approval. Also, the Assistant City Attorney had reviewed the proposal and recommended approval.

The report concluded that Notice of proposed Ordinance No. 88-1028 had been posted at City Hall, 320 Warner Milne Road; Courthouse, 807 Main Street; and, Senior Center, 615 5th Street, by direction of the City Recorder. It was recommended that first reading be approved, second reading be called and approved for final enactment.

It was moved by Spear, second by Wilson, to approve first reading of proposed Ordinance No. 88-1028.

Roll call: Spear, Aye; Wilson, Aye; Powell, Aye; Mitchell, Aye.

Second reading was called, after which it was moved by Powell, second by Spear, to approve second reading for final enactment.

Roll call: Wilson, Aye; Powell, Aye; Spear, Aye; Mitchell, Aye.

ORDINANCE NO. 88-1028

AN ORDINANCE AMENDING TITLE II: COMMISSIONS AND BOARDS, BY DELETING CHAPTER 1: PLANNING COMMISSION, AND REPLACING IT WITH A NEW CHAPTER 1: PLANNING COMMISSION

OREGON CITY ORDAINS AS FOLLOWS:

That Title II: COMMISSIONS AND BOARDS, Chapter 1: PLANNING COMMISSION, is hereby amended by repealing the current Chapter and replacing it with a new Chapter 1: PLANNING COMMISSION, to read as follows:

2-1-1: CREATED: There is hereby created a Planning Commission for the City.

2-1-2: MEMBERSHIP: The Planning Commission shall consist of seven (7) members to be appointed by the Mayor.

(a) The members of the Planning Commission shall be appointed for four (4) years.

(b) Any vacancy shall be filled by the Mayor for the unexpired portion of the term.

(c) No member of the Planning Commission shall serve for more than eight (8) consecutive years.

2-1-3: DISTRIBUTION OF INTERESTS: No more than two voting members of the Commission shall be engaged principally in buying, selling or developing of real estate for a profit as individuals or be members of any partnership, or officer, or employees of any corporation that is engaged principally in buying, selling, or developing of real estate for a profit. No more than two voting members shall be engaged in the same kind of business, trade or profession.

2-1-4: CONFLICT OF INTEREST: A member of the Planning Commission shall not participate in any Commission proceeding or action in which any of the following has a direct or substantial financial interest: the member or his/her spouse, brother sister, child, parent, father-in-law, mother-in-law, any business in which he/she is then serving or has served within the previous two years, or any business with which he/she is negotiating for or has an arrangement or understanding concerning prospective partnership or employment. Any actual or potential interest shall be disclosed at the meeting of the Commission where the action is being taken.

2-1-5: PLANNING COMMISSION - REMOVAL: A Planning Commission member may be removed by the City Commission, after hearing, for misconduct or nonperformance of duty.

2-1-6: OFFICERS: The Planning Commission, at its first meeting in January, shall elect a chairperson and vice chairperson, who shall hold office for one year.

2-1-7: SECRETARY: The Planning Division of the Development Services Department shall be responsible for keeping an accurate and legally sufficient record of all proceedings and shall provide a summary of the meetings.

2-1-8: QUORUM; MEETINGS:

- (a) A majority of appointed members (4) shall constitute a quorum.
- (b) If a quorum is present, all matters shall be decided by a vote of the majority.
- (c) The Planning Commission shall meet at such times and places as may be fixed by the Commission.
- (d) Special meetings may be called in accordance with the public open meetings law by the chairperson or vice chairperson. All meetings shall comply with ORS 192.640.

2-1-9: POWERS AND DUTIES - GENERALLY: The powers and duties of the Planning Commission include, but are not limited to the following:

- (a) To keep current the Comprehensive Plan and implementing ordinances for the City and urban growth boundary as applicable.
- (b) To prepare as necessary legislation that will implement the purposes of the Comprehensive Plan.
- (c) To review the capital improvement programs for consistency with the Comprehensive Plan.
- (d) Recommend and make suggestions to the City and to other public authorities concerning:

- (1) The laying out, widening, extending and locating of public thoroughfares, parking of vehicles, relief of traffic congestion;
- (2) Betterment of housing and sanitation conditions;
- (3) Establishment of districts for limiting the use, height, area, bulk and other characteristics of buildings and structures related to land development;
- (4) Protection and assurance of access to incident solar radiation; and
- (5) Protection and assurance of access to wind for potential future electrical generation or mechanical application.

(e) Recommend to the City and other public authorities plans for regulating the future growth, development and beautification of the City in respect to its public and private buildings and works, streets, parks, grounds and vacant lots, and plans consistent with future growth and development of the City in order to secure to the City and its inhabitants sanitation, proper service of public utilities, including appropriate public harbor, shipping and transportation facilities.

(f) Recommend to the City and other public authorities plans for promotion, development and regulation of industrial and economic needs of the community in respect to industrial pursuits.

(g) Advertise the industrial advantages and opportunities of the City and availability of real estate within the City for industrial settlement.

(h) Encourage industrial settlement within the City.

(i) Make economic surveys of present and potential industrial needs of the City.

(j) Study needs of local industries with a view to strengthening and developing them and stabilizing employment conditions.

(k) To exercise any expressed or implied power, right or act pursuant to this Code or ORS Chapter 227.

2-1-10: RECOMMENDATIONS TO THE CITY COMMISSION: All recommendations to the City Commission shall be in writing and shall include findings and reasoning in support of the recommendation.

2-1-11: GIFTS; BEQUESTS; DISPOSITION OF: The Planning Commission may receive gifts, bequests or devices of property to carry out any of the purposes of this Chapter, which property shall be set over to the City to be used by it in the furtherance of the purposes of this Chapter pursuant to the recommendations of the Planning Commission, immediately upon the acceptance and approval of the recommendations of the Planning Commission.

2-1-12: EXPENDITURES: The Planning Commission shall have no authority to make any expenditures on behalf of the City or to obligate the City for payment of sums of money.

Read first time at a regular meeting of the Commission held on the 7th day of December, 1988, and the foregoing was finally enacted by the City Commission this 7th day of December, 1988.

/s/Jean K. Elliott
JEAN K. ELLIOTT, City Recorder

ATTESTED this 7th day of December, 1988.

/s/Kenneth M. Mitchell
KENNETH M. MITCHELL, Mayor

Manager's Report No. 88-220, Proposed Ordinance No. 88-1027, An Ordinance Amending Title XI: Zoning, Chapter 3: Zoning Districts, Section 13: "General Commercial District", of the 1963 City Code, was presented. The report noted that it was recently brought to the Planning Commission's attention that the Zoning Ordinance does not include "hotels/motels" or "theaters" as permitted uses in any zone. At their September, 1988, meeting, the Planning Commission recommended that staff forward an ordinance to the City Commission amending the Zoning Ordinance to include those uses as permitted uses in the "C" General Commercial District.

Attached was proposed Ordinance No. 88-1027, which adds "hotels and motels" and "theaters" as permitted uses in the "C" General Commercial District.

Notice of proposed Ordinance No. 88-1027 had been posted at City Hall, 320 Warner Milne Road; Courthouse, 807 Main Street; and, Senior Center, 615 5th Street, by direction of the City Recorder. It was recommended that first reading be approved, second reading be called and approved for final enactment.

It was moved by Powell, second by Spear, to approve first reading of proposed Ordinance No. 88-1027.

Roll call: Powell, Aye; Spear, Aye; Wilson, Aye; Mitchell, Aye.

Second reading was called after which it was moved by Wilson, second by Spear, to approve second reading for final enactment.

Roll call: Spear, Aye; Wilson, Aye; Powell, Aye; Mitchell, Aye.

ORDINANCE NO. 88-1027

AN ORDINANCE AMENDING TITLE XI: ZONING, CHAPTER 3: ZONING DISTRICTS, SECTION 13: "GENERAL COMMERCIAL DISTRICT", OF THE 1963 CITY CODE,

OREGON CITY ORDAINS AS FOLLOWS:

That Title XI: ZONING, Chapter 3: ZONING DISTRICTS, Section 13: "GENERAL COMMERCIAL DISTRICTS", Subsection (A) 1 is hereby amended to add the following permitted uses:

Hotels and Motels
Theaters

Read first time at a regular meeting of the Commission held on the 7th day of December, 1988, and the foregoing was finally enacted by the City Commission this 7th day of December, 1988.

/s/Jean K. Elliott
JEAN K. ELLIOTT, City Recorder

ATTESTED this 7th day of December, 1988.

/s/Kenneth M. Mitchell
KENNETH M. MITCHELL, Mayor

Manager's Report No. 88-222, Proposed Ordinance No. 88-1025, An Ordinance Amending Title X: Traffic, of the 1963 City Code, by Adding Chapter 9, Establishing and Imposing a Street and Traffic Control System Development Charge; and Fixing an Effective Date, was presented. The report noted that at the November 10, 1988 City Commission meeting, the Commission reviewed a proposed street and traffic control system development charge for new developments in the City. The Commission agreed that new revenue sources were needed to fund street improvements but were concerned about the charge being a potential disincentive for new development.

The report continued that the Commission met in a work session on November 22 to further review proposed Ordinance No. 88-1025. Street improvements and funding requirements were discussed, other revenue sources reviewed and Commissioner Wilson relayed comments he had received from three developers that the proposed charge would not be a disincentive because it was pretty much standard in the industry and a cost of doing business in communities.

The report concluded that the City Commissioners agreed that funding the City's street improvement program was a priority and that if not funded may result in street capacity problems that could, on their own, be a disincentive for development.

Notice of proposed Ordinance No. 88-1025 had been posted at City Hall, 320 Warner Milne Road; Courthouse, 807 Main Street; and, Senior Center, 615 5th Street, by direction of the City Recorder. It was recommended that first reading be approved and second reading be called and approved for final enactment.

It was moved by Wilson, second by Powell, to approve first reading of proposed Ordinance No. 88-1025.

Roll call: Wilson, Aye; Powell, Aye; Spear, Aye; Mitchell, Aye.

Second reading was called after which it was moved by Wilson, second by Spear, to approve second reading for final enactment.

Roll call: Powell, Aye; Spear, Aye; Wilson, Aye; Mitchell, Aye.

ORDINANCE NO. 88-1025

AN ORDINANCE AMENDING TITLE X: TRAFFIC, OF THE 1963 CITY CODE, BY ADDING CHAPTER 9: ESTABLISHING AND IMPOSING A STREET AND TRAFFIC CONTROL SYSTEM DEVELOPMENT CHARGE; AND FIXING AN EFFECTIVE DATE.

OREGON CITY ORDAINS AS FOLLOWS:

Section 1. That Title X: TRAFFIC, of the 1963 City Code, be and the same is hereby amended by adding Chapter 9: STREET AND TRAFFIC CONTROL SYSTEM DEVELOPMENT CHARGE, to read as follows:

Chapter 9

STREET AND TRAFFIC CONTROL SYSTEM DEVELOPMENT CHARGE

Sections:

- 10-9-1 Purpose
- 10-9-2 Definitions
- 10-9-3 Fund Creation
- 10-9-4 Charges
- 10-9-5 Collection
- 10-9-6 Exemptions

10-9-1 PURPOSE. A system development charge is imposed to implement the installation, construction and extension of extra-capacity street facilities and traffic control devices, as defined in Section 10-9-2, and shall be charged in connection with the development of all properties within the City of Oregon City.

10-9-2 DEFINITIONS. For the purpose of this chapter the following definitions shall apply:

- (A) "Building permit" means any permit issued by the building official in accordance with Title IV of this Code, as amended.
- (B) "Development" means and includes:
 - (1) The construction or the placing of a structure upon any parcel of land that was previously not occupied by any structure;
 - (2) Any alteration of an existing structure or change in use which increases the number of parking spaces required pursuant to Section 11-5-1 of the 1963 City Code;
 - (3) The establishment of a new use or resumption of an existing use after a period of non-use exceeding one year which the City finds creates the likelihood of increasing traffic upon any street within the City.
- (C) "Extra capacity street facilities" means those street improvements that are necessary for public health, safety and welfare to increase vehicular traffic capacities on streets that are classed as collectors or arterials in Section L in the Oregon City Comprehensive Plan. Said improvements include but are not limited to traffic control signals, channelization, widening, sidewalks, bike paths, lighting, right-of-way acquisition, street extensions and railroad crossing protection devices.

10-9-3 FUND CREATION. All funds received from the street and traffic control systems development charge shall be placed in the Street Fund and shall be used only for extra capacity street facilities as defined in Section 10-9-2.

10-9-4 CHARGES. A system development charge is imposed upon all lands within the City of Oregon City according to the demands which proposed development will place upon the collector and arterial street system serving the City of Oregon City as follows:

Single-family residential unit	\$200.00
Mobile home court space	\$200.00
Multi-family residences	\$200.00 per unit
Commercial, industrial and institutional	\$100 per parking space as required by Section 11-5-1

10-9-5 COLLECTION. The system development charge is immediately due and payable upon receipt of an application for building permit. The applicant for such permit shall pay, and the building official shall collect, the applicable system development charge prior to issuing any building permit for any new construction, additions to existing structures or change in use of any structure thereafter which increases the number of parking spaces required by Section 11-5-1. The building official shall not issue any such permits until such system development charge has been paid in full.

10-9-6 EXEMPTIONS. The following properties shall be exempt from the charge imposed in Section 10-9-4:

City-owned land.

Read first time at a regular meeting of the Commisison held on the 7th day of December, 1988, and the foregoikng was finally enacted by the City Commission this 7th day of December, 1988.

/s/Jean K. Elliott
JEAN K. ELLIOTT, City Recorder

ATTESTED this 7th day of December, 1988.

/s/Kenneth M. Mitchell
KENNETH M. MITCHELL, Mayor

Manager's Report No. 88-226, Proposed Ordinance No. 88-1029, An Ordinance Amending Title X: Traffic, of the 1963 CityCode, by Adding a New Chapter 4: Parking Advisory Commission, and Renumbering the Remaining Chapters in the Title Accordingly, was presented. The report noted that at the request of the City Commission, presented on the December 7, 1988 agenda, was proposed Ordinance No. 88-1029 which created the Parking Advisory Commission and provided the organization and structure of the Commission.

The report concluded that Notice of proposed Ordinance No. 88-1029 had been posted at City Hall, 320 Warner Milne Road; Courthouse, 807 Main Street; and Senior Center, 615 5th Street, by direction of the City Recorder. If the City Commission agreed with the provisions of the ordinance, first reading should be approved and second reading be called and approved for final enactment.

Considerable discussion was held regarding particular sections within the proposed ordinance with the matter ultimately scheduled for work session on December 15, 1988 at 7:00 p.m.

Manager's Report No. 88-228, Ordinance No. 88-1030; An Ordinance Amending Title VIII: Chapter 5: Sewer Regulations, Section 13: Development Charges and User Charges, of the 1963 City Code, and Providing an Effective Date, was presented. The report noted that on the December 7, 1988 agenda, there was Ordinance No. 88-1030 that provided several housekeeping amendments to the Sewer Code.

The report continued that Paragraph A provides that the Tri-City Service District may establish connection and user charges and the City may collect said charges and forward to Tri-City. As the Commission knows, this is standard practice, but no specific code authority was identified in City Code.

Paragraph B provides that the City may also establish connection and user charges. Asa the Commission knows, the City sets its own charges by resolution, but the authority to do so was not explicit in the City Code.

Paragraph C provides that the City may provide a special lesser rate for senior and disabled citizens. The City has a special rate program, but again it was not identified in the City Code.

The ordinance also states that charges and income criteria would be set by Commission resolution. This change simplifies the process of changing rate and income levels as may be required from time to time. The special rate program was designed to be the same as the Tri-City Service District program for ease of City administration.

The report concluded that proposed Ordinance No. 88-1030 had not been posted; therefore, it was recommended that the City Commission approve first reading with second reading and final enactment scheduled for the next Commission agenda.

On discussion, the City Attorney proposed amendments to the ordinance for legal clarification.

It was moved by Wilson, second by Spear, to approve first reading of proposed Ordinance No. 88-1030 as amended with second reading scheduled for the next Commission agenda.

Roll call: Spear, Aye; Wilson, Aye; Powell, Aye; Mitchell, Aye.

Manager's Report No. 88-229, Ordinance No. 88-1031, An Ordinance Amending Title III: Chapter 3: Water Department, Section 28: Water Rates, Section 31: Development Charges, and Section 32: Cost Participation of the 1963 City Code and Providing an Effective Date, was presented. The report noted that on the December 7, 1988 agenda, there was Ordinance No. 88-1031 that provides several housekeeping amendments to the Water Code.

Section 1 provides that water rates and income criteria for the special user rate program shall be established by City Commission resolution. Currently, all rates and income criteria are established in the City Code and set by ordinance. This change simplifies the process of changing rate and income levels as may be needed from time to time.

Section 2 just changes that development charges shall be deposited into the Water Fund, instead of a separate water improvement fund. This is mainly for budget efficiency and eliminates the need for another separate fund as there are already too many separate funds in the water fund.

Section 3 also eliminates the separate water improvement fund in the Cost Participation section.

The report concluded that proposed Ordinance No. 88-1031 had not been posted; therefore, it was recommended that the City Commission approve first reading with second reading and final enactment scheduled for the next Commission agenda.

On discussion, the City Attorney proposed amendments for legal clarification.

It was moved by Wilson, second by Powell, to approve first reading of proposed Ordinance No. 88-1031 as amended with second reading scheduled for the next Commission meeting.

Roll call: Wilson, Aye; Powell, Aye; Spear, Aye; Mitchell, Aye.

Manager's Report No. 88-223, 5-Year Capital Improvement Program Adoption, was presented. The report noted that on November 5, the City Commission and Budget Committee toured the sewer and water facilities and reviewed a draft 5-Year Utilities Capital Improvement Program prepared by the Development Services Department. The draft program included the recommendations of the recently completed Sewer, Water, and Drainage Master Plans together with some analysis on revenue and utility rate needs. The work session discussed in a very positive manner, the City's utility needs and the reality of rate increases to meet those needs. The City Commission held a work session on November 22 to review in more detail the revenue and rate aspects of the program as the decision on rates and revenues would dictate when projects would be built.

CAPITAL IMPROVEMENT PROGRAM (attached were project schedules)

Storm Drainage: There is a need for approximately \$220,000 in revenue per year to operate the storm drainage program.

The Master Plan recommended that a storm drainage utility and system improvement fee be established to implement this program. The City Commission established the system improvement fee in September and at work session supported establishing a storm drainage utility effective July 1, 1989 to implement the balance of the program. The storm drain utility would raise approximately \$185,000 annually with \$100,000 being reserved to help fund the EPA required combined sewer separation program.

Water: The City has done a good job on water line maintenance and repair, but has not had a long range water system expansion program, aside from the Boynton Reservoir improvements that were necessitated by the abandonment of the Mountain Line system. The Master Plan indicates that as additional growth occurs in the Hilltop area, a new reservoir and additional transmission lines will be needed. It also recommended improvement in the pumping and transmission supply to the Boynton Reservoir, improvements to Reservoir No. 1 and \$650,000 in South Fork improvements.

One of the main concerns mentioned in the Plan was the unmetered irrigation water use in the Cemetery and Parks and the need to explore the development of wells to meet the irrigation needs. At the November 5 work session, there was consensus reached to charge the Parks and Cemetery for their water use. If this is done, there would be an increase of \$50,000 in revenue to the Water Fund.

The City currently has approximately \$900,000 in reserves in the Water Fund to fund the first three years of this program. The remaining three years would have to be bonded for and rates increases to cover the debt service costs. Instead of bonding, in the third year, the City Commission is recommending a pay-as-you-go program for the first five years of the program and defer bonding until the sixth year. At that time, some of the existing Boynton Reservoir Bonds would be paid for to lessen the impact of a rate increase in the sixth year. To fund the pay-as-you-go program, the Commission at work session supported raising the base rate from \$10.48 to \$10.75 per month and the overage from \$0.85/100 cubic feet to \$0.95/100 cubic feet. This would

raise an additional \$100,000 annually. When combined with the Park and Cemetery water use payments of \$50,000, an additional \$150,000 would be raised for the capital improvement program. This amount, coupled with the current reserves, would fund the first five years of the program. This smaller bonding in the future is being recommended as the best way to implement the program.

Sanitary Sewer: The City has two main challenges facing it. The first is the \$4.5 million combined sewer separation program. This program is mandated by EPA and has to be completed by 1993. The second challenge is the provision of sewer service into the urban growth areas. Service to this area will be provided mainly through expensive pump stations and large gravity trunk lines. Service to this area can be tied directly to development needs, so the timing of these improvements can be adjusted from time to time to fit development pressures. These costs are estimated at an additional \$2.3 million.

The report continued that if the City had to fund both of these programs today, it would cause the City sewer rates to increase to \$11.00 per month per equivalent dwelling unit. Obviously, this is not acceptable, so the Development Services staff worked with the Tri-City Service District on a funding program that would implement the combined sewer separation program, and spread the balance of the improvements over ten years instead of five years.

The initial costs of the program total approximately \$560,000. City reserves and Tri-City equalization funds will be used to fund these costs, so, in the first five years, the combined sewer separation program will be the only unfunded project. This project is being recommended in two phases. The \$2 million first phase would be constructed in 1990 and be financed by the City assuming existing Tri-City bonds. The \$2.5 million second phase would be constructed in 1992 and be financed by a City bond issue. The rates would have to be increased to \$8.00 per month per equivalent dwelling unit to fund the bond debt service.

To avoid rate shock and allow a reserve fund to develop, the City Commission at work session supported increasing the sewer rates \$1.00 per equivalent unit each year over the next four years, i.e. \$5.00 on July 1, 1988; \$6.00 on July 1, 1990; \$7.00 on July 1, 1991; and, \$8.00 on July 1, 1992. By advancing the rates on a graduated basis, the City will build up a \$400,000 reserve during the four years and thereby reduce the amount of the overall rate increase needed. All remaining work would be funded on a pay-as-you-go basis in conjunction with other funding mentioned.

Past Commissions have adopted Capital Improvement Programs but have not approved the funding necessary to implement them. It is the desire of City administration to not only adopt a Five-Year Capital Improvement Program, but to approve the funding necessary to implement it.

The five-year plan will implement \$1,193,152 in storm drainage improvements, \$3,132,815 in water system improvements, and, \$8,801,300 in sanitary sewer system improvements. The plan will meet the City's development needs for the next five years, meet the requirements of the EPA combined sewer separation program and guarantee up front what the revenue and rate needs are to implement the program. The adoption of this program will provide developer, lender and bond entities with the City's ability to identify and fund its utility needs.

The report concluded by recommending that the City Commission adopt a motion approving the 5-Year Capital Improvement Plan and direct City staff prepare the rate revisions necessary to implement the program.

It was moved by Wilson, second by Spear, to approve the 5-Year Capital Improvement Plan and direct staff to prepare the rate revisions necessary to implement the program.

Roll call: Powell, Aye; Spear, Aye; Wilson, Aye; Mitchell, Aye.

Manager's Report No. 88-224, Management, Supervisory and Confidential Employees - Salary Adjustment for Fiscal Year 1988-89, was presented. The report noted that at the July 1, 1987 meeting, the City Commission adopted the Handbook for Management, Supervisory and Confidential Employees for fiscal years 1987-88 and 1988-89 which presented no salary adjustment or other changes for two years with the exception of a wage consideration for 1988-89.

The report continued that on September 7, 1988, the City Commission met in Executive Session and at that meeting was presented Commission Memorandum No. 88-15. Subsequently, the City Commission directed representatives of the Management group to present their request at a Commission meeting.

Therefore, on the December 7, 1988 agenda, there was the Management, Supervisory and Confidential Employees request for a salary adjustment for fiscal year 1988-89 in the amount of 4.5 percent retroactive to July 1, 1988.

As negotiated, the salary adjustment had been reduced from the original proposal to 4.5 percent retroactive to July 1, 1988 based upon the Commission's recognition of the need for a management compensation study as requested in the attached proposal. Because the Management group strongly believes it important for this study to be done in an authoritative and completely objective manner which can serve as the foundation for a future city-wide compensation plan, it was proposed that funding necessary for this study, estimated at \$6,000, be allocated during the current year. The report concluded that it was recommended that the Commission approve the salary adjustment and compensation study funding for the Management employee group.

It was moved by Wilson, second by Powell, that Items 1, 2 and 3 of the Management Group Proposal as submitted with Commission Memorandum No. 88-15 are hereby adopted with the following changes: Item 1, Cost of Living Increase, reduced to 4.5 percent, effective July 1, 1988; and, Item 2, \$6,000 allocated for a Management Compensation Study.

Roll call: Spear, Aye; Wilson, Aye; Powell, Aye; Mitchell, Aye.

Mayor Mitchell declared a break at 11:05 with the meeting reconvening at 11:12 p.m.

Manager's Report No. 88-227, Park Development Program, was presented. The report noted that the Park Development Program is a demonstration project for Chapin Park. The concept of the program is to subdivide a portion of underdeveloped park property to raise fund for park development through the sale of lots. Chapin Park has been targeted for this demonstration project because of an odd shaped southwest corner and the availability of land adjoining on the southeast side of the park.

The report continued that the plans for the project are to buy approximately eight acres of land on the southeast side of the park and combine it with approximately four areas of existing park land on the southwest side of the park. Approximately two acres of the eight acres acquired would be consolidated into the existing park. The remaining six acres would be combined with the four acres of park property and subdivided into approximately forty 10,000 foot lots. A subdivision map was attached which illustrated the plan.

The Parks Program would borrow funds from the Sewer, Water, Drainage and Street Funds to purchase the adjoining property and construct the required public improvements. The property would then be subdivided and lots sold. The proceeds from the lot sales would be used to pay off the borrowing and the net profits used to finance park improvements. A first phase project of twenty lots is being recommended. The financial analysis shows the following:

<u>Phase 1</u>	<u>Cost</u>
Land Acquisition: 4 Acres @ \$9,000/acre	\$ 36,000
Street and Drainage Improvements:	
910 lineal feet @ \$96.00/lineal foot	87,360
Sanitary Sewer Improvements:	
1,230 lineal feet @ \$28.00/lineal foot	34,440
Water System Improvements:	
150 lineal feet @ \$30.00/lineal foot	4,500
Engineering, Administration and	
Contingency @ 15 percent	24,345
Total Cost	\$186,645
<u>Lot Sales</u>	<u>Revenue</u>
20 lots @ \$16,000/lot	\$320,000
Net Profit of First Phase	\$133,355

Development of the second phase could begin following sale of 12 of the first phase lots. This project was discussed briefly in Commission work session with direction to submit an information report at a regular Commission meeting. The Development Services staff is excited about the potentials of raising revenues for park development and is encouraging City Commission acceptance of the concept, and authorization to negotiate for acquisition of the adjoining property.

There are two issues that will be addressed in more detail later before actual purchase of the property. The first is that federal funds were used for the initial purchase and development of Chapin Park, and the City will need to clear the title for the four acres being targeted for subdivision with the Department of Interior before development can begin. The second is that there are City Charter provisions requiring a vote of the community on the sale of any park property. This proposal will need to be in compliance with these provisions. The report concluded that the adjoining property owner, Margaret Hein, would be available at the City Commission meeting to comment on this proposal.

The Development Services Director outlined the report and introduced Margaret Hein, property owner. Mrs. Hein addressed the Commission noting that she must sell her property because she could not take care of it and spoke in favor of the proposal presented.

Bob Smith, 18840 Boynton Street, addressed the Commission noting there was no reason for the City to become involved in the buying and selling of property; he noted being against the borrowing of money from other funds to accomplish this proposal; he noted Lot 10 being the drain for the Boynton Reservoir; and, that the area originally was planned for parking and picnic areas.

Dan Fowler, 914 Madison, addressed the Commission and presented some thoughts such as the City competing with private industry regarding this proposal. After discussion, staff was directed to further examine alternates for park development.

Manager's Report No. 88-232, Acceptance of Supplemental Budget for Fiscal Year 1988-89 and Setting Date of Public Hearing, was presented. The report noted that on November 28, 1988, the Budget Committee approved a Supplemental Budget for Fiscal Year 1988-89 and referred it to the City Commission for acceptance and to set Thursday, January 12, 1989 at 8:00 p.m. as the date and time of public hearing.

The report continued that First Notice of Public Hearing would be published on Wednesday, December 21, 1988 with Second Notice published on Tuesday, January 3, 1989. Listed within that publication are resources and requirements for re-establishing the Street Maintenance Fund; creation of the Oregon City Enhancement Fund, Storm Drain Utility Fund, and, Water Revenue Bond Fund; along with modifications to other funds.

Attached to the report was an explanation of the activity related to each of the funds involved. Based upon the need, it was recommended that the 1988-89 Supplemental Budget No. 2 be accepted and set for public hearing.

It was moved by Powell, second by Wilson, that the Supplemental Budget No. 2 for Fiscal Year 1988-89 is hereby accepted and the date and time of public hearing set for January 12, 1989 at 8:00 p.m.

Roll call: Wilson, Aye; Powell, Aye; Spear, Aye; Mitchell, Aye.

Manager's Report No. 88-233, Waiver of Remonstrance and Consent to Local Improvement for Tax Lot 300, Map 2-2E-32AA and Tax Lot 100, Map 2-2E-32AD, was presented. The report noted that on the December 7, 1988 agenda, there were Waiver of Remonstrance and Consent to Local Improvement forms for the above-stated property. The Consent forms were part of the proposed James H. Bean annexation into the City. Since utility extensions would be necessary to serve the property after annexation, the forms indicated the property owners' support to participate in the improvements.

The report concluded by recommending that the City Commission approve the consent to Local Improvement forms.

It was moved by Wilson, second by Powell, to approve the Consent to Local Improvement forms for both properties and authorize the Mayor and City Recorder to execute and record them in the deed records of Clackamas County.

Roll call: Powell, Aye; Spear, Aye; Wilson, Aye; Mitchell, Aye.

Manager's Report No. 88-236, City Hall Copier Purchase, was presented. The report noted that within the 1988-89 budget, funds were provided for replacing the copier which does all of the administrative copying at City Hall. The current machine is well past time for replacement and causes frequent loss of staff time while awaiting repair.

The report continued that proposals were requested for a copier, five year maintenance and five year supply costs. There were significant variations in these components of cost. Qualified submissions are listed by total cost for five years. The evaluation puts more weight for selection on quality and surety of service; when cost differences are a small percentage of the total cost. The purchase price is funded currently and maintenance and supplies would be budgeted in each succeeding year.

5 Year Cost	Bid No.	Bidder	Brand	Model
\$37,220	8	Wittco Systems, Inc.	Ricoh	FT5590
39,570	5	Xerox Corporation	Xerox	1065
40,450	4	Automated Office Systems Inc.	Cannon	NP7550
40,895	1	Wittco Systems Inc.	Ricoh	FT7060
41,495	2	American Business Machines	Sharp	SF9750
44,600	6	Intermountain Business Machines, Inc.	Gestetner	2355ZDF
44,695	3	Automated Office Systems, Inc.	Minolta	EP870
45,955	9	Data Graphics N.W. Inc.	Mita	DC5585
49,801	7	Konica Business Machines USA Inc.	Konica	5503ZMR

Staff recommended the Xerox Corporation proposal. Though there was a lower total cost proposal, several conditions favor the Xerox 1065 over the Ricoh FT5590. The most significant was the projection of maintenance costs as an estimate of down time, the Xerox being significantly less. Next was the machine capacity for total copies per month and operating speed. The savings of time and increased durability by having the higher capacity machine were found more significant than the difference in amounts bid.

On discussion, the Finance Director advised the Commission that Xerox Corporation notified him that they miscalculated their proposal and had now increased the amount significantly with regard to the maintenance agreement. It was now recommended that all bids be rejected in favor of a new bid call in the near future.

It was moved by Spear, second by Wilson, to reject all bids and direct a re-bid.

Roll call: Spear, Aye; Wilson, Aye; Powell, Aye; Mitchell, Aye.

At this time, Mayor Mitchell re-appointed Vance Morton, 433 Telford Road, to the Budget Committee with term expiring December 31, 1991. Appointment to a vacant position on the Budget Committee was continued.

Manager's Report No. 88-221, November 8, 1988 General Election - Election Results, was presented. The report noted that on Tuesday, November 8, 1988, the General Election ballot provided for the election of one Commissioner for Position No. 2 (four year term), for the election of one Commissioner for Position No. 3 (four year term), and for the election of one Commissioner for Position No. 5 (four year term) for the City of Oregon City. The General Election ballot also submitted to the legal voters of Oregon City, the question "Shall Oregon City Revise its Tax Base to its Current Reduced General Fund Levy of \$2,986,216, Effective July 1, 1989?".

The Oregon City Charter of 1982, Chapter 6 Elections, Section 27 Canvass of Returns, states in part the following: "...The results of all elections shall be entered in the record of the proceedings of the Commission. The entry shall state the total number of votes cast at the election, the votes cast for each person and for and against each proposition..."

Attached was a copy of the certified Statement of Votes Cast as prepared by the office of County Clerk and on file in the City Recorder's office.

Commission Position No. 2 shows a total of 2,686 votes cast for Suzanne VanOrman as opposed to 1,712 votes cast for Wayne G. Wilson with 6 overvotes and 1,442 undervotes for a total of 5,846 votes cast.

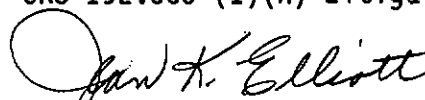
Commission Position No. 3 shows a total of 3,550 votes cast for Dan Fowler as opposed to 2 miscellaneous write-ins with 0 overvotes and 2,296 undervotes for a total of 5,846 votes cast.

Commission Position No. 5 shows a total of 1,437 votes cast for Thomas F. Lemons as opposed to 2,714 votes cast for Bob Smith with 8 overvotes and 1,687 undervotes for a total of 5,846 votes cast.

Tax Base Measure 3-5 shows 2,607 "yes" votes cast as opposed to 2,328 "no" votes cast with 3 overvotes and 908 undervotes for a total of 5,846 votes cast.

This information was provided pursuant to Chapter 6, Section 27 of the Oregon City Charter of 1982.

With no further business, the meeting adjourned at 11:50 p.m. with the Commission convening an Executive Session per ORS 192.660 (1)(h) Litigation.



JEAN K. ELLIOTT, City Recorder