

ADAIR VILLAGE CITY COUNCIL-Final

City Hall - 6030 Wm. R Carr Av.

****Tuesday, February 4, 2014 - 6:00 PM****

1. ROLL CALL – Flag Salute

2. CONSENT CALENDAR: - *The following items are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a Council member so requests, in which case the item will be discussed before the Consent Calendar is considered. If any item involves a potential conflict of interest, Council members should so note before adoption of the Consent Calendar.*

- a) Minutes – City Council Meeting-January 7, 2014 (Attachment A)
- b) Bills List through January 22, 2014 (Attachment B-1) - \$8,047.⁴⁸
- c) Bills List through February 3, 2014 (Attachment B-2) – \$35,909.³⁷. (available at meeting)

3. PUBLIC COMMENT (Please limit comments to 5 minutes)

4. EXECUTIVE SESSION: ORS 190.660 (2) (h) To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed

5. OLD BUSINESS:

- a) Financial Policies and Procedures (Attachment C) Drew Foster
Action: Discussion

6. NEW BUSINESS:

- a) Financial Report-Through January 31, 2014 (Attachment D) Drew Foster
Action: Discussion
- b) Appoint Budget Officer (Attachment E) Mayor Bill Currier
Action: Decision

7. ORDINANCES, RESOLUTIONS, AND PROCLAMATIONS:

- a) Ordinance 2014-01 Personnel Handbook Update (Attachment G) Drew Foster
Action: Decision
- b) Resolution 2014-#1 Expansion of DEQ Wastewater Planning Loan (Attachment M) Drew Foster
Action: Decision
- c) Resolution 2014-#2 Budget Corrections (Attachment H) Drew Foster
Action: Decision

8. STAFF REPORTS:

- a) Sheriff's Report (Attachment I) Drew Foster
- b) Community Service Report (Attachment J) Ken Real
- c) Public Works (Attachment K) Pat Hare
- d) City Administrator (Attachment L) Drew Foster

9. COUNCIL and MAYOR COMMENTS:

10. ADJOURNMENT:

Next meetings -

City Council–Tuesday, March 4, 2014 6:00 PM
Planning Commission- Tuesday, February 25, 2014 7:00 PM

The Community Center is accessible to person with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting by calling City Offices at 541-745-5507 or e-mail

"kathy.edmaiston@adairvillage.org", or Oregon Relay Services by dialing 7-1-1. The City of Adair Village is an Equal Opportunity Employer.

The order in which items on the Agenda are addressed by the City Council may vary from the order shown on the Agenda.

**ADAIR VILLAGE
CITY COUNCIL MINUTES-Approved
6030 William R. Carr Avenue
****Tuesday, February 4, 2014 – 6:00 PM******

Agenda Item	Action
<p>1. Roll Call: Members present: Councilors Real, King, and Mayor Currier were present. Councilor Mercer was absent and excused. CA (City Administrator) Foster recorded the meeting. ACA (Assistant City Administrator) Pat Hare was in attendance. Councilor Canfield arrived at 6:15 PM.</p>	<p>Mayor Currier called the meeting to order at 6:07 PM and led the Flag Salute.</p>
<p>2. Consent Calendar (Agenda Item 2). Minutes of January 7, 2014 City Council Meeting. Billing list for January 22, 2014 (\$8,047.48). Billings through February 3, 2014 (\$35,909.37).</p>	<p>Councilor King moved to approve the Consent Calendar as presented, Councilor Real seconded. Unanimous Approval (3-0).</p>
<p>3. Public Comment (Agenda Item 3). Amy Jauron, 4024 NW Witham Hill Drive, Corvallis, OR. She is the new Economic Development staff from Corvallis Economic Development. She has met owners from both Four Spirits Distillery and Oakcraft Cabinets. Faye Abraham, 3122 NE Willamette Avenue, Adair Village, OR She stated she was misquoted in the Minutes of the November 5, 2013 City Council meeting and wanted to make sure Minutes has been corrected. (CA note-they were corrected) She further commented about the City's Expenditure Policy.</p>	<p>Council received comments.</p>
<p>4. Community Service Report (Agenda Item 8b). Ken Real presented the report for the month of January, 2014. There were 13 total cases; only one of those cases rolled over to February, 2014.</p>	<p>Council received the report.</p>
<p>5. Executive Session (Agenda Item 4). The Adair Village City Council met in Executive Session under ORS Oregon Revised Statutes 192.660 (2)- (h) "To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed." Adam Sussman of GSI Water Solutions was present and Attorney Clark Balfour was connected via phone as counsel for the issue under discussion for which "for litigation (is) likely to be filed."</p>	<p>Mayor Currier opened the Executive Session at 6:35 PM. At the end of Executive Session, Council resumed City Council meeting a 7:12 PM.</p>
<p>6. Action from Executive Session. Mayor Currier announced that the City is ready to make decisions regarding our water rights. He provided a number of points regarding the decision.</p> <ul style="list-style-type: none"> • Adair Village holds significant municipal water permits on the Willamette River that are adequate for future needs • The City Council has viewed its large 82 cfs water permit as a potential regional resource that could be used by others after accounting for the City's needs well into the future, 2050. • Oregon law requires municipal water permit holders to apply for extensions of their water permits for the estimated period of time to use and grow into them. It is a special process to account for the unique position of municipal water providers that is often called 	<p>Mayor Currier delineated the Motion- Motion to approve the Settlement Agreement entitled "In the Matter of Application for Extension of Time for Application S-48146/Water Use Permit S-35819 in the name of the City of Adair Village" applicant and Water Watch of Oregon-Protestant, as well as the</p>

“The Growing Cities Doctrine.”

- Adair Village filed for that extension and the Oregon Water Resources Department commenced a public review process.
- As part of that process, we have also agreed with Hillsboro and Polk County to work toward use of a portion of the permit.
- Water Watch, a conservation group, was part of that process as well, raising questions as to how much will be used and the stewardship of the River.
- The result of nearly a year of negotiations between the Cities, Polk County and Water Watch has resulted in the Settlement Agreement and Final Order, which is under consideration this evening. This provides a framework for future action.

The Settlement Agreement represents the agreement between the parties and includes the Proposed Final Order from Oregon Water Resources Department. There is also an Addendum to the Agreement, which delineates the financial portion of the Agreement. These Agreements in total provide the City with certainty on a development horizon through 2050 and at that point would be able to

Phil Harkins, 3113 Willamette, asked how the water right of 82 cfs will be shared with the other partners. CA Foster explained that the City has a certified three cfs water right of which only 1 cfs is needed for our present municipal use. Of the 82 cfs, Adair Village keeps 10 percent or 8.2 cfs in addition to the present 3. Polk County, which includes a number of water users, would have negotiated access to 16 cfs and Hillsboro would have negotiated access to 58 cfs.

Mayor stated that this is a huge step for the City. We have worked on this issue for a number of years and in the last year has been much more intense. The Mayor completed speaking on the earlier points of importance.

- The Settlement Agreement provides for potential use of the entire water permit between Adair Village, Polk county and Hillsboro. How and on what terms water is ultimately used by Polk County and Hillsboro will be the subject of future discussions.
- It provides for opportunities for restoration projects in the Willamette River Basin.
- This Settlement provides a balance for use of water under the permit in a cooperative way by multiple municipal users, for potential return of a portion of that water if not used by 2050 and provides for restoration projects in the near future that will benefit the health of the river.
- We are pleased with this mutual agreement recognizing the different, important interests of the Municipalities, Water Watch and OWRD.

Councilor King has been at the forefront of this issue since the City received this water right. He thanked Adam Sussman and his colleagues at GSI Water and Clark Balfour the attorney who supported the process. Councilor King said that she always expected that the City would be a regional water supplier. This did not work out exactly that way, but she is pleased that this right will be used to benefit Adair Village, Hillsboro, and our neighbor Polk County.

Mayor Currier thanked CA Foster for his efforts to move this project forward and bring the wishes of the Council to a positive end.

CA Foster said it was good to work on a project that is trying to do the

Addendum with the same title. Within the Settle Agreement, the City Council approves the City’s share of \$10,010 and authorizing the Mayor as the signatory for the Agreement and Addendum.

Councilor King made the motion and Council Canfield seconded.

Unanimous decision (4-0).

<p>right thing and being able to do the right thing for the City and our partners.</p>	
<p>7. Attachment C – Financial Policies and Procedures (Agenda Item 5). CA Foster said that the Procedures will be brought to a future meeting.</p>	
<p>8. Attachment D – Financial Report through January 31, 2014 (Agenda Item 6a). CA Foster presented the report. Even with the Benton County payout to Hewlett Packard, the City will receive more in property taxes than what we originally budgeted for. Income through January 31 is \$751,739.00 and expenses are \$644,307.00. Expenses through this period have included an aggressive approach to our infrastructure problems, including the Wastewater Facility Plan, the new, radio-read meters, and completion of the work to remove leaks at the Water Plant. All funds, except for the Wastewater Fund, show a positive net income. This will be addressed in Resolution 2014-#2 Budget Corrections. The carry forward funds that are held in the Local Government Investment Pool increased over the last two years from \$474,000 to \$570,000.</p>	<p>Council received the report.</p>
<p>9. Attachment E – Appointment of Budget Officer (Agenda Item 6b). CA Foster presented the timeline for the 2014-15 budget process. The first meeting will be April 15, 2014, the third Tuesday of April.</p>	<p>Councilor King moved to appoint CA Foster as Budget Officer and to approve the Budget Timeline. Councilor Real seconded. Unanimous Approval (4-0).</p>
<p>10. Ordinance 2014-01 Personnel Handbook Update (Agenda Item 7a). Mayor Currier provided the first reading of the Ordinance, which will put in place the updates to the Personnel handbook that have been discussed over the last few meetings.</p>	<p>Councilor King moved to approve the first reading of Ordinance 2014-01. Councilor Real seconded. Unanimous Approval (4-0).</p>
<p>11. Resolution 2014-#1 Expansion of DEQ Wastewater Planning Loan (Agenda Item 7b). This Resolution will increase the loan from Oregon Department of Environmental Quality (DEQ) from \$150,000 to \$180,000. This increase is necessary to support the additional work needed on the Wastewater Facility Plan (WWFP) to define options for treating the leachate from Coffin Butte Landfill. The City will begin to payback this loan in the next budget year; payback will be completed over five years. This project is also supported by a \$150,000 from a partnership with Republic Services.</p>	<p>Councilor King moved to approve Resolution 2014-#1. Councilor Real seconded. Unanimous Approval (4-0).</p>
<p>12. Resolution 2014-#2 Budget Corrections (Agenda Item 7c). CA presented Resolution 2014-#2 which makes changes to two funds and provides step increases for the Assistant City Administrator and the Public Works Supervisor. The Wastewater Fund will include an additional \$30,000 from the DEQ loan approved by the previous Resolution and \$30,000 moved from the Contingency line item. The \$60,000 will be authorized in Materials and Services to pay additional costs for the WWFP. In the Water Fund, \$40,000 will be moved from the Contingency line item to Capital Outlay for the radio-read meters. \$60,000 was in the budget for 2012-13, but only \$24,000 was spent by the end of that budget year, because of the arrangements made with the vendor to deal with cash flow issues at the end of the 2012-13 budget. The remaining \$30,000 was</p>	<p>Councilor King moved to approve Resolution 2014-#2. Councilor Canfield seconded. Unanimous Approval (4-0).</p>

<p>budgeted for 2013-14, but the remaining \$66,000 will be paid out. This will balance the expenses over the two budget years.</p>	
<p>13. Sheriff's Report (Agenda Item 8a). Phil Harkins, 3113 NE Willamette Avenue, stated he would like to see total number of hours included on the Sheriff's Report.</p>	<p>Council received the report.</p>
<p>14. Public Works Report (Agenda Item 8c). ACA Hare presented the report for January.</p> <ul style="list-style-type: none"> • Water production was 5.187 million gallons (January readings). • Flow through at the wastewater plant was 1.844 million gallons. • Over 150 meters have now been replaced. • A water leak was repaired under a home owner's driveway on Hyacinth. • A water leak was repaired on Laurel Drive. Thank you to Luckiamute Water District for providing the parts needed to make a new connection. • The #1 lift station froze and broke two to three seals on both pumps. MPM Construction came and replaced eight gasket seals. PW repaired one of the pumps and is waiting on parts that will have the lift station back to full capacity. • RG Smith looked at the #2 lift station; they reported it will not last. PW is looking into a new motor and replacing some leaking gaskets. • The water treatment plant is being cleaned and prepared for a sanitary survey from DHS in February. 	<p>Council received the report.</p>
<p>15. City Administrator Report (Agenda Item 8d). CA Foster presented the report.</p> <ul style="list-style-type: none"> • Pauly Rogers will be coming in two weeks to begin the 2012 audit. • The owner of the Village Food Mart has contacted the City about the possibility of setting up a café/lottery in the restaurant side of the building. They have not brought a specific request at this point. • Industrial Site-We are negotiating with Boise Cascade and Georgia Pacific on what portion of the work already completed and paid for by the City will be included in our percentage of overall costs. • CivilWest should have the draft of the WWFP completed. 	<p>Council received the report.</p>
<p>16. Council and Mayor Comments (Agenda Item 8):</p> <ul style="list-style-type: none"> • Councilor Real – was moved by today's events and is honored to be on the Council. • Councilor King – no comment. • Councilor Canfield – is overwhelmed by the positive things the City is working on and appreciates the work of the staff. • Mayor Currier – no comment. 	
<p>17. Adjournment: Next meeting- Council meeting on Tuesday, March 4, 2014 at 6:00 PM.</p>	<p>Councilor King moved to adjourn. Councilor Real seconded. Mayor adjourned the meeting at 8:40 PM.</p>

William L. Currier

Mayor's Approval

3-4-2014

Date