



**MINUTES
KEIZER CITY COUNCIL
Monday, June 7, 2004
Keizer City Hall
Robert L. Simon Council Chambers
Keizer, Oregon**

CALL TO ORDER Mayor Christopher called the regular meeting to order at 7:04 pm.
Roll Call was taken as follows:

Present:

Lore Christopher, Mayor
Jacque Moir, Council President
Judy K. Smith, Councilor
Richard Walsh, Councilor
Chuck Lee, Councilor
Michel Gaynor, Councilor
Jim Taylor, Councilor

Staff:

Chris Eppley, City Manager
Shannon Johnson, City Attorney
Dianne Hunt, Human Resources
Rob Kissler, Public Works
Nate Brown, Community Development Director
Chief Marc Adams, Police Department
Susan Gahlsdorf, Finance Director
Tracy Davis, City Recorder

Absent:

Crisel Perez, Youth Councilor

FLAG SALUTE Councilor Lee led the flag salute.

PUBLIC TESTIMONY None

PUBLIC HEARING
a. **ORDINANCE –**
Water Rate/COSA
(continued from
May 3, 2004)

City Manager Chris Eppley reported that this Public Hearing was a continuation of the one held on May 3, 2004, introducing the need to increase water rates. It was continued in order to receive additional comment and allow staff to update the Water Rate Model. The model shows that a 4% system-wide increase is needed to pay for infrastructure as outlined in the City's Capital Improvement Program. Staff recommends Council continue the public hearing on the proposed water rate increases, close the public hearing, deliberate on

this issue and approve the proposed Ordinance, setting new water rates and repealing Ordinance 2002-473.

Councilor Moir questioned why it is more equitable to the users of Keizer water to do the alternative structure where the different classes pay at a different rate per 100 cubic feet.

City Manager, Chris Eppley, explained that when the COSA was adopted last time there were three policy decisions discussed and agreed upon:

- 1) Capital Improvements Program (which covers the infrastructure of the water system);
- 2) Changing the flat rate and consumption rate. The flat rate covers infrastructure costs and the consumption rate is the price per gallon. The decision was to lower the flat rate and increase the consumption rate primarily to promote conservation and to be more equitable to all users.
- 3) To break the rate out in a Cost of Service Analysis. This decision addresses the different categories of users. It was determined that because single-family dwellings put the greatest stress on the infrastructure due to the water usage during peak times, those users would pay the higher rate, because their usage requires construction and maintenance of a larger infrastructure. This decision was made, again, to be more equitable to all users. Basically, it eliminated the subsidy of the other classes.

Rob Kissler noted that an increase was scheduled for 2003 but was not implemented. The last increase was in 2002. He added that if council changed the policy so that all classes pay the same commodity rate, the rate would be between \$.93 and \$.95 per 100. This change would mean a significant increase for Multiple Family and Commercial users. If every user was paying the same rate, that would still meet current needs for the Capital Improvement Program.

Councilor Walsh questioned if there could be only two categories: Commercial and Residential, and what the rates would be if this option was adopted. Susan Gahlsdorf responded that the commercial accounts are such a small percentage of the total customer base that the effect would be minimal.

Councilor Gaynor noted that the critical issue, and the one most difficult to justify, was why a single family unit is paying \$.96 for 100 cubic feet of water and an apartment dweller is paying \$.58. Susan Gahlsdorf reviewed the numbers explaining the rationale. Single-family uses 1.3 million cf per year; multifamily uses 300,000 cf and commercial 100,000 cf. Average daily usage is: 3,500 for single, 800 for multi-family and 200 for commercial. Maximum usage in a year is 3.5 times those numbers for a single family dwelling. Multi-family

usage is 2.5 times. So a single-family residence will use 12,250 cf as opposed to 2,000 cf. Therefore, extra capacity is necessary for residential customers and that extra capacity costs the city more money.

Rob Kissler noted some reasons for single-family greater usage: lawn irrigation, washers, possible hot tubs and/or swimming pools and multiple bathrooms. He added that by building additional above ground storage, the aquifer will not have to be aggressively pumped, reducing the possibility of contaminants being introduced into the system.

Mayor Christopher opened the Public Hearing.

Charles Shirley, 1499 Northern Heights Loop NE, Keizer noted that over the past seven years the water bill has changed. He questioned the purpose of the license fees and consumption fees that are included with the basic rates in the water bill. Mr. Eppley responded that the fees are to offset the administrative costs on the general fund for maintaining rights of way where water lines lay and for purchasing easements.

Lynn DeSpain, 896 Appleblossom Avenue NE, Keizer stated that he was in favor of raising the water rates but questioned the single family or multi-family classification. He added that he felt all residents should be treated the same but commercial patrons should have a lower rate to encourage more businesses to open in the Keizer area.

Judy DeSpain, 896 Appleblossom Avenue NE, Keizer added that she too was concerned about the division of classes of residents and asked Council to re-evaluate the process of billing by class. She concluded that she thought the distribution of water charges was unfair because of the classification system, but she did not feel there was inequity in charging the commercial user less. In summary, she felt two classifications (commercial and residential) would be more equitable. Rob Kissler pointed out that if all users paid the same rate, the cost per cubic foot for single-family users would drop from \$.96 to \$.93.

Robert Mitchell, 933 Whisper Creek Loop NE, Keizer voiced his concern over the equity of the situation and suggested a base rate and a cost per 100 cf for all three categories.

Dave Pfifer, 6494 Whisper Creek Loop NE, Keizer stated that he disagreed with the split rate for multi-family units and single-family units, but felt that the lesser rate for commercial users was equitable. He added that the present system does not promote conservation because most people who live in a multi-family dwelling aren't paying the water bill so have no concern over consumption.

Mayor Christopher asked two members of the original Water Task Force to come forward to field questions.

Jack Lowery, 869 Crystal Springs Loop NE, Keizer

Garry Whalen, P.O. Box 20188, Keizer

Mr. Lowery and Mr. Whalen answered questions offered by Council members.

Mayor Christopher closed the public hearing.

Councilor Moir moved to table the issue until no later than July 6th, 2004, in order to get Karen from Black & Veatch to explain the tier system that was recommended to the City Council and to the Water Task Force. Councilor Lee seconded.

Councilor Walsh offered a friendly amendment that the consultant come back with an analysis of a two-tier system with commercial and residential being the only two tiers.

Councilors Moir and Lee accepted the friendly amendment.

Motion passed unanimously as follows:

AYES: Christopher, Gaynor, Smith, Walsh, Moir, Taylor and Lee (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

Rob Kissler clarified the scope of work: A two-tier analysis, rationale for ratio between multi-family and single-family; and analysis of the whole alternative structure (ratio, peaking, maximum hour, maximum day, etc.)

Councilor Smith moved to have the consultant also look into the flat rate fee with an analysis of how it was reached and the basis for the flat rate for multi-family. Councilor Gaynor seconded.

Rob Kissler noted that this work has already been done; the consultant could clarify that along with the previously requested information.

Councilor Smith withdrew the motion.

Because Mr. Miller was unable to attend the meeting, the presentation of this award was postponed to the June 21st or July 6th Council meeting, depending on when he could attend.

Councilor Moir suggested that Mr. Miller be encouraged to bring members of his science class to receive the award.

COMMITTEE REPORTS

- a. Volunteer of Quarter
Award (Gary Miller
and McNary
Science Class)

**Appointment to
Keizer Planning
Commission
(Jack Lowery)**

City Manager, Chris Eppley, gave a brief history of the vacancy on the Planning Commission and the subsequent amendment to the Ordinance forming the Planning Commission. It was recommended that City Council accept the recommendation of the Volunteer Coordinating Committee and appoint Jack Lowery to fill the unexpired term on the Keizer Planning Commission.

Mayor Christopher added that she had received a letter from the Chair of the Planning Commission, Bruce Anderson, supporting this appointment.

Councilor Moir moved to accept the recommendation of the Volunteer Coordinating Committee and appoint Jack Lowery to fill the unexpired term on Keizer Planning Commission. Councilor Lee seconded.

Motion passed as follows:

AYES: Christopher, Gaynor, Walsh, Moir, Taylor and Lee (6)

NAYS: Smith (1)

ABSTENTIONS: None (0)

ABSENT: None (0)

Mayor Christopher presented the proclamation to Mr. Lowery who responded with thanks and assured Council that he would bring a good balance to the Planning Commission.

**c. RIVERR Task
Force –
Approval of
Grant Request**

Community Development Director, Nate Brown, requested authorization from Council to apply for a Transportation Enhancement Grant explaining that jurisdictions had been invited to submit grant applications for consideration. The proposed concept is for a multi-use path to the park area west of town. Staff recommendation is for council to authorize application for said grant, as well as a grant from BLM for informational material development for the project being developed by the RIVERR Task Force, and also for council to authorize the preparation and submission of a letter of support, from the City to the River Trails Conservation Assistance Program, in seeking grants from the National Park Service for providing river trail facilities.

Mayor Christopher clarified the recommendation: Authorization to staff to prepare a concept and apply for a Transportation Enhancement Grant for a multi-use path, but in addition to that agree in concept for the same thing to be done with the Bureau of Land Management, River Keeper and National Parks Trails.

Councilor Moir moved to direct staff to prepare a concept and general cost estimate for a multi-use path from the City to the park area west of the city limits for consideration for inclusion in the Transportation Enhancement Grant process and authorize the preparation and

submission of a grant application if the concept is selected by Salem Keizer Area Transportation Study. Councilor Walsh seconded.

Motion passed unanimously as follows:

AYES: Christopher, Gaynor, Smith, Walsh, Moir, Taylor and Lee (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

Mayor Christopher moved to authorize staff to prepare a concept and general cost estimate for the purpose of developing public outreach for consideration of grants that may become available by the Bureau of Land Management River Keepers and by National Parks Trails and then submission of those grant applications if they are selected. Councilor Walsh seconded.

Motion passed unanimously as follows:

AYES: Christopher, Gaynor, Smith, Walsh, Moir, Taylor and Lee (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

OTHER BUSINESS

Councilor Smith reported:

Planning Commission meeting for Wednesday is cancelled, the next meeting will be July 14.

Volunteer Coordinating Committee meeting is scheduled for 6:30 on Thursday.

Peer Court letter distributed to each Councilor will be mailed in the Chamber newsletter. This letter describes the purpose and function of Peer Court and is a request for contributions to meet the challenge for a matching grant of \$5,000. She added that this Peer Court is based on the Stayton-Sublimity Peer Court, with full cooperation of Marion County Juvenile Court.

Councilor Walsh reported:

RIVERR Task Force was discussed earlier, but he added that the committee had been successful in attracting some grant applications.

Bikeways Committee has had their Monster Cookie event and it was a great success with a record-breaking turnout. He added that the committee especially wanted to express their thanks to the Keizer Police Department.

Library Task Force meeting will be Thursday at City Hall.

MWACT (Mid-Willamette Area Commission on Transportation) recommendations are available in typed form for anyone who is

interested. Additionally the Commission is just now starting the Oregon Transportation Plan Update. The plan is available for anyone who is interested. The process will take about one year to complete.

Personnel Policies Committee did consultant interviews for Transportation Capital Improvement Plan and System Development Charge and selected a consultant but he has not yet been notified.

Councilor Moir reported that Parks Board meeting was on Tuesday so she had nothing to report. She also thanked everyone who came to the Iris Festival and said she thought it was one of the best ones yet.

Councilor Lee noted that he is currently involved with three committees: **Meth, Not in My Neighborhood, Today's Choices Tomorrow** and **Youth Compact** which are all in the process of doing some organizational work and continuing to meet. He concluded that he would bring Council up to date at the next meeting.

City Manager Chris Eppley noted that he had provided Council with three things:

- 1) Draft of next year's community survey for review and comment by the next council meeting, targeted to be sent out in August;
- 2) A summary of car allowances by city with comparable cities highlighted; and
- 3) Draft letter to the county expressing our interest in the potential realignment of 35th Street and an extension outside of the Urban Growth Boundary.

Dianne Hunt, Human Resources Director, reported that:

- Insurance plans are being reviewed. There has been a 29% increase in premiums so other options are being investigated.
- Cost of living and step increases will be implemented July 1.
- At the next Council meeting there should be 3-5 new policies for approval.
- In order to enhance customer service, Municipal Court will be moving from the City Recorder to the Finance Department and the receptionist will be moving from Human Resources to Finance.
- Seasonals are being hired for Water and Parks Departments.

Public Works Director, Rob Kissler, reported that the Reitz well is operational. He thanked the Public Works staff for doing some of the work on site rather than hiring an outside contractor at an hourly rate.

Community Development Director, Nate Brown, directed Council to the Proposal to Establish a Land Use Application Fee for Master Plan

Review. He asked Council to amend the current fee schedule and add a new category for Master Plan Review, with the review fee being the same as that charged for a subdivision because the review type is identical.

City Attorney, Shannon Johnson, noted that state law requires that input be solicited from the audience but, because the only person in the audience was the reporter from Keizer Times, no input was received.

Councilor Moir moved to suspend the rules to amend Resolution 2000-1182 Creating a Fee for Master Plan Review which shall be the Same as that Established for Subdivision Review. Councilor Smith seconded.

Motion passed unanimously as follows:

AYES: Christopher, Gaynor, Smith, Walsh, Moir, Taylor and Lee (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

Councilor Moir moved to adopt Resolution R2004 which amends Resolution 2000-1182 Creating a Fee for Master Plan Review which shall be the Same as that Established for Subdivision Review. Councilor Smith seconded.

Motion passed unanimously as follows:

AYES: Christopher, Gaynor, Smith, Walsh, Moir, Taylor and Lee (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

Mr. Brown reported that the RIVERR Task Force has proposed a name for the west Keizer park project they are working on and, because that is governed by resolution which requires a recommendation from the Parks Board, he will be attending the next Parks Board meeting, presenting the name of "Keizer Rapids" for the project and asking them for a recommendation of same.

City Attorney Shannon Johnson updated Council on the Chemawa Road project, stating that John Lien had been working with Bill Peterson and the property owner (Verda Lane & Chemawa) and the agreement will be presented to Council at the next meeting.

Shannon Johnson, noted that the water system development charge ordinance needs to be amended to correct some confusion regarding

ADMINISTRATIVE
ACTION

**a. ORDINANCE –
Water SDC
Ordinance
(removal of
exemption)**

exemptions. As existing structures on private wells switch to city water they should be required to pay system development charges because of the increased demand on the system caused by the connection. Staff recommendation is to adopt an Ordinance amending the water system development charge ordinance incorporating this change.

Councilor Moir moved to adopt a Bill for an Ordinance Amending the Water Supply, Treatment and Distribution System Development Charge; Amending Ordinance No. 91-207.1; Declaring an Emergency. Councilor Gaynor seconded.

Motion passed unanimously as follows:

AYES: Christopher, Gaynor, Smith, Walsh, Moir, Taylor and Lee (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

**b. ORDINANCE –
Approach for
City Roads and
Right of Way**

Finance Director, Susan Gahlsdorf, reported that the proposed amendment pertains to permits issued for approach to city roads and public right of way (aka Driveway permits). The recommendation is to:

- 1) Change the effective date on the fee changes from October 2 to July 1 of each year to match the fiscal year;
- 2) Establish the permit fee at \$55 and change the methodology used to adjust the fees by using \$5 increments ; and
- 3) Deposit the funds in the Street fund rather than the General fund.

Councilor Moir moved to adopt a Bill for an Ordinance Amending the Ordinance for Approval and Establishing Permits Regarding Approach to City Roads and Public Rights-of-Way (Driveway Permits) Amending Ordinance No. 2000-428. Councilor Taylor seconded.

Motion passed unanimously as follows:

AYES: Christopher, Gaynor, Smith, Walsh, Moir, Taylor and Lee (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

**CONSENT
CALENDAR**

- A. RESOLUTION – Authorization of Disposition of Surplus Property**
- B. RESOLUTION – Extension of Contract with Grove, Mueller, and Swank**
- C. RESOLUTION – Amendment to City Manager Employment Contract**
- D. Approval of Minutes of May 3, 2004 Regular Session**

Mayor Christopher pulled Item C which will be moved to the June 21 agenda.

Councilor Moir moved for approval of the Consent Calendar with Item C removed. Councilor Smith seconded.

Motion passed unanimously as follows:

AYES: Christopher, Gaynor, Smith, Walsh, Moir, Taylor and Lee (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

WRITTEN COMMUNICATIONS

Mayor Christopher read a letter from United Way stating:

- UW has presented a check for \$10,000 to "Meth, Not in My Neighborhood" for use by non-profit organizations who deal directly with the meth problem.
- United Way Night at the Volcanoes will be August 18. For ticket information call United Way of the Mid-Willamette Valley.
- Days of Caring are August 20 and 21. To learn more about the good works of non-profits and to participate in this event, volunteers will be teamed with an organization needing help with projects such as landscaping, office work, etc. Contact Pam Groff at 363-1651.

She also read a letter from CCRLS regarding the Keizer library proposal which included instructions on how to present the proposal.

GENDA INPUT

June 14, 2004

12:00 p.m. City Council Work Session

(**Work session cancelled unless consultant on Water Rate COSA is available. **)

June 21, 2004

5:30 p.m. City Council Work Session

- Civic Center Task Force Recommendation

7:00 p.m. City Council Regular Session

- Hearing and Adoption of 2004-05 City of Keizer Budget
- Keizer Station Master Plan Review

July 6, 2004 (Tuesday)

7:00 p.m. City Council Regular Work Session

Councilor Taylor noted he would be absent June 21, 2004.

Councilor Smith noted she would be absent July 6, 2004.

ADJOURNMENT

Mayor Christopher adjourned the meeting at 10:25 p.m.

APPROVED:
MAYOR:

Lore Christopher

COUNCIL MEMBERS

Judy K. Smith
Councilor #1 – Judy K. Smith

Michel C. Gaynor
Councilor #2 – Michel Gaynor

Charles E. Lee
Councilor #3 – Charles E. Lee

Debbie Lockhart, Recording Secretary

Jacque Moir
Councilor #4 – Jacque Moir

Councilor #5 – Richard Walsh

Councilor #6 – James Taylor

minutes approved:

July 19, 2004