

CITY OF WILSONVILLE
CITY COUNCIL MEETING MINUTES

A special meeting of the Wilsonville City Council was held at the Wilsonville City Hall beginning at 7:00 p.m. on Thursday September 6, 2012. Mayor Knapp called the meeting to order at p.m. 7:10 p.m., followed by roll call and the Pledge of Allegiance.

The following City Council members were present:

Mayor Knapp
Council President Núñez
Councilor Goddard
Councilor Starr

Staff present included:

Bryan Cosgrove, City Manager
Jeanna Troha, Assistant City Manager
Barbara Jacobson, Assistant City Attorney
Eric Mende, Deputy City Engineer
Steve Adams, Interim City Engineer
Martin Brown, Building Official
Sandra King, City Recorder
Susie Farnsworth, Municipal Court Clerk
Susan Rosenberger, GIS and Mapping Technician
Chris Neamtzu, Planning Director
Andrea Villagrana, HR Manager
Joanne Ossanna, Finance Director
Steve Munsterman, Public Works Supervisor, Water

Motion: Council President Núñez moved to approve the order of the agenda.
Councilor Starr seconded the motion.

Vote: Motion carried 4-0.

MAYOR'S BUSINESS

After announcing the upcoming regularly scheduled meetings, the Mayor reported on the activities of the Planning Commission, and announced the final neighborhood bar-b-que at Landover Park. The Mayor noted a study about Oregon passenger rail and ways to improve transportation between Portland to Eugene and on to California has begun. The study could be the beginning of a high speed rail line that runs through the current WES corridor and would have impacts on all of the communities that it travels through. Open houses are planned and more information can be found at www.oregonpassengerrail.org.

Mayor Knapp noted that campaign signs will be popping up during the election season, and the standards were not clear; he asked staff to work with candidates on the new standards and allowable placement of campaign signs.

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COMMUNICATIONS

A. Oregon Institute of Technology (OIT)

Martin Brown, Building Official, introduced Dr. Mateo Aboy, Associate Provost and Vice President for Research for Oregon Institute of Technology in Wilsonville.

Dr. Aboy told Council about the education opportunities offered at OIT which focus on engineering, engineering and technical management courses, technical education, and health sciences degrees. OIT ranks among the top universities in the United States, with students having an outstanding placement rate after graduation. The Wilsonville campus will open September 24, 2012.

Mayor Knapp welcomed OIT to Wilsonville and looked forward to the long term success between OIT, the City and the business community.

CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS

This is an opportunity for visitors to address the City Council on items *not* on the agenda. It is also the time to address items that are on the agenda but not scheduled for a public hearing. Staff and the City Council will make every effort to respond to questions raised during citizens input before tonight's meeting ends or as quickly as possible thereafter. Please limit your comments to three minutes.

Jim Fitch, 29395 SW Camelot, Wilsonville, thanked the City for working with the School District to put together the safe routes to school program. However, he was concerned about the children crossing the roundabouts after the first two weeks of school when teachers would no longer be helping kids cross the street. He requested Council to help when the School District does not place adults at the roundabouts that there be adults there to help the children.

Mr. Cosgrove suggested this was a manpower issue and there was nothing the City could do to provide manpower to monitor the crossings; however there may be an engineering solution. A meeting between the School District, parents, and the city will be held to discuss the issue.

Stanley Wallulis distributed an addendum to the letter he previously submitted to the Council via email. Mr. Wallulis thought his suggestions for the Water System Master Plan were preferable to Staffs proposal.

COUNCILOR COMMENTS, LIAISON REPORTS & MEETING ANNOUNCEMENTS

Council President Núñez, Chamber Leadership and Library Board liaison, reported the Library Board reelected Hilly Alexander as chair, and noted “Banned Book Week” has been scheduled. Participation in the summer book programs was up; and the Library Board was looking for a youth member to join the Board. If students are interested they should contact Pat Duke at the Library. She announced the date for closure of the water features.

Councilor Goddard, Library, Chamber Board, and Clackamas County Business Alliance liaison, announced the Beauty and the Bridge dedication event set for October 7, 2012, as well as the Conservation Project Unplugged at Graham Oaks Nature Park.

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Councilor Starr, Development Review Boards and Wilsonville Community Seniors Inc. liaison, reported the next meeting dates for the DRB panels. He invited the public to attend the Lowrie Primary School Fundraiser whose proceeds would go towards art programs at the school.

CONSENT AGENDA

A. Minutes from the August 6, 2012 City Council meeting.

Motion: Council President Núñez moved to approve the Consent Agenda.
Councilor Starr seconded the motion.

Vote: Motion carried 4-0.

NEW BUSINESS

Ms. Jacobson read the title of Resolution No. 2379 for the record.

A. **Resolution No. 2379**
A Resolution Adopting Collective Bargaining Agreements Between The City Of Wilsonville And SEIU Local 503 And Between The City Of Wilsonville And Wilsonville Municipal Employee Association (WILMEA).

Ms. Troha prepared and presented the staff report. Steven Schuback, Labor Relations Attorney from LGPI was on hand to respond to questions.

The Collective Bargaining Agreement with SEIU Local 503 expired June 31, 2012. The City began bargaining with the union in January. During the bargaining process, a petition was filed with the Employee Relations Board (ERB) for a change in representation and consequently bargaining was put on hold until ERB rendered a decision. Once the change in representation was approved, the City began bargaining two separate contracts. The City now has two collective bargaining agreements; one with SEIU, which now represents transit employees, and one with Wilsonville Municipal Employee Association (WilMEA), which now represents the general unit. The bargaining process was successful and resulted in two new collective bargaining agreements. The collective bargaining agreements are for a three year term; FY 2012-2015. Both contracts are within the City's 5 year financial forecast and market comparisons with other comparable cities.

Below is a summary of the compensation provisions for both contracts.

Summary of Economic Results: 3 Year Agreement – 2012-2015

Wage Adjustments	SEIU	WilMEA	2011 CPI-W Portland/Salem annual
Oct. 2012	0.5%	0.5%	3.0%
July 2013	1.5%	1.75%	
Jan. 2014	0%	0%	Insurance cost share WilMEA 90% / 10% (was 92% / 8%)

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July 2014	2.5%	2.5%	
Jan. 2015	0.5%	0%	Insurance cost share SEIU 90% / 10% (was 92% / 8%)

The City's two bargaining units have ratified new, three-year agreements. The process for coming to terms took several months longer than originally anticipated due to the bifurcation of non-transit employees into a new, local association hence forth known as WilMEA. The agreements before Council fall within the City's expected revenue forecast as set forth in the Wilsonville 5-Year Financial Forecast, and therefore are sustainable into the foreseeable future.

Councilor Starr stated Councilors had received an email from Jon Yochim, with questions regarding the collective bargaining process. The questions are:

1. "If tax payers get to weigh in on public expenses, shouldn't the budget committee obtain citizen input for employee wage packages, such as the collective bargaining?"
2. How can citizens have input on these negotiations?"

Mr. Cosgrove indicated he had responded to the gentleman's questions and provided a synopsis of his response to the Council. The Budget Committee generally is not the body that deals with collective bargaining that should be set by council in terms of their overall policy and strategies for employee compensation in general. Budget Committees typically set tax rates, approve budgets, and do not deal with the details of collective bargaining. Mr. Cosgrove offered Mr. Yochim suggestions for citizen input including attendance at council meetings to express their point of view, attendance at the budget committee meetings, asking staff questions and receiving information. In addition they can also be appointed to boards and committees and run for office.

Mayor Knapp asked for clarification in the evolution of insurance practices across Oregon.

Mr. Schuback responded about eight years ago the trend was 100 percent employer paid insurance. Since that time employees have been asked to contribute to their monthly premiums, in so doing most contracts have taken small steps towards employee contributions to insurance premiums. Coming off of 100 percent insurance, one would see a 98/2 percent where the employee would contribute 2 percent of the premium. The state wide trend now is a 90/10 percent cost share. Both contracts have a 90/10 cost share included at different points in the contract.

Mayor Knapp asked Councilors if they had additional questions, they did not. The Mayor noted that Council had received the resolution and agreements with a 'do pass' recommendation.

Motion: Councilor Goddard moved to approve Resolution No. 2379.
Council President Núñez seconded the motion.

Councilor Starr provided his perspective. The Councilors wanted to be good stewards of the citizens' money, to make sure Wilsonville is a great place to work, and that it continues to be a great place to live. State rules are involved in the negotiation process and the negotiation process is very different from the private sector. Both City employees and management came in good

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faith to negotiate and in these economic times the resulting agreement will help reach the goal of being good stewards of the city's money and maintaining a good place to work.

Councilor Goddard recognized the effort and dedication the represented employees provide in meeting the needs of the community. He appreciated the partnership between the management team and the represented employees and he looked forward to that partnership continuing. He agreed with Councilor Starr's comments about being accountable to the electorate and managing the City's budget. Councilor Goddard thought the agreements recognized both the budget constraints and the interests of the represented employees.

Mayor Knapp agreed with the Councilors comments. It was clear that running the City is a partnership between staff, management and the elected officials all trying to do their best in serving the interests of the community. The Mayor wanted to be sure the employees represented in these agreements understand how important they are to the operation of the City.

Vote: Motion carried 4-0.

CONTINUING BUSINESS

Ms. Jacobson read Ordinance No. 707 by title only on second reading.

- A. **Ordinance No. 707** – Second reading
An Ordinance Of The City Of Wilsonville Adopting An Updated Water System Master Plan As A Sub-Element Of The City's Comprehensive Plan; Adopting A Capital Improvement Project List For Water Supply, Storage And Distribution; And Replacing All Prior Water System Master Plans.

The proposed Water System Master Plan replaces the existing 2002 Water System Master Plan, which was developed prior to completion of the Willamette River Water Treatment Plant. This revised Master Plan provides a 20 year planning document including estimated costs and timing for maintenance, upgrades, and growth related capital improvements to the City of Wilsonville water distribution system, which currently comprises approximately 107 miles of pipes, 4 storage reservoirs (tanks), 2 pump stations, 8 wells, over 1,000 fire hydrants, over 5,000 water meters, plus various other components.

As presented at the August 20, 2012 public hearing the City water system is in very good shape. The Master Plan identifies and prioritizes improvements to address current and future system deficiencies – most of which are “calculated” deficiencies (such as “emergency storage” requirements) based on conservative planning criteria. Estimated costs for various program elements including Operations and Maintenance, Major Repairs, and growth related Capital Improvements are included in the proposed Master Plan.

Two key recommendations are included in the Plan to address long term deficiencies. The first recommendation is to refurbish the City's existing groundwater wells and maintain them as a backup emergency supply source. The money spent on refurbishment of the wells is significantly less than the cost of the corresponding storage tanks, and is the most economical choice to

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protect against future emergencies.

Secondly, a new pipeline is proposed to the Charbonneau District, bored under the river from the main part of the City. The pipeline alternative has a better benefit / cost ratio than a new storage tank as well as a lower risk of damage during an earthquake, and is therefore the recommended alternative to achieve fire protection redundancy for the District.

The Water System Master Plan is designed to be a key reference document for City Staff, businesses, developers, citizens, and City Council. The Master Plan provides detailed information on the current status of the City's water system and provides planning guidance concerning the resources and infrastructure needed to ensure the City water system remains viable for the long term. The Master Plan will be the basis for prioritizing future Capital Improvements and will drive the future rate profile.

The City Council public hearing held on August 20, 2012 resulted in approval on first reading which included a change to Comprehensive Plan Goal 3.1 to add the words "adequate but not excessive capacity", and directed staff to provide a response to the comments by Mr. Stanley Wallulis made at the public hearing and distributed to Council, and to allow Mr. Wallulis opportunity to respond to staff's responses. Mr. Wallulis sent a response via email on September 4, 2012 that was distributed to Council.

Necessary follow-on work associated with this Master Plan include a rate study, and completion of an update of the Water Treatment Plant Master Plan, both of which are intended to be completed within the next 18 months. Funding options for projects within the Master Plan will be analyzed in conjunction with the rate study.

A Fiscal Year 2012/2013 budget of \$40,000 was identified for completion of this Master Plan and a follow on rate study. The budget is adequate and no changes are proposed.

The Water Master Plan meets the requirements of a Facilities Plan implementing the City's Comprehensive Plan under the state land use laws and it meets requirements under state water laws for developing a municipal water master plan. It also meets the requirements necessary to support the subsequent establishment of water system development charges and water rate utility fees as the Council may determine is necessary in the future.

A reliable, cost effective, and well planned water system protects the general health, welfare, and safety of the public and identifies the infrastructure needed to serve the needs of Wilsonville's existing water system as well as future growth.

Mr. Mende addressed the key policy issues reflected in Mr. Wallulis comments. The first is the Capital Improvement Plan is excessive and expensive where it concerns future emergency water storage needs. The second issue is the capital improvements that the City does need and Mr. Wallulis' belief the City has not done an adequate job of investigating less expensive alternatives such as new wells in the Charbonneau District as an alternative to providing a pipeline under the River, and the potential of aquifer storage rather than constructing tanks.

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On both points staff and the consultants disagree with Mr. Wallulis; however, not in terms of his technical analysis but in terms of the underlying level of service and reliability assumptions that are built into that analysis.

Regarding future storage Mr. Wallulis is correct, if the City changes its criteria for emergency storage from 2 days of average daily demand to one day of average daily demand, then there is no need for the proposed 3 million gallon west side reservoir. This is a policy decision on the part of Council. Mr. Mende reviewed both the 1986 and 2002 master plans and reducing the criteria from 2 days to one day represents a reduction in the level of service provided for the past twenty years to the residents and businesses in Wilsonville. Staff and the consultants do not recommend making that change; and feel two times average daily demand is prudent and appropriately conservative without being excessive and it is consistent with the level of service assumptions of the prior master plans, and the criteria used by neighboring communities.

Using the City's existing wells to offset storage requirements is one of the two primary recommendations of the Master Plan. Concerning the perceived lack of alternative analysis for Charbonneau, Mr. Wallulis offered three additional ideas: using surface ponds and swimming pools; drilling new wells; and use of aquifer storage rather than tank storage.

Tualatin Valley Fire & Rescue supplied a letter in opposition to the use of ponds and pools due to access issues. Drilling new wells in the Charbonneau District was considered however it was rejected and not included in the Plan given the 1500 gallon per minute fire flow requirement and fact that the current two wells, which provide just over 300 gallons per minute, made it apparent 4-6 additional wells would be needed for the required fire flow. The costs of drilling and the ongoing maintenance of new wells were excessive for "back up" wells and the idea was not carried forward. The key is that Charbonneau does not have redundancy for fire flow as the balance of the system does and something must be done to address that, in addition the under river pipeline was the most reliable and economical solution.

Aquifer storage and retrieval (ASR) was not considered in the fire flow or emergency storage calculations. Having extra water stored underground does not change the pumping capacity of the wells.

The issues raised by Mr. Wallulis are policy matters pertaining to the level of service and reliability and those are Council issues. Staff believes the Master Plan is technically sound, is cost conscious, not excessive, and consistent with the goals and policy of Council.

Mayor Knapp wanted to know if the future industrial areas, Coffee Creek and Basalt Creek, had been factored into the policy decision of what needs to be available.

Mr. Mende stated future demand for residential use is calculated differently from industrial and commercial uses. In addition to a general water demand on a per acre basis for undeveloped industrial property, one million gallons per day additional demand was included for unknown industrial users to accommodate future large users along the lines of a Coca-Cola.

Mayor Knapp raised the issue of water loss and asked for an explanation.

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Mr. Mende responded the Master Plan documents roughly 17 percent unaccounted for water. As part of this Master Plan additional investigation was done to look for sources of unaccounted for water. The evaluation of the system, age and integrity of the system leads staff to believe the unaccounted for water is not truly lost. Meaning the City is not losing a significant amount of revenue. Staff is focusing on the various meters throughout the system and along the distribution system. Staff does not believe there are major leaks or losses in the system.

Councilor Goddard agreed in providing capacity for today's needs and reasonable future capacity, while making sure the system is one that is affordable for the users. If the rates are too high to support all of the projects in the capital improvement plan would the Council be able to revisit specific projects in the CIP.

Mr. Mende noted that roughly 82 percent (\$21 million out of \$26.5 million) of the improvements in the CIP were growth related and would be paid for by development. If there is no development there was no reason for the improvements. Many of the projects from the 2002 Master Plan were carried forward to this Plan. One is the 48-inch pipeline (Segment 3-B) which is a cost share with the City of Sherwood. The other is the west side 3 million gallon reservoir which was identified in the 1986 Master Plan and the 2002 Master Plan as a need based on growth. Mr. Mende assured Council the Capital Plan is reviewed annually and staff does not build unnecessarily.

Councilor Starr commented the statement in the Master Plan regarding an "aggressive leak detection program" and the 17 percent of unaccounted for water was incongruent. He thought resolving this matter could lower the price of water in the City and was there anything to determine if the water was truly 'lost'.

Mr. Mende stated staff has been investigating the matter but so far nothing has revealed where the water is going. The main meters have been recalibrated during the past year; individual commercial meters have been looked at, as have the two main distribution turnouts connecting to the transmission system. Staff was focused in two areas, one large meter at Brockway and some operational considerations at the Water Treatment Plant. The leak detection program is done on an annual basis and over the course of five years all parts of the City are covered. The industry standard for unaccounted water should be below ten percent with the lowest number being at five percent.

Councilor Goddard stated the unaccounted water represented lost revenue that other customers are covering, and it seemed to him that making up for some of that lost revenue warranted some investment.

Council President Núñez agreed with the comments of the other Councilors and wanted the percentage of unaccounted water to be reduced.

Motion: Councilor Goddard moved to adopt Ordinance No. 707 on second reading.
Council President Núñez seconded the motion.

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Councilor Starr wanted to insure the Master Plan included the need to find the gap as a part of the Plan. Mr. Mende pointed out recommendations for addressing the unaccounted for water was included in the Master Plan in Chapter 2, on page 213 as well as the recommendation to put flow meters on different subsections of the water system to narrow down where potential unaccounted for water locations are.

Vote: Mayor Knapp - Yes
Council President Núñez - Yes
Councilor Goddard - Yes
Councilor Starr - Yes
Motion carried 4-0.

B. **Resolution 2350** (*continued from August 20, 2012 Public Hearing*)

A Resolution Of The City Of Wilsonville Authorizing Establishment Of A Reimbursement District To Refund To The City Of Wilsonville The Pro Rata Costs For The Segment 1 Extension Of The Coffee Lake Drive Sewer Line Infrastructure Improvements That Will Serve Properties Within The Reimbursement District

Ms. Jacobson read the title of Resolution No. 2350 for the record.

At the August 20, 2012 Council meeting, staff requested that this item be continued to the September 6, 2012 Council meeting and requests the resolution be further continued to the date of October 1, 2012.

Motion: Councilor Goddard moved to continue Resolution No. 2350 to the October 1, 2012 Council meeting.
Council President Núñez seconded the motion.

Vote: Motion carried 4-0.

CITY MANAGER'S BUSINESS

The City Manager provided a brief meeting recap. Mr. Cosgrove asked the Council to let staff know what events they will be attending at the League of Oregon Cities conference.

LEGAL BUSINESS – There was no report.

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ADJOURN

Motion: Council President Núñez moved to adjourn.
Councilor Starr seconded the motion.

Vote: Motion carried 4-0.

The Council meeting adjourned at 8:30 p.m.

Respectfully submitted,

Sandra C. King, MMC, City Recorder

ATTEST:

TIM KNAPP, MAYOR