

City of Falls City
City Council Regular Meeting Minutes
January 12, 2017 7:00 PM
Meeting Location: 320 N Main Street, Falls City, Oregon 97344

Council Present: Mayor Terry Ungricht, Lori Jean Sickles, Jennifer Drill, Tony Meier, Cliff Lauder, Charlie Flynn

Staff Present: Domenica Protheroe, City Clerk; JoHanna Birr, City Clerk; Don Poe, Public Works Lead Worker

Mayor Ungricht called the meeting to order at 7:08 PM.

1) Roll Call

Clerk Protheroe took roll call. Dennis Sickle absent. Lori Jean Sickles arrived at 7:39

2) Pledge of Allegiance

Mayor Ungricht led the pledge.

3) Motion to adopt the entire Agenda

A motion was made by Councilor Meier and seconded by Councilor Lauder to adopt the entire agenda. Motion carried 4-0-0. Ayes: Jennifer Drill, Tony Meier, Cliff Lauder, Charlie Flynn

4) Swearing-in of Mayor and Councilors

a. Swearing in of Mayor Terry Ungricht and Councilors Dennis Sickles, Charlie Flynn and Cliff Lauder
Mayor Terry Ungricht, Councilor Flynn, and Councilor Lauder took their oath of office prior to the meeting.

b. Proclamations

Gerald Melin and Julee Bishop were not present. Proclamations will be presented at the February 9, 2017 City Council Meeting.

5) Consent Agenda

Mayor Ungricht distributed an Agenda Report titled "Leak Adjustment Request – D. Sickles" (Exhibit A). Councilor Drill asked for information on the payment made to Richard P. Evans. The City of Falls City contracts with Mr. Evans for the annual testing of backflow devices; State Law requires annual testing. The City charges water customers \$2.25 per month for the annual test. Mr. Evans submitted a bill for the backflow tests completed to date. Additional bills expected.

A motion was made by Councilor Meier and seconded by Councilor Drill to adopt the Consent Agenda with the addition of Item D on the Consent Agenda – Leak Adjustment for Dennis Sickles. Motion carried 4-0-0. Ayes: Jennifer Drill, Tony Meier, Cliff Lauder, Charlie Flynn

6) Public Comments

Mike Bowman of Falls City distributed a letter to Council dated January 12, 2017 from Michael W. Bowman, Richard R Bowman, Dick Bowman, and Doug Bowman regarding Green Haven RV Park, LLC. Mike Bowman read the letter into the record (Exhibit B).

Councilor Drill requested that Council discuss Green Haven RV Park's letter during Council Reports.

Patty Sample of Falls City thanked Don Poe and Cliff Lauder for providing wood to her family. She thanked Mayor Ungricht and Johnathan Ungricht for helping her get her snow bound car out of the driveway; "that's the kind community we are". She stated she was proud to live in Falls City. She expressed gratitude to everyone who had helped her and all who have helped the citizens of Falls City.

7) New Business

A. Elect Council President

Council requested that this item be moved to the February 9, 2017 City Council Meeting because Councilor D. Sickles and Councilor L. Sickles were not in attendance.

B. Committee Appointments

A motion was made by Councilor Drill and seconded by Councilor Lauder that the Falls City Council grant its consent to appoint Cliff Lauder and Tony Meier to the Public Works Committee and Mike McConnell to the Historic Landmarks Commission. Motion carried 4-0-0. Ayes: Jennifer Drill, Tony Meier, Cliff Lauder, Charlie Flynn.

C. Council Goal Setting Session

Council delayed this agenda item until 7:43 PM to provide additional time to Councilors delayed by the School Holiday program.

D. OLCC License Renewal

A motion was made by Councilor Meier and seconded by Councilor Lauder that the City Council direct staff to write a liquor license renewal recommendation to OLCC for Frink's General Store, The Boondock, and the Breadboard. Motion carried 3-1-0. Ayes: Tony Meier, Cliff Lauder, Charlie Flynn. Nay: Jennifer Drill

E. Resolution 01-2017 Application for Grant

A motion was made by Councilor Lauder and seconded by Councilor Meier that the City Council adopt Resolution 01-2017, A Resolution Authorizing an Application for Certified Local Government Preservation Grant. Motion carried 4-0-0. Ayes: Jennifer Drill, Tony Meier, Cliff Lauder, Charlie Flynn

F. Resolution 02-2017 Water/Wastewater Rates

Mayor Ungricht reported on the review of Green Have RV Parks Water usage and the review of how the City charges multiple unit dwellings. The City has used a dwelling unit multiplier for rates on three properties. Most recently, the City offered the owner of the N. Main Street duplex the option of a separate water meters for each unit, or a dwelling rate multiplier. The owner elected a dwelling multiplier. A number of years ago, a dwelling unit multiplier was applied to the Luckiamute Apartments. Mayor Ungricht reported that Municipal Code allows this practice, but requires a written agreement to go before Council, which had not done in the past. This Resolution includes the multiplier in order to follow the strictest sense of Municipal Code Chapter 51.08.E. Mayor Ungricht stated that a public hearing was not needed for this resolution because the resolution did not raise rates; the only change was to clarify the use of the multiplier. Mayor Ungricht will send a letter to customers with rate multipliers, ask for their signoff, and bring before Council.

A motion was made by Councilor Flynn and seconded by Councilor Meier that the City Council adopt Resolution 02-2017, A Resolution Detailing Fees for Water Service and Related Charges; and Sewer Connection Fees; and Repealing Prior Resolutions. Motion carried 4-0-0. Ayes: Jennifer Drill, Tony Meier, Cliff Lauder, Charlie Flynn

G. Michael Harding Park Expansion

The purchase agreement was recorded and the City assumed the Falls City Alliance Loan. Polk County CDC waived the Falls City Alliance Loan penalties, but the City had to pay a portion of the back taxes. The City will receive a majority of the grant funding after which will apply for a new Polk Community Development Corporation loan at 1% interest. A supplemental budget may be required. Under the grant, the City is required to remove invasive plants and plant native trees. The City will move forward with changing the land zoning to Park as required by the land acquisition grant.

8) Correspondence, Comments and Ex-Officio Reports

A. Mayors Report

Mayor Ungricht recommended that Council also discuss a Zoning and Development Code text update at the Council Goal Work Session. He explained that the Development Code should have a legal review after the Legislature meets to verify compliance with state laws. The last time the City opened the Development Code was in 2014 for Marijuana, which Council rejected. The Development Code text amendments will cost approximately \$4,000.00 in addition to the cost to change the zoning for the Michael Harding Memorial Park. Because of the high cost, City Hall would like to include as many updates as is possible. Mayor Ungricht also wanted to ask Council for guidance about agriculture at the upcoming Goal Setting Work Session. He stated that the Development Code did not allow someone in the Residential Zone to sell eggs or grow vegetables for a farmers market. Additionally, City Hall desired a simple and less expensive process to remove lot lines created by subdivisions. Currently if a developer purchases multiple lots and wants to develop across lot lines, the developer is required to file a costly subdivision application to remove the lot of record line(s). Councilor Drill asked how many subdivisions were in town. Clerk Protheroe stated that there were many subdivisions in town, most of them older, such as the original town plot map and Goldenwest subdivision.

Council provided the Mayor with available dates for the Goal Setting and Development Code Work Session. Mayor Ungricht will schedule the meeting and inform Council of the date.

Mayor Ungricht will bring the Proclamations to the February City Council Meeting.

The water plant keeps shutting down. Don Poe and the Electrician suspect the Master Control Card that runs the Plant. The City will purchase a Control Card from EBay for \$2,000 to see if this will fix the problem. Mayor Ungricht hoped this would be a less expensive approach. If the new Control Card does not fix the issue, the City may be required to upgrade the entire system for approximately \$30,000.00. The problem results in additional work for Public Works staff.

Mayor Ungricht reported that he had closed several grants for a total of \$179,860.00. Several grants remain open: the FEMA Dutch Creek Grant, the OPRD Land Acquisition grant, the IFA Waster Master Plan grant.

The Engineers will bring the Water Master Plan to the February City Council Meeting for Council's review. After Council's review, the Oregon Health Authority (OHA) will review. The City Water System will be in compliance once the OHA approves the plan. After OHA approves the plan, the City Engineer can become our Engineer of Record, which will allow the City Engineer to review and approve plans for water lines. This will allow the City to move forward with improvements to the water distribution system. Without an Engineer of Record, the City is required to hire an engineer and then pay approximately \$3,300 to OHA for their review and signoff on the improvement; having an Engineer of Record will save money.

Mayor Ungricht met with Infrastructure Finance Authority (IFA) and Community Development Block Grant (CDBG) Application reviewers to find out why our application was rejected. Mayor Ungricht was informed that the grant application was very strong, but the City lost 20 points because the Wastewater System is in compliance. CDBG funds will be available in October. State funding will be available on July 1st. Mayor Ungricht plans to meet with DEQ to discuss compliance and the age of the system. Mayor Ungricht is doing everything he can to keep the project in front of DEQ and funding agencies. CDBG grant funds cannot be used to expand the sewer system. Council discussed Wastewater System concerns. The Wastewater System remains the number one priority for the City.

Public Works has been down to one staff person. Don Poe, Public Works Lead has been very busy. The City has received complaints about snow removal. Mayor Ungricht helped several people pull cars out of driveways. Many individuals had a hard time because they were not comfortable driving on snow and ice, or they did not have chains.

B. Council Reports

Councilor Drill asked for the status of the jail restoration project. Mayor Ungricht replied that there have been no activities.

Councilor Drill announced the January 17, 2017 6:30 PM Town Hall Meeting.

Councilor Drill announced that the Garden Club meets on the last Thursday of the each month at 6:00 PM in the Community Center. They will have a party at the January meeting. The Garden Club invites members of the community and families to join!

Councilor Drill reported that Mountain Gospel Fellowship is considering Council's offer of the foosball table. Councilor L. Sickles stated that The Boondocks would take the table, if Mountain Gospel Fellowship was not interested. Mayor Ungricht cautioned that the foosball table required repairs. The foosball table blocks the community center parking lot entrance door. Council briefly discussed how to dispose of the bear fountain in the community center foyer. Council considered a raffle but did not reach a decision.

Councilor Drill gave a report on the meeting she and Mayor Ungricht had with Dick Bowman, and two of his son. They discussed changing the water rate structure and a rate increase for Green Haven RV Park in order to bring their rates in line with other water users. Councilor Drill thought the meeting was exceptional and reported that the Bowman's were in complete agreement with the proposal for new water rates. She reported that the Bowman's understood the need and thought it was fair to the rest of the community. Councilor Drill thought the meeting was awesome "it was like the two [parties] had coming together ". Councilor Drill was disappointed to read the Polk Country Itemizer Observer December 28, 2016 news story reported that Dick Bowman had changed his mind and was now against an agreement. She was disappointed that the Bowman's had not informed the City that he had changed his mind.

Mayor Ungricht reported that he had had a death in his family. When he got back to town, he too was surprised to read the news article. He informed Council that he had prepared a draft agreement with a dwelling unit multiplier of 10, instead of 30 as Council had requested, because the code requires a multiplier based on the size of the meter, which in the case of Green Haven RV Park is a two-inch meter at base rate of \$108.86/month. He did not feel that met the intention of Council. A multiplier of 10 dwelling units closely matches past consumption and will provide a base of 50,000 gallons a month. The multiplier of 10 would also apply to the monthly utility reserve [capital improvement] fee. The base monthly charge would have been approximately \$1,158.00

under the draft agreement. The code allows for special agreement for large water uses, as is the case with Luckiamute. The draft agreement was open ended and allowed Green Haven RV Park to renegotiate if they lost half their business. Mayor Ungricht had met with Mr. Dick Bowman to go over the draft agreement. Mr. Dick Bowman told the Mayor he was a heartless after which Mayor Ungricht provided several copies of the draft agreement and left the meeting. Mr. Dick Bowman stated did not want to negotiate and said he will litigate.

Mayor Ungricht informed Council that Green Haven RV Park had 30 non-temporary spaces, 10 temporary spaces, a manufactured home, office, and bathroom facility. He stated that he had done his best to draft an agreement that was fair to both the RV Park and to the community. Councilor Drill informed Council that she thought Mayor Ungricht had done a great job on the draft agreement. She thought the draft agreement was transparent and left nothing hidden. At the meeting with the Bowman's she had discussed the option of an incremental rate increase that would allow the RV Park time to increase the RV Space Rate. She reported that the Bowman's had agreed that they had been getting a good deal on water.

Councilor Lauder asked Don Poe to describe what happens when a water meter goes bad. Don Poe replied over time a meter reads less usage because friction wears down the dials. Meters are designed to read in favor of the water customer and not the City. Don Poe reported that Green Haven RV Park had not made a request to have their meter tested. Mayor Ungricht informed Council that staff had advised the RV Park that they had a leak at the beginning of the year. The RV Park did not think they had a leak; Mr. Dick Bowman told the City the meth in town made people stay in the shower under running water for a long time.

Councilor Lauder asked if water rates are applied by the land zone. Mayor Ungricht replied that water rates are based on the size of the meter and the service classifications that includes residential and business.

Councilor Drill thanked Mayor Ungricht for his work on this matter.

Mayor Ungricht informed Councilors that he would provide a binder at the Goal Work Session that includes City Codes and useful information. He encouraged Councilors to attend the League of Oregon Cities new councilor training in Lebanon. Councilor Drill and Meier reported that the class was worth attending. Mayor Ungricht asked Councilor to call him if they were interested and he would complete the registration.

Mayor Ungricht informed new Councilors that the League of Oregon Cities offers a great deal of information on their website [www.orcities.org].

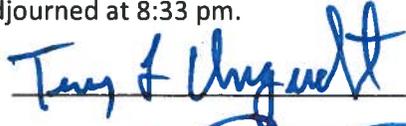
Mayor Ungricht thanked Deputy Jenkins for the POINT team recent drug arrests. Deputy Jenkins reported that three more individuals would be arrested. He stated that he agreed with comments made earlier in the meeting; Falls City is a great community.

9) Council Announcements

Clerk Protheroe informed Council that she was changing roles and Clerk Birr would take over public meetings. She thanked Council and told them she humbled by their volunteer service and she held all of them in her heart. Mayor Ungricht informed Council that Clerk Protheroe planned to retire at the end of the year and she will focus on records, land use, and other tasks.

10) Adjourn

The meeting adjourned at 8:33 pm.



Mayor Terry Ungricht

Attested:



City Clerk Domenica Protheroe

AGENDA REPORT

TO: MAYOR AND COUNCIL
FROM: JOHANNA BIRR, CITY CLERK
SUBJECT: CORRECTED LEAK ADJUSTMENT REQUEST – D. SICKLES
DATE: 12/30/2016

SUMMARY

Dennis Sickles' of 10 N. Main has requested a leak adjustment for the month of November 2016. He performed repairs and corrected the leak on December 15, 2016. The November 2016 high usage registered at 88,000 gallons amounting in a \$253.61 water charge. The twelve-month average water consumption for this property is 34,333 gallons per month.

Staff has calculated a leak adjustment for Council, using the approved formula.

BACKGROUND

To date, we've tested two typical methods of leak adjustments. The first was where we adjusted a customer's bill to 1.5 times the average usage. The Public Works Committee thought the adjustments were too generous using this calculation. To address their concerns, the new trial adjustment calculation considers the 12-month average water charge including the month where the leak occurred.

The trial leak adjustment policy considers an adjustment to a single month water charge, in this case the September 2016 charge of \$136.31.

Average water bill amount over 12 months	\$ 116.98	
Multiply the average bill amount by 1.5 times	\$ 175.47	= Calculated base for adjustment

Actual water service charge for month of leak	\$ 253.61
Subtracted by the calculated base for adjustment	\$ 175.47

Credit Amount	\$ 78.14
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PREVIOUS COUNCIL ACTION

The Council has not taken previous action on this request. Past leak requests have been evaluated on a case-by-case basis.

ALTERNATIVES/FINANCIAL IMPLICATIONS

The financial impact to the city would be a charge waiver of \$ 78.14

STAFF RECOMMENDATION

Staff recommends this leak request approved by Council.

EXHIBIT N/A

PROPOSED MOTION

This item is added under the consent agenda. Approving the consent agenda as presented would give approval for the leak adjustment.

Exhibit B

January 12, 2017

Attn: Falls City Counsel

I would like to give you a brief history about our water system. When we were building the RV Park 20 years ago, the City forced us to put in 1600 feet of 6 inch water main, running from S. Main Street all the way through our property to below the little Church on Lombard St. The cost to us was over 10,000 dollars and there was no need for it as it does nothing. All we needed was a 2 inch line, 200 feet long and that would have been more than adequate. This is just one example of the unfair treatment our business has suffered due to the Falls City Council.

Our records show up until January 2016, the RV Park used less than 50,000 gallons of water per month. Since January 2016 it has been 100,000 gallons over that consistently. If I'm not mistaken that was when the City put a new water meter in our park. We either have a giant leak that we can't locate or more likely the City's new meter isn't calibrated right or isn't being read correctly. We are purchasing our own meter, to be installed on our side of the City's meter. This way we can make sure we are not being cheated on purpose or by accident. If that is the case, the city will be expected to reimburse use for 100,000 gallons per month since January 2016.

As for your water purchase agreement. To start with, you do not sell water in the city limits, you provide the citizens of Falls City with a utility at a reasonable rate. Also, our property is zoned commercial/industrial not residential/commercial as stated in this water purchase agreement. You can not change our zoning without due process. This agreement would at least triple our current water bill. It would cost over \$1000.00 a month over what we currently pay, which is already twice the amount what we were paying in 2015. Basically, this would amount to a \$1000.00 per month water tax. No business pays as much for water as they do electricity. This is not only unfair, it's absurd.

The last meeting I attended, I was told that the City only wanted to help our business be successful. In what way is charging us over \$1000.00 per month extra, helping us be successful!

RV's are not a permanent home. Just because the law states they can stay as long as they want, this does not mean they are permanent residents. They are on wheels and can be moved at any time. We are running a commercial RV Park, not a residential mobile home park.

This agreement is totally unacceptable. If it takes a court of law to show you how outrageous this is, then we can let the attorney's handle it. When a judge tells you how far off base you are, the City will be charged with our attorney fees.

We can't help but felling picked upon, possibly even harassed by the City. Trying to force this down Dad's throat, as he's in the process of retiring at 83 years old is cruel and uncaring. We have the right to run our business as we see fit, without the City interfering. Please just leave us alone and let us run our Business!

Thank you,

Michael W. Bowman

Richard R. Bowman
Dick Bowman
Doeg Bowman