

**MINUTES
FAIRVIEW CITY COUNCIL REGULAR MEETING
FAIRVIEW CITY HALL
300 HARRISON
FAIRVIEW, OREGON 97024**

MAY 5, 1999 -- 7:30pm

**I. CALL TO ORDER/
ROLL CALL**

Mayor Vonderharr called the meeting to order at 7:30pm.

PRESENT: Mayor Roger Vonderharr
Councilor Ken Quinby
Councilor Sherry Lillard
Councilor Dave McCutcheon
Councilor Len Edwards
Councilor James Raze
Councilor Steve Owen

STAFF PRESENT: Marilyn Holstrom, City Administrator
Gilbert Jackson, Chief of Police

Jeffrey Sarvis, Director of Public Works
Roy Wall, Finance Director
Caren Huson, City Recorder

II. CONSENT AGENDA

Councilor Edwards moved and Councilor Quinby seconded the motion to approve the Consent Agenda, consisting of a Liquor License Approval for Carlino's Pizza and the Minutes of April 21, 1999.

AYES: 7
NOES: 0
ABSTAINED: 0

**III. CITIZENS WISHING TO
SPEAK ON NON-AGENDA
ITEMS**

Mayor Vonderharr called for persons wishing to speak on non-agenda items. As there was no response, the session continued.

IV. COUNCIL BUSINESS

**A.DISCUSSION -
Utility Rates**

Roy Wall, Finance Director, reported that each year, Council holds a discussion on the three utility rates. Financial Analyst Ray Bartlett was present to review the three utility funds, and a public hearing on proposed rates would be held at the June 2, 1999 Council meeting.

Mr. Bartlett stated that staff was recommending a 3% increase in stormwater rates, a 5% increase in sewer rates, and no increase or decrease in water rates. In terms of the Stormwater Fund, Mr. Bartlett reported that the utility was established five years ago and that it was anticipated, at that time, that the City might have to borrow money to build the remainder of projects necessary to control stormwater flow; however, it looks like that will not be required as the City has been successful in obtaining grants for the older part of Fairview, and cash savings have been building

up in the System Development Charge (SDC) fund. In addition, new development in Fairview has built many improvements on the Capital Improvement Plan list. Mr. Bartlett commented that the proposed 3% increase was simply for adjustment of the rate for inflation.

Councilor McCutcheon stated that he thought part of the City's stormwater system was very old and would need to be replaced. Mr. Bartlett responded that that was correct, but that the proposed CIP will address the system for the next 25 years; the life expectancy of stormwater equipment was 50-75 years.

Councilor Edwards questioned page 2 of Mr. Bartlett's written report where it indicates that revenues increased, but expenses also increased, and the City lost \$41,000. Mr. Bartlett responded that the \$41,000 loss would occur over a period of time, not all at once.

Councilor Lillard asked if other cities would also be adjusting their stormwater rates for inflation. Mr. Bartlett responded that Oregon City increased their rates by 25%, and Lake Oswego will increase their rates by 14% as they both started their Stormwater fund later than Fairview. Mr. Bartlett added that he had not found any City with stormwater rates higher than Fairview, but that other cities would catch up once their stormwater programs were updated.

Councilor Quinby questioned how Mr. Bartlett felt about Fairview's stormwater program as compared to other cities. Mr. Bartlett responded that he was very happy with Fairview's program and that Fairview has a jump on many other cities in terms of stormwater projects, and that Fairview's rapid growth has forced an active plan to be in place.

In terms of the water utility, Mr. Bartlett reported that the City passed a revenue bond several years ago to make water system improvements; the water fund has been doing well, making its bond obligations, and growth has increased revenues, so no rate adjustment was needed at this time or in the near future. Mr. Bartlett commented that the water fund had a good cash balance and it is anticipated that the next reservoir will be paid from the water fund and the Water SDC fund.

Councilor Lillard stated that she thought the CIP indicated that the City would need a new reservoir sooner than had been anticipated. Jeffrey Sarvis, Director of Public Works, responded that Fairview was right at capacity in terms of its wells, so the City was able to produce just enough water and have a little excess in storage, but a new well and reservoir would be needed. Director Wall commented that a new reservoir has been penciled in for the year 2001/02, and that the existing, older, one-million gallon reservoir would be paid off in the upcoming budget year. Mayor Vonderharr questioned if the City had readjusted SDC rates a few years ago because we were not charging enough. Director Sarvis responded that that was correct, and that the readjustment was helping to keep the City in line in terms of water rates.

Councilor Owen asked if there would be enough groundwater to pump when additional pumping is added. Director Sarvis responded no, and that the City would need to discuss source options sometime in the future.

Mr. Bartlett reported on the Sanitary Sewer Fund, in which a 5% increase was recommended. Gresham is currently expanding the sewer treatment plant and Fairview will have to purchase additional capacity in that plant; the bill will be about \$5 million, but staff was still waiting for Gresham to tell them exactly what the final

amount would be. Mr. Bartlett explained that the City would use \$1 million in cash for their portion of the plant expansion, and would have to borrow the remaining \$4 million required.

Councilor McCutcheon questioned why Fairview's rates were higher for stormwater and water than other cities, and asked if the City was overextending itself in what it should be charging. Mr. Bartlett responded that in terms of water, the larger a city is, the less you have to charge customers per unit. Also, Wood Village is anticipating to raise their water rates 40% over the next four years. In terms of stormwater, Mr. Bartlett stated that stormwater runoff varies between jurisdictions, and that Gresham and Portland have fewer problems than Fairview in terms of stormwater runoff. Mr. Bartlett added that he thought Fairview was on top of its utilities, and that they have taken into consideration the great growth here vs. the lack of growth in other cities.

As Council had no further questions, Director Wall stated that a public hearing would be held on June 2nd, and that a recommendation would be before the Council that night similar to what was presented tonight. Director Wall added that a public hearing notice would be sent to every Fairview resident so that they are informed that the once-a-year rate setting will occur.

B.DISCUSSION - Proposed Citation Fees

Gilbert Jackson, Chief of Police, reported that Fairview had issued 1400 traffic citations last year, and that the number increases each year. Due to the City's budgetary crunch, staff is proposing to add another fee to citations, which will be the first time Fairview has added a fee to traffic citations. Chief Jackson stated that staff was proposing the addition of a \$5.00 assessment for each traffic violation with the funds received going to help defray the cost of police cars.

Councilor McCutcheon questioned if the addition of local fees to citations had been tested. Chief Jackson responded that other fees have stuck, but he was not aware of any other city that has an additional fee. Councilor McCutcheon asked if Fairview really wanted to be the first jurisdiction to impose an additional charge, and asked whether the charge could be interpreted as a tax. City Attorney Paul Elsner stated that Measure 50 "tax" requirements only lasted for one year, and that when Chief Jackson had spoken to him about adding a fee, since it would be done through Municipal Court, and Fairview maintains control over its Municipal Court, that the City could add an additional fee.

Councilor Raze stated that, during the Council Work Session on Municipal Court, that it had been reported that our fees were already higher than anyone else. Chief Jackson responded that he thought that was in terms of the bail schedule, but Fairview was using the Multnomah County Violation Bureau Bail Schedule. Councilor Raze commented that at least it would be the violator who would be paying this fee and not placed on every citizen as an additional fee. Councilor McCutcheon commented that a perception may appear that Fairview Police will be writing more citations so they can get new police cars faster. Chief Jackson responded that the Officers would not have the time to push towards writing more citations.

Councilor Lillard stated that the additional fee would only collect about \$7,250 a year, so it would take about four years to get a new police car. Chief Jackson commented that the funds would be placed in a separate revenue account, and would be added to any funds available for a vehicle through the normal budget process. Councilor Lillard stated that she was in favor of the fee as the City needs to pursue every avenue available for funds.

Councilor Owen added that he thought the monthly police reports would prove that Officers were not money hungry as more warnings are issued than citations; he thought it was a justified fee.

Councilor Quinby questioned if Chief Jackson had ever determined a percentage of what a police car was actually used for, such as for transport, pursuits, traffic violations, etc. Chief Jackson responded that, in a sense, the vehicle was always used to pursue violators; if you took the percentage of the time the car was used when you pull someone over, then it would be a lower percentage. Councilor Quinby commented that it could be seen as a user fee and that only the lawbreakers would pay the fee. Chief Jackson responded that that was correct.

Councilor Edwards asked if Fairview Police wrote citations in Interlachen. Chief Jackson responded no.

Marilyn Holstrom, City Administrator, stated that if Council would like to move forward with the fee, that a public hearing could be scheduled for June 2nd. Council unanimously agreed that a public hearing should be scheduled for June 2nd.

**C.ORDINANCE/
RESOLUTION - Purchasing
Rules - First and Second
Readings**

Administrator Holstrom reported that about a month ago, she had distributed Exhibit "A" of the proposed new purchasing rules to Council so that they could review the document before tonight's meeting. Administrator Holstrom stated that Council had before them an ordinance and resolution to adopt new purchasing regulations for the City. Administrator Holstrom commented that the City's current purchasing provisions were very difficult to use, were outdated in some parts, and some portions were actually against State law. Administrator Holstrom reported that the City Attorney had developed and reviewed the proposed new purchasing rules and that they were in compliance with State law, up to date, and easy to understand and use.

Mayor Vonderharr asked what the major changes to the purchasing rules were. Mr. Elsner responded that he had used the State Attorney General's model rules in developing Fairview's new purchasing procedures; more definitions are provided, and criteria has been added for the various contract types which come before the City. Mr. Elsner added that the new rules provide the Council with fixed criteria in determining bidders, but that they also allow the flexibility to design additional criteria in the event that the City wishes to impose additional criteria.

Councilor Quinby questioned what changes were made to Section 10.015, Public Contracts, page 4, where it states that an amount was not to exceed \$25,000, yet further down in the paragraph it states that an amount was not to exceed \$2,500. Mr. Elsner responded that under ORS 279, certain types of contracts can be exempt from the public bidding process; for smaller contract amounts, staff should perform an internal survey if feasible, but it was not required if the amount was below \$2,500, but if the amount was between \$2,500 and \$25,000, the rule requires that the City shall obtain three quotes.

Councilor Lillard stated that she likes to see housekeeping items like this occur, and moved that Ordinance 5-1999 be read a first time by title only; Councilor McCutcheon seconded the motion.

AYES: 7
NOES: 0
ABSTAINED: 0

Administrator Holstrom read Ordinance 5-1999 by title only.

Councilor Lillard moved and Councilor McCutcheon seconded the motion to adopt Ordinance 5-1999, AN ORDINANCE AMENDING CHAPTER 2.20, CONTRACT REVIEW BOARD, OF THE FAIRVIEW CODE.

AYES: 7
NOES: 0
ABSTAINED: 0

Councilor Lillard moved and Councilor McCutcheon seconded the motion to adopt Resolution 12-1999, A RESOLUTION ESTABLISHING NEW PUBLIC CONTRACTING RULES FOR THE LOCAL CONTRACT REVIEW BOARD OF THE CITY OF FAIRVIEW AND REPEALING EXISTING RULES.

AYES: 7
NOES: 0
ABSTAINED: 0

V. CITY ADMINISTRATOR REPORT

Administrator Holstrom reported that Ordinance 5-1999 would become effective on June 5th.

Administrator Holstrom stated that Fairview's Spring Clean-Up had occurred on May 1st, and that this would be the last time Fairview would host its own yard debris clean-up; staff will need to discuss how our Senior Citizens would be handled in the future as we have provided yard debris pick-up service in the past, and she feels it is a service that should be continued. Mayor Vonderharr stated that he would also like to continue providing the service to the Seniors, but that he would also like to begin a Fairview Clean-Up Day for streets. Administrator Holstrom reported that she would prepare a press release regarding the street clean-up effort.

Administrator Holstrom commented that Council received a presentation about a month ago regarding Senate Bill 512, and which the Council opposed as it established another layer of government in the metro area for building inspection. In fact, 22 jurisdictions opposed the Senate Bill, but it appears as if it is going to pass in the legislature. Councilor Edwards asked who was in support of the Senate Bill. Administrator Holstrom responded that lobbyists and the Home Builders Association were in favor of the Bill.

Administrator Holstrom reported that Fairview Police had been present at Reynolds Middle School earlier that day as a rumor had spread that another Littleton incident was going to occur; nothing happened, but only 56% of the students had attended school that day.

Administrator Holstrom stated that the Twelve Mile Disposal decision had been appealed to LUBA by Max Moini of Blue Lake Village.

Administrator Holstrom reported that a letter had been sent from the City to the Housing Authority of Portland, requesting a payment of \$30,000 for police services as they do not pay property taxes on the Fairview Oaks or Fairview Woods apartment complexes. The Housing Authority has stated that they would contact the City and set up a time to discuss the request.

VI. MAYOR/COMMITTEE REPORTS AND COUNCIL CONCERNS

Councilor Quinby reported that, the previous evening, he and Mayor Vonderharr had spoken to Metro Councilor Rod Park regarding a Blue Lake Park fee for Fairview

police service, and that it seemed that Mr. Park was not excited about the idea. Administrator Holstrom concurred that discussions with Metro about the fee had not been productive. Councilor Quinby stated that he and Mayor Vonderharr had testified at Metro to promote the widening of the railroad overpasses on NE 223rd Avenue.

Councilor Lillard reported that she had also promoted the widening of the railroad overpasses at the Metro meeting, and had taken photographs with her; she felt that Councilor Park was in favor of the widening of the bridges, and that she hopes they will receive more of the available funds. Councilor Lillard thanked Director Wall for hosting the Municipal Court Work Session, adding that it was a very worthwhile session.

Councilor Owen reported that the next Airport Citizen Noise Abatement Committee meeting would include discussions about the development of a Preferential North Runway Use Program and C130 departure procedures by the Technical Advisory Group. Councilor Owen added that he had received a letter from a resident on NE 205th Avenue regarding airport noise, and that he would contact her.

Councilor Raze stated that he reviews the employee goals which Council receives monthly, and acknowledged those employees who consistently complete their goals.

Councilors Edwards and McCutcheon had no reports or concerns.

Mayor Vonderharr stated that he had had an enjoyable vacation, and that this week he would meet with Multnomah County Animal Control to discuss alternate methods of financing animal control, and that he would attend the East County Prayer Breakfast the following morning. Mayor Vonderharr stated that he and Councilor Raze would be hosting a City of Fairview booth on Friday at a Columbia Corridor Association Function.

VII. ADJOURNMENT

Councilor McCutcheon moved and Councilor Raze seconded the motion to adjourn. Mayor Vonderharr adjourned the meeting at 9:01pm.

AYES: 7
NOES: 0
ABSTAINED: 0

Mayor Roger Vonderharr

Dated:

Caren C. Huson Quiniones
City Recorder