

**MINUTES
FAIRVIEW CITY COUNCIL REGULAR MEETING
FAIRVIEW CITY HALL
1300 NE VILLAGE STREET
FAIRVIEW, OREGON 97024**

November 3, 2004 -- 7:00pm

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

Mayor Weatherby called the meeting to order at 7:00pm.

PRESENT: Mayor Mike Weatherby
Councilor Sherry Lillard
Councilor Darrell Cornelius
Councilor James Raze
Councilor Larry Cooper
Councilor Jim Trees

ABSENT: Councilor Steve Owen

STAFF PRESENT: Bob Cochran, Interim City Administrator
Caren Huson, City Recorder

Mayor Weatherby excused Councilor Owen from the meeting.

Mayor Weatherby stated that Fairview staff member Eric Underwood had an announcement for Council. Mr. Underwood announced that on November 10, 2004, due to City efforts in certifying the Townsend Business Farms property, that Governor Kulongoski would conduct a press conference on the Townsend site at 11:00am and discuss his initiative and work with economic development. Fairview will be used as an example of his plan and Council is invited to attend. Council thanked Mr. Underwood for his efforts and added that he was a credit to the City.

Mayor Weatherby announced the appointment of Vicky Scherer to the Citizen/Council Alliance, representing Region 5.

**II. CITIZEN
COMMUNICATIONS**

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

III. CONSENT AGENDA

Councilor Cornelius moved and Councilor Cooper seconded the motion to approve the Consent Agenda, consisting of the Minutes of October 20, 2004.

AYES: 6
NOES: 0

ABSTAINED: 0

IV. PUBLIC HEARINGS

A. RESOLUTION 29-2004 Solid Waste License Renewal

Bob Cochran, Interim City Administrator, introduced Randy Burbach of Twelve Mile Disposal and reported that Fairview Municipal Code Chapter 8.20 requires that firms providing garbage and recycling collection services within the City of Fairview obtain a Solid Waste Collection License. The licensing term is ten years, with a review to be performed every five years. In December 1999, Fairview Council granted a 10-year renewal license agreement to Twelve-Mile Disposal (Resolution 28-1999); the five-year license review is required by December 1, 2004. Should Council approve the remaining five years, the license period will expire December 1, 2009. Should Council deny the request for a license renewal, the license continues for the remaining five years to allow the hauler to properly dissolve the company.

Twelve-Mile Disposal has submitted an application for a 5-year renewal of their Solid Waste Collection License. Twelve-Mile Disposal has been providing solid waste disposal services in Fairview for over 50 years. They provide weekly residential collection of solid waste and recyclables. For multi-family and commercial/industrial customers they collect solid waste and recycling services as often as requested.

According to FMC 8.20, the Solid Waste Collection License shall be granted by the Council on the basis of:

- Service Record;
- Financial Status;
- Adequate equipment and personnel capabilities to meet current and anticipated future needs;
- Good moral character related to collection.

Director Cochran stated that City staff believes that Twelve-Mile Disposal meets the criteria and recommends approval of Resolution 29-2004 to renew their license for five years, restoring the license to the full ten year term. The next license renewal period will be December 2009.

Mayor Weatherby opened the public hearing; receiving no testimony, Mayor Weatherby closed the public hearing.

Councilor Raze moved and Councilor Cooper seconded the motion to approve Resolution 29-2004, A RESOLUTION TO REVIEW THE SOLID WASTE COLLECTION LICENSE WITH TWELVE-MILE DISPOSAL.

AYES: 6
NOES: 0
ABSTAINED: 0

**B. RESOLUTION 30-2004
Solid Waste Rates**

Administrator Cochran reported that Resolution 30-2004 deals with solid waste rates and that there were two options for Council's consideration. Administrator Cochran stated that in April 2002, the City of Fairview contracted with Steve Donovan of Donovan Enterprises to review the existing solid waste rates for the City of Fairview. Mr. Donovan interviewed Twelve-Mile Disposal (TMD) staff, reviewed their financial records and completed the "Solid Waste and Recycling Rate Review – May 6, 2002". This report was presented to City Council at a work session on May 15th, 2002. The report reviewed Twelve-Mile Disposal's present financial status, showed comparable administrative costs and rates for haulers within the region, and made a recommendation for a rate increase. In that report, Twelve-Mile Disposal reported a loss of 16.9%.

Resolution 3-2002 established new rates for solid waste collection. While Donovan's report recommended a rate increase of 13% in residential rates and a 26% increase in drop box rates, TMD requested only the residential rate increase since the drop box increase substantially exceeded the regional market price. In addition to this resolution, City Council directed staff to return after two years and review the impacts of those rate increases to Twelve-Mile Disposal's profit margin as consistent with FMC 8.20.135(F).

According to the financial reports issued by Baker & Colson, P.C., (TMD's Certified Public Accountants) TMD showed a profit of 3.2 for calendar year 2003 and 2.03 for the first half of 2004.

FMC 8.20.030(LL) Return on Revenues (4) allows for a return of approximately 10% of gross collection revenues. TMD has submitted proposed rate increases taking them to a net rate of return and 10% (Option 1) and a net rate of return of 7% (Option 2). The rate increase options proposed by TMD are calculated to cover current cost of service to those accounts that are currently subsidized by other customers.

Councilor Raze asked if there was an Option which provided no increase to residential customers. Mr. Burbach responded that Option 2 proposed no increase to residential customers. Councilor Raze questioned what type of fuel cost projection Mr. Burbach included in his analysis. Mr. Burbach responded that he projected \$2.00 per gallon for diesel, adding that fuel is a large component of costs, however they changed a couple years ago to disposing in

Troutdale which reduced the number of miles they were on the road.

Councilor Cornelius indicated that he was confused about gross vs. net revenues as written in the last paragraph of the staff report. Administrator Cochran stated that that was an error on his part, the figures are depicted as gross throughout the document.

Councilor Raze asked what the two options do for his home, residential rate. Mr. Burbach responded that Option 1 proposes a 2.5% increase on residential, or 50c extra for the 35 gallon container; Option 2 contains no increase for residential customers.

Mayor Weatherby opened the public hearing; receiving no testimony, Mayor Weatherby closed the public hearing.

Councilor Raze stated that we need to be fair to Mr. Burbach, but it is a bad time for any rate increases.

Councilor Cooper moved and Councilor Raze seconded the motion to adopt Resolution 30-2004, A RESOLUTION ESTABLISHING FEES AND CHARGES FOR SOLID WASTE COLLECTION SERVICE, CHAPTER 8, HEALTH AND SAFETY, OF THE FAIRVIEW MUNICIPAL CODE, AND REPLACING RESOLUTION 3-2002 along with Option 2.

Councilor Raze stated that Council needs to revisit the rates again in two years as the City Code allows, and that we need to boil it down to cost of service and everyone pay their fair share; commercial customers should not always be the one hit by increases. Councilor Lillard concurred.

AYES: 6
NOES: 0
ABSTAINED: 0

V. COUNCIL BUSINESS

A. RESOLUTION 31-2004 City Administrator Employment Contract

Mayor Weatherby stated that a contract has been negotiated with the new City Administrator and that a resolution was before the Council to approve that contract.

Councilor Cornelius moved and Councilor Cooper seconded the motion to adopt Resolution 31-2004, A RESOLUTION APPROVING

A CONTRACT OF EMPLOYMENT WITH JAN C. WELLMAN AS FAIRVIEW CITY ADMINISTRATOR. Councilor Raze commented that good work had been done on the contract.

AYES: 6
NOES: 0
ABSTAINED: 0

VI. CITY ADMINISTRATOR REPORT

Administrator Cochran stated that in January 2005, the City would need a new Council representative on the East Multnomah County Transportation Committee as Sherry Lillard did not run for re-election. Also, a representative is needed from Fairview to serve on the Citizens Noise Advisory Committee. Mayor Weatherby asked Council members to let him know if they are interested in serving on either of the Committees.

Administrator Cochran reported that an ad hoc committee was being formed to review fire services and possible options. Mayor Weatherby appointed Councilors Cornelius and Owen, along with himself, to serve on the fire services committee.

Mayor Weatherby commented that this would be the last Council meeting that Bob Cochran would be serving as Interim City Administrator and stated that he had enjoyed working with him and that he had done a great job.

VII. MAYOR/COMMITTEE REPORTS AND COUNCIL CONCERNS

Councilor Lillard thanked staff for all their help in the past 10 years, adding that she has met some very remarkable people while serving on the Fairview Council. She had decided not to run for re-election and added that she would like to reserve the right to ask the citizens again if she may come back and serve some time in the future. Councilor Cornelius stated that he had enjoyed working with Councilor Lillard and encouraged her to continue to work with the Senior Center in Fairview.

Councilor Raze mentioned that it had been a good 10 years serving with Councilor Lillard.

Councilor Cooper commented that he would not be returning to Council in January and that he has enjoyed his short stay; Councilor Cooper congratulated Ken Quinby on his new Council position.

Councilor Trees asked for volunteers who would like to form a children's theatre group, and announced that he did get another volunteer to help on the anti-graffiti committee.

Mayor Weatherby announced that Fairview will finally receive a bank

on the corner of Park and Market Streets, across the street from the Post Office. Mayor Weatherby stated that he hoped Councilors Lillard and Cooper would continue with the City in a volunteer capacity.

VIII. ADJOURNMENT

Councilor Lillard moved and Councilor Raze seconded the motion to adjourn. Mayor Weatherby adjourned the meeting at 7:55pm.

AYES: 6
NOES: 0
ABSTAINED: 0

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Mayor Mike Weatherby

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Dated:

Caren C. Huson Quiniones
City Recorder