

**CITY OF SCAPPOOSE
CITY COUNCIL WORKSHOP
JANUARY 4, 2010 AT 7:00 P.M.
SCAPPOOSE, OREGON**

Call to Order

Mayor Burge called the workshop to order at 7:00 p.m.

Flag Salute

Roll Call

The workshop of the City of Scappoose City Council was held at 7:00 p.m. in the Council Chambers; 33568 East Columbia Avenue; Scappoose, Oregon with the following present:

City Council Members:

Scott Burge	Mayor
Jeff Bernhard	Council President
Donna Gedlich	Councilor
Judie Ingham	Councilor
Larry P. Meres	Councilor
Art Heerwagen	Councilor
Jeff Erickson	Councilor

Staff:

Jon Hanken	City Manager
Terry Andrews	Field Services Supervisor
Susan Reeves	City Recorder

Press:

none present

Also in attendance: Marie Gadotti, Craig Frasier and Jon Kangas.

Storm Water Utility Fee Discussion

City Manager Hanken went over the staff report which explains as you recall a little over a year ago, Council had a storm water discussion related to State requirements and the need to impose a storm water utility fee. At the time, our City Engineer recommended a monthly fee of \$9.00 per water/sewer customer which would cover the costs associated with running the utility.

Over the past year, staff has discussed the State requirements, as well as the City's own maintenance requirements, and we believe that a monthly storm water fee of \$5.00 per Equivalent Dwelling Unit (EDU) would allow the City to move forward with implementing a viable maintenance program. An EDU is equal to approximately 2,750 square foot of impervious surface or one average house footprint size (including garage, driveway, and sidewalks).

This \$5.00 per EDU would allow the City to perform the basic State reporting requirements and would allow the City to perform basic maintenance operations, which are currently being paid for by other City Departments. Activities that staff views as priorities include: the development of a Storm Water Management Plan (\$75,000.00), monitoring lab fees (\$10,000.00), DEQ report and fees (\$8,000.00), street sweeping (\$22,500.00), modifying one Underground Injection Control (UIC) unit (\$75,000.00), and regular storm water maintenance activities (\$40,500.00). The development of the Storm Water Management Plan will better identify the extent of work that the City needs to do and will assist in laying out a timeline to accomplish projects.

The City has approximately 57 UIC's and we would like to get below 50 to avoid the storm water monitoring requirements. Every subdivision has some sort of storm water retention or detention system that requires funding to maintain. In addition, there is a City owned storm water detention pipe in the Fred Meyer parking lot that is eight (8) feet in diameter and five (500) feet in length. No maintenance has been done to that facility since it was installed in 1996. Council needs to create a dedicated funding source to address the City's maintenance issues.

Staff has provided the following analysis of how the storm water utility fees would be broken out by property classification. Commercial (which includes industrial property) is estimated to have 80 percent of their tax lots in impervious surfaces. Staff will visit each site to get more accurate information as we get closer to implementing a storm water utility fee.

	Number Count	EDUs	Percentage of Total EDUs	Estimated Monthly Revenue (\$5 per EDU)
Residential-	2,159	2,159	56%	\$10,795
Multi-family-	72	470	12%	\$ 2,350
Commercial-	113	1,258	32%	\$ 6,290
Total Count-	2,344	3,887	100%	\$19,435

The creation of the storm water utility fee at \$5.00 per EDU would generate approximately \$233,000.00 per year. However, Council will need to hold a public hearing on any proposal rate increase before approving the enabling resolution.

Councilor Gedlich stated looking through this information City Manager Hanken gave us she has a real concern about the economy right now in our community and she was wondering if the business amount could be lowered? City Manager Hanken replied yes, that is a policy question. He explained what he has presented is a number; basically this is a discussion point. He stated he knows timing is really bad unfortunately DEQ is being told by BPA to move forward. He wants to make sure DEQ doesn't feel we are moving towards compliance.

Councilor Ingham feels we need to be consistent between the rate we charge the residential and the rate we charge commercial. She feels we have to implement with this coming budget year. She stated maybe we can start low and raise it incrementally. City Manager Hanken stated one thing to keep in mind is that we are sitting at zero right now. We still need do a dollar figure that allows us to implement the requirements that we are suppose to. He stated what he asks from a staffs standpoint is that Council gives consideration so that what ever dollar figure, if a dollar figure gets decided, that there is something there for us to move forward so that again the demonstration to DEQ is that we are moving forward. We still need to be able to show some progress.

Councilor Meres asked if DEQ stated we had to raise rates. City Manager Hanken replied DEQ didn't say we had to implement it but again you are going to have easily \$100,000.00 in terms of doing the basics. City Manager Hanken stated just being able to demonstrate to the State that we are moving forward with the management plan is something he can take to the State and show we are moving forward on this. He stated one of the things he wants to cautious everybody on is

there are still maintenance that we do that right now get pulled out of other funds, primarily street funds.

Councilor Meres finds it difficult because he wants to see the whole picture. He stated we are already talking about raising water rates and then implementing this fee.

City Manager Hanken explained at \$4.15 instead of \$5.00 that still will provide the City opportunities to move forward. His concern is being able to start to move forward.

Councilor Ingham explained this is just about meeting what the State is requiring us to do. We need this storm water fund because we have some real issues that we need to address immediately or we are going to be over a barrel in a matter of a couple of years and have this huge problem that we don't have any kind of funding for.

Terry Andrews replied we have maintenance issues that go way beyond the requirements of the State. He explained we do very little in storm water maintenance, only what we can squeeze out of streets.

Councilor Gedlich stated we want to keep as many businesses as we can in Scappoose. She is suggested maybe when we start the process it doesn't need to be so high for commercial, maybe when their businesses grow we can increase the fee amount.

City Manager Hanken explained what ever amount is decided the time frame in order to lower the ICUs below 50 just gets stretched out. He feels the State will see that we are complying and moving forward. We are doing as much as we can with the revenues we have.

Council President Bernhard stated personally he needs to have a better idea what that number truly needs to be because he needs to be able to tell the community what the money is going toward.

Councilor Ingham feels we do a pretty good job to educate the citizens. She wants to see the number of the water and the storm utility fee combined. Mayor Burge and Council President Bernhard agree.

Mayor Burge stated one of the ways we can offset the fees in the coming years if we move forward on this for businesses based in town is not to charge them for the business license fee.

Councilor Heerwagen would like City Manager Hanken to show what can be done at \$5.00, then \$4.00 and then show what you can't do at \$3.00. Councilor Ingham would like it combined also with the water rate.

Mayor Burge explained it is an unfunded mandate and the timely is lousy.

Councilor Erickson stated he does like the idea of forgoing the business license fee again next year because for a lot of these businesses the \$55.00 if going to offset these costs pretty decently.

Councilor Ingham discussed modifying the EDU's. President Bernhard stated he would be curious if we ended up trying to reevaluate the EDU's, which effects the storm water master plan, what will that end up costing us to make changes to the storm water master plan. City

Manager Hanken replied realistically if you look at the storm water master plan it is over 10 years old and some of the assumptions made are not realistic. He feels DEQ will look at the City updating the master plan as moving forward.

There was a discussion on working on the storm water master plan this year verses getting under 50 UIC's. Council President Bernhard is asking staff to come back with information regarding the storm water master plan such as items that will need to be changed within the storm water master plan or maybe staff will suggest doing a completely new plan.

Councilor Heerwagen asked what about maintenance as we are looking at updating the master plan. Terry Andrews replied we will just still keep taking it out of the street funds. Mayor Burge replied when staff comes back with the different amounts collected we can look at what the revenue will cover.

City Manager Hanken explained he will be coming back at a workshop with some options related to potential rates and will combine the water discussion with the storm water discussion. We will also have potential rates for the water too so Council can see a combined package in terms of what the dollars may be used for and that is what you will see in the budget.

City Manager Hanken suggested a goal setting session on a Saturday for 4 to 6 hours and possibly bringing someone in to facilitate the meeting.

Council and staff thanked Jon Kangas for taking the time to submit input regarding the storm water utility fee.

Adjournment

Mayor Burge adjourned the meeting at 8:08 p.m.

City of Scappoose, Oregon

Scott Burge, Mayor

Attest: _____
Susan M Reeves, CMC
City Recorder