

**FOREST GROVE CITY COUNCIL REGULAR MEETING
SEPTEMBER 12, 2011 – 7:00 P.M.
COMMUNITY AUDITORIUM
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***Minutes are unofficial until approved by Council.
Council approved minutes as presented September 26, 2011.***

1. **ROLL CALL:**
Council President Thomas Johnston called the regular City Council meeting to order at 7:00 p.m. and led the Pledge of Allegiance. **ROLL CALL: COUNCIL PRESENT:** Thomas BeLusko, Jr., Victoria Lowe, Camille Miller, Ronald Thompson, Elena Uhing, and Council President Thomas Johnston, Presiding. **COUNCIL ABSENT:** Mayor Peter Truax, excused. **STAFF PRESENT:** Michael Sykes, City Manager; Paul Downey, Administrative Services Director; Jon Holan, Community Development Director; Richard Matzke, Interim Light and Power Director; Kerry Aleshire, Police Chief (in the audience); Michael Kinkade, Fire Chief (in the audience); and Anna Ruggles, City Recorder.

1. A. **EMPLOYEE RECOGNITION:**
Council President Johnston read the commendation and presented a Certificate of Appreciation to Kent Jansen, Light and Power Working Foreman, who was recognized for 32 years of service with the City.

2. **CITIZEN COMMUNICATIONS:** None.

3. **CONSENT AGENDA:** Items under the Consent Agenda are considered routine and will be adopted with a single motion, without separate discussion. Council members who wish to remove an item from the Consent Agenda may do so prior to the motion to approve the item(s). Any item(s) removed from the Consent Agenda will be discussed and acted upon following the approval of the Consent Agenda item(s).
 - A. Approve City Council Executive Session (Labor Negotiations) Meeting Minutes of August 8, 2011.
 - B. Approve City Council Executive Session (Litigation and Exempt Records) Meeting Minutes of August 8, 2011.
 - C. Approve City Council Work Session (B&C Interview) Meeting Minutes of August 8, 2011.
 - D. Approve City Council Regular Meeting Minutes of August 8, 2011.
 - E. Approve City Council Executive Session (Litigation and

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- Exempt Records) Meeting Minutes of August 22, 2011.
- F. Accept Committee for Citizen Involvement Meeting Minutes of July 19, 2011.
- G. Accept Historic Landmarks Board Meeting of July 26, 2011.
- H. Accept Library Commission Meeting Minutes of February 8, April 12, May 10, and June 8, 2011.
- I. Accept Public Arts Commission Meeting Minutes of July 14, 2011.
- J. Community Development Department Monthly Building Activity Informational Report for July 2011.
- K. Endorse Temporary Liquor License Application (Full-On Premises Sales) for St. Anthony's Catholic Church, 1660 Elm Street, Forest Grove.
- L. Endorse New Liquor License Application (Wholesale Malt Beverage and Wine Distributor) for Taste Exports, LLC., 4124 24th Avenue, Forest Grove.

Council Discussion:

Prior to making a motion to approve the Consent Agenda items, Lowe expressed concern of not receiving Library Commission (Item 3.H.) meeting minutes in a timely manner, to which Sykes advised that he would remind department liaisons of the importance of submitting minutes in a timely manner.

MOTION: Councilor Lowe moved, seconded by Councilor Miller, to approve the Consent Agenda as presented. ABSENT: Mayor Truax. MOTION CARRIED 6-0 by voice vote.

4. ADDITIONS/DELETIONS:

Sykes removed from the agenda the 5:30 p.m. Executive Session in accordance with: **ORS 192.660(2)(D)** to conduct deliberations with person designated by the governing body to carry on labor negotiations.

5. PRESENTATIONS:

5. A. Urban Reserves Update

Holan presented a PowerPoint presentation outlining the outcome of the Land Conservation and Development Commission (LCDC) Urban Reserves hearing, noting the focus of LCDC's hearing held August 18 and 19, 2011, was to review items that LCDC remanded back October 10,

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2010. Holan reported after a day of testimony, LCDC voted to accept the Reserves Program as submitted by Metro and three counties, noting based on LCDC's action, three Urban Reserves areas around Forest Grove were included, totaling 814 acres as shown on Map 1 (attached to staff report):

- Extension of the David Hill area – 317 total acres
- Area south of Elm Street – 38 total acres
- Purdin Road west of Highway 47 and Council Creek – 459 total acres

In addition, Holan referenced Map 2 (attached to staff report), noting Metro is currently proceeding with the Urban Growth Boundary (UGB) decision, which includes the 115-acre site located in the Purdin Road Urban Reserves area as shown on Map 3 (attached to staff report).

5. B. Urban Renewal Update

Holan presented a PowerPoint presentation outlining the Urban Renewal Initial Study Area and referenced Map 4 (attached to staff report), noting the map shows the boundary for a potential Urban Renewal District. Holan reported Metro approved the City's grant for a feasibility study; however, the reliability of funding is pending court case concerning Metro's use of Construction Excise Tax (CET) funds, noting Metro and the City have agreed shared responsibility in case an adverse decision is rendered. In addition, Holan reported an in-house committee consisting of the City Manager, various department directors, and staff has been formed to assist on the project, noting the feasibility study is scheduled to begin in early October, 2011, with completion of the study for Council consideration by January, 2012. Holan advised depending on the outcome of the feasibility study, an Urban Renewal District Plan could be completed by June, 2012. In conclusion, Holan addressed Council inquiries and comments pertaining to Urban Renewal Districts.

6. PUBLIC HEARING AND RESOLUTION NO. 2011-73 ADOPTING NEW LIGHT AND POWER ELECTRIC RATE SCHEDULES AND DEFINITIONS AND DESCRIPTIONS, EFFECTIVE OCTOBER 1, 2011, AND REPEALING RESOLUTION NO. 2011-55

Staff Report:

Matzke and Downey presented the above-proposed resolution requesting

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to increase Light and Power (L&P) electric rates by 5.25 percent (5.25%) for all customer classes, effective October 1, 2011. Matzke reported the Bonneville Power Administration (BPA) increased its wholesale rate by 10.1 percent (10.1%), effective October 1, 2011. Matzke advised the City's budgetary impact to wholesale power costs is 8.93 percent (8.93%), noting the City is able to absorb the difference in the BPA rate increase. In conclusion, Matzke referenced Exhibit 1 (attached to resolution) outlining the proposed L&P rate schedules, excluding Green Power Rate.

Before proceeding with the Public Hearing and Council discussion, Council President Johnston asked for a motion to adopt Resolution No. 2011-73.

Sykes read Resolution No. 2011-73 by title.

MOTION: Councilor Uhing moved, seconded by Councilor Thompson, to adopt Resolution No. 2011-73 Adopting New Light and Power Electric Rate Schedules and Definitions and Descriptions, Effective October 1, 2011, and Repealing Resolution No. 2011-55.

Public Hearing Opened:

Council President Johnston opened the Public Hearing.

Proponents:

No one testified and no other written comments were received.

Opponents:

No one testified and no other written comments were received.

Others:

No one testified and no other written comments were received.

Public Hearing Closed:

Council President Johnston closed the Public Hearing.

Council Discussion:

In response to Johnston's inquiry pertaining to the City's Energy Assistance Program (CAPE), Downey advised the City increased funding during the budget process, noting staff is currently reviewing the program needs and qualification criteria.

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In response to Uhing's request regarding notification to other entities, such as Community Action, Downey advised he would keep entities informed if policy changes are made to the CAPE program.

In response to Johnston's inquiry pertaining to L&P replacement equipment program, Downey and Matzke advised L&P is planning to conduct a System Master Plan, noting the plan will be similar to the Water Master Plan and will identify long-range planning and equipment replacement needs.

In response to Thompson's concern pertaining to using reserves to offset BPA's rate increase, Downey advised L&P is able to absorb the difference in the BPA rate increase without using reserves.

In response to Council comments, Sykes advised he would ensure information disseminated to the public via utility billing insert or website indicate that the City absorbed some of BPA's increase.

Hearing no further discussion from the Council, Council President Johnston asked for a roll call vote on the above motion.

ROLL CALL VOTE: AYES: Councilors BeLusko, Jr., Lowe, Miller, Thompson, Uhing, and Council President Johnston. NOES: None. ABSENT: Mayor Truax. MOTION CARRIED 6-0.

7. **RESOLUTION NO. 2011-74 AUTHORIZING CITY MANAGER TO PROVIDE NOTIFICATION TO BONNEVILLE POWER ADMINISTRATION (BPA) OF THE CITY OF FOREST GROVE'S INTENT TO SERVE A PORTION OF ABOVE HIGH WATER MARK LOAD WITH NON-FEDERAL RESOURCES FOR PURCHASE PERIOD 2015-2019 AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND ENTER INTO A LOAD COMMITMENT AGREEMENT WITH NORTHWEST INTERGOVERNMENTAL ENERGY SERVICES (NIES)**

Staff Report:

Matzke presented the above-proposed resolution authorizing the City Manager to notify Bonneville Power Administration (BPA) of the City's intent to serve a portion of the City's Above High Water Mark Load (AHWML) with non-federal resources for Fiscal Year 2015-2019 rate

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period, noting under this agreement, the City has the flexibility to pursue joining the Northwest Intergovernmental Energy Services (NIES) and coordinate with similar utilities to find long-term resources to serve load growth in the future. Matzke pointed out an amendment to Section 1 of the resolution, noting the Table should show 1 aMW increments across the board for 2015-2019. In addition, Matzke advised by joining NIES, the City would purchase the maximum amount of 1 aMW increments from NIES for the year indicated and any AHWML exceeding 1 aMW will be served by BPA at the Short-Term Tier II Rate. In conclusion, Matzke referenced Figure 1 (attached to staff report), noting the City does not anticipate having AHWML during 2012-2013 rate period, noting if the City's load growth conforms to the current forecast, the City will not have AHWML for rate period 2015-2019.

Before proceeding with Council discussion, Council President Johnston asked for a motion to adopt Resolution No. 2011-74.

Sykes read Resolution No. 2011-74 by title.

MOTION: Councilor BeLusko, Jr., moved, seconded by Councilor Uhing, to adopt Resolution No. 2011-74 Authorizing City Manager to Provide Notification to Bonneville Power Administration (BPA) of the City of Forest Grove's Intent to Serve a Portion of Above High Water Mark Load with Non-Federal Resources for Purchase Period 2015-2019 and Authorizing the City Manager to Negotiate and Enter into a Load Commitment Agreement with Northwest Intergovernmental Energy Services (NIES).

Council Discussion:

In response to Johnston's inquiry pertaining to projected rates, Matzke and Sykes explained the City does not know at this time how the BPA Short-Term Tier II Rate will be priced for loads exceeding 1 aMW for rate period 2015-2019.

In response to Lowe's inquiry pertaining to AHWML, Matzke referenced Figure 2 (attached to staff report) outlining costs using the 2013 rates for several AHWML purchase scenarios to show comparisons, noting if the City had as much as 5 aMW in 2019, the difference in cost using 2013 rate between BPA and NIES would be 2.2 percent of annual power costs.

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In response to Uhing's inquiry pertaining to sell back, Matzke advised the power goes back to BPA if the City does not reach AHWML.

Thompson noted the cost to join NIES in his opinion is reasonable compared to paying consultant costs.

Hearing no further discussion from the Council, Council President Johnston asked for a roll call vote on the above motion.

ROLL CALL VOTE: AYES: Councilors BeLusko, Jr., Lowe, Miller, Thompson, Uhing, and Council President Johnston. NOES: None. ABSENT: Mayor Truax. MOTION CARRIED 6-0.

8. CITY MANAGER'S REPORT:

Sykes reported on upcoming events as noted in the Council calendar and reported on other various upcoming local meetings and community-wide events. Sykes reported the City is in the final stages of hiring a Light and Power Director with a potential hire date of October 3, 2011. Sykes commended Richard Matzke, Interim Light and Power Director, noting Matzke has done a good job serving as interim director. Sykes reported the City is also in the final stages of hiring a new Police Community Service Officer and Police Support Services Unit Supervisor. In addition, Sykes introduced Jessica Struyk, who was present in the audience, noting Struyk is a student at Portland State University, Master Public Administration, and is doing an internship with Jeff King, Economic Development Coordinator. In conclusion, Sykes distributed a copy of his written report, which outlined various meetings he attended and provided updates on various City department-related activities, projects, and upcoming city/community-wide events.

9. COUNCIL COMMUNICATIONS:

BeLusko reported on Public Arts Commission (PAC)-related activities and thanked the Main Course Committee for its work and donation to the PAC. BeLusko reported on Economic Development Commission (EDC)-related activities and meeting, noting Jessica Struyk, Economic Development Coordinator Intern, attended the EDC meeting and was introduced to the Commission. BeLusko reported he attended the Watershed Tour and thanked staff for coordinating the tour. BeLusko pointed out the recently installed tourist-oriented kiosk at the corner of Pacific Avenue and Main Street, noting the kiosk looks very nice. BeLusko thanked Fire and Police

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personnel for providing medical standby and security at Pacific University's games. In addition, BeLusko reported on various upcoming community-related events of interest and meetings he was planning to attend.

Low reported on Parks and Recreation Commission-related activities and Fernhill Wetlands-related activities. Lowe reported she attended the Watershed Tour and thanked staff for coordinating the tour. In addition, Lowe reported on various upcoming community-related events of interest and meetings she was planning to attend.

Miller reported on Pacific University's New Student Orientation Day, noting she volunteered, along with Chamber Director, distributing informational packets to students about City-related information and volunteer opportunities. In addition, Miller highlighted the Main Course Event, noting proceeds totaling \$1,000 were donated to the PAC. Miller commended the volunteers who coordinate the Main Course Event each year. In conclusion, Miller reported on various upcoming community-related events of interest and meetings she was planning to attend.

Thompson reported on Ride Connection-related activities and reported on Forest Grove Senior and Community Center-related activities. In addition, Thompson reported he attended the Watershed Tour and thanked staff for coordinating the tour. In conclusion, Thompson reported on various upcoming community-related events of interest and meetings he was planning to attend.

Uhing reported on Historic Landmarks Board-related activities and meeting, noting HLB participated in a Legal Training Session, which was conducted by the City Attorney and will be offered to other B&C at a later date. Uhing thanked Ruggles for coordinating the training session. In addition, Uhing reported HLB is looking at coordinating a weatherization and conservation training class with Community Action. In conclusion, Uhing reported on other topics of interest and upcoming meetings she was planning to attend.

Mayor Truax was absent.

Johnston thanked police and fire personnel for coordinating the 10-year memorial anniversary of 9-11, noting he was very proud to be a part of the service. Johnston reminded Council of the upcoming Joint Work Session

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with Planning Commission, Monday, September 19th, and upcoming Ethics Training for B&C, September 21, 2011. In addition, Johnston reported on various upcoming community-related events of interest and meetings he was planning to attend.

10. ADJOURNMENT:

Council President Johnston adjourned the meeting at 8:37 p.m.

Respectfully submitted,



Anna D. Ruggles, CMC, City Recorder