

CITY COUNCIL MONTHLY MEETING CALENDAR

April-11

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1 If I Were Mayor Contest Opens	2
3	4 CITY COUNCIL & RURAL FIRE BOARD JT Dinner & Work Session 7:00 pm - Library Rogers Room Planning Comm 7pm	5	6 Water Consortium CTC 1:30pm Water Consortium EC 5:30pm	7 Budget Committee Work Session (SWOT) 7:00 pm - Comm Aud EDC Noon	8 JWC Noon	9
10	11 CITY COUNCIL 5:45 PM - WORK SESSION (B&C Interview) 6:00 PM - Work Session (Sign & ROW Codes) 7:00 PM - REGULAR MEETING COMMUNITY AUDITORIUM Library 6:30pm	12	13	14 PAC 5pm	15	16 Constituent Coffee Rep. Brewer 9am - BJ's Coffee
<i>BeLusko out April 13 - 17</i>						
17	18 Chamber Luncheon Noon at Comm Aud Senior Ctr Bd 6:30pm Planning Comm 7pm	19 Council Work Session CEP Presentations 5:30 pm - Comm Aud CCI 5:30pm	20 P&R 7am CFC 5:15pm	21 Fernhill Wetlands 5pm	22 Council Meet & Greet L&P Candidates 5:00 pm - Comm Aud	23 Starr & Brewer Open House 9am - Com Aud
24	25 CITY COUNCIL 5:30 PM - WORK SESSION (Water & SDC) 7:00 PM - REGULAR MEETING COMMUNITY AUDITORIUM HLB 6pm	26	27 PSAC 7:30am	28	29 Fire Awards Banquet 7pm - Armory Council CEP Worksheets Due	30 Prescription Turn-In 10am - Police CFC Arbor Day 9am - Lincoln Pk

May-11

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2 Planning Comm 7pm	3 Fire Bd 7pm	4 Water Consortium CB 7pm	5 EDC Noon	6	7 Shred Day Event 9am - Council/Ash HLB Workshop Window Restoration 10am - Comm Aud
8	9 CITY COUNCIL 7:00 PM - REGULAR MEETING COMMUNITY AUDITORIUM	10 Emergency Disaster Training 9am - Fire Conf Room Library 6:30pm	11	12 PAC 5pm	13	14 Island Annexation Open House 9am - Comm Aud
15	16 Senior Ctr Bd 6:30pm Planning Comm 7pm	17 CCI 5:30pm	18 Budget Committee 1st Mtg 7:00 pm - Comm Aud P&R 7am CFC 5:15pm	19 Fernhill Wetlands 5pm	20	21 Constituent Coffee Rep. Brewer 9am - BJ's Coffee
22	23 CITY COUNCIL 7:00 PM - REGULAR MEETING COMMUNITY AUDITORIUM HLB 6pm	24	25 Budget Committee 2nd Mtg 7:00 pm - Comm Aud PSAC 7:30am	26	27	28
29	30 CITY OFFICES CLOSED HOLIDAY	31 If I Were Mayor Contest Entries Due				

June-11

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2 EDC Noon	3	4
5	6 Planning Comm 7pm	7 Fire Bd 7pm	8	9 PAC 5pm	10	11
12	13 CITY COUNCIL 7:00 PM - REGULAR MEETING COMMUNITY AUDITORIUM Library 6:30pm	14	15 P&R 7am CFC 5:15pm	16 Fernhill Wetlands 5pm	17	18 Constituent Coffee Rep. Brewer 9am - BJ's Coffee
<i>Thompson out - June 15-22</i>						
19	20 Senior Ctr Bd 6:30pm Planning Comm 7pm	21 CCI 5:30pm	22 PSAC 7:30am	23	24	25
<i>Thompson out - June 15-22</i>						
26	27 CITY COUNCIL 7:00 PM - REGULAR MEETING COMMUNITY AUDITORIUM HLB 6pm	28	29	30		



FOREST GROVE CITY COUNCIL

Monday, April 25, 2011

5:20 PM – Work Session (B&C Interview)
5:30 PM – Work Session (Water Rates & SDC)
7:00 PM – Regular Meeting

Community Auditorium
1915 Main Street
Forest Grove, OR 97116

Forest Grove City Council Meetings are broadcast by Tualatin Valley Community Television (TVCTV) Government Access Programming. To obtain the monthly programming schedule, please contact TVCTV at 503.629.8534 or call the City Recorder at 503.992.3235.

PETER B. TRUAX, MAYOR

Thomas BeLusko, Jr.
Thomas L. Johnston, Council President
Victoria J. Lowe

Camille Miller
Ronald C. Thompson
Elena Uhing

All meetings of the City Council are open to the public and all persons are permitted to attend any meeting except as otherwise provided by ORS 192. The public may address the Council as follows:

➔ Public Hearings – Public hearings are held on each matter required by state law or City policy. Anyone wishing to testify should sign in for any Public Hearing prior to the meeting. The presiding officer will review the complete hearing instructions prior to testimony. The presiding officer will call the individual or group by the name given on the sign in form. When addressing the Council, please use the witness table (center front of the room). Each person should speak clearly into the microphone and must state his or her name and give an address for the record. All testimony is electronically recorded. In the interest of time, Public Hearing testimony is limited to three minutes unless the presiding officer grants an extension. Written or oral testimony is heard prior to any Council action.

➔ Citizen Communications – Anyone wishing to address the Council on an issue not on the agenda should sign in for Citizen Communications prior to the meeting. The presiding officer will call the individual or group by the name given on the sign in form. When addressing the Council, please use the witness table (center front of the room). Each person should speak clearly into the microphone and must state his or her name and give an address for the record. All testimony is electronically recorded. In the interest of time, Citizen Communications is limited to two minutes unless the presiding officer grants an extension.

The public may not address items on the agenda unless the item is a public hearing. Routinely, members of the public speak during Citizen Communications and Public Hearings. If you have questions about the agenda or have an issue that you would like to address to the Council please contact the City Recorder at 503-992-3235.

City Council meetings are handicap accessible. Assistive Listening Devices (ALD) or qualified sign language interpreters are available for persons with impaired hearing or speech. For any special accommodations, please contact the City Recorder at 503-992-3235, at least 48 hours prior to the meeting.

A G E N D A

Anna Ruggles
City Recorder

5:20

WORK SESSION: B&C STUDENT ADVISOR INTERVIEW

Rob Foster
Public Works Director
Susan Cole
Administration Services
Assistant Director
Paul Downey
Administrative Services
Director

5:30

WORK SESSION: WATER RATES AND WATER SDC

The City Council will convene in the Community Auditorium – Conference Room to conduct the above work session(s). The public is invited to attend and observe the work session(s); however, no public comment will be taken. The Council will take no formal action during the work session(s).

7:00

1. **REGULAR MEETING:** Roll Call and Pledge of Allegiance

2. **CITIZEN COMMUNICATIONS:** Anyone wishing to speak to Council on an item not on the agenda may be heard at this time. *Please sign-in before the meeting on the Citizen Communications form posted in the foyer.* In the interest of time, please limit comments to two minutes. Thank you.

3. **CONSENT AGENDA:** See Page 3

4. **ADDITIONS/DELETIONS:**

5. **PRESENTATIONS:**

Rob Foster
 Public Works Director
 Susan Cole
 Administration Services
 Assistant Director
 Paul Downey
 Administrative Services
 Director

7:05

5. A. • ***2011 Watershed Timber Harvest Update***

Rob Foster
 Public Works Director
 Susan Cole
 Administration Services
 Assistant Director
 Paul Downey
 Administrative Services
 Director

7:30

6. **PUBLIC HEARING AND FIRST AND SECOND READING OF ORDINANCE NO. 2011-07 SPECIFYING THE ASSESSMENTS TO BE MADE ON PROPERTIES SPECIALLY BENEFITED BY THE CONSTRUCTION OF CERTAIN SIDEWALK IMPROVEMENTS; SETTING SIXTY (60) MONTH AND ONE HUNDRED TWENTY (120) MONTH PERIODS FOR INSTALLMENT PAYMENTS; SETTING THE INSTALLMENT FINANCING RATE AT FOUR AND ONE-QUARTER PERCENT (4.25%) AND SIX AND ONE-HALF PERCENT (6.50%) RESPECTIVELY; AND DECLARING AN EMERGENCY**

Tom Gamble
 Parks and Recreation
 Director
 Paul Downey
 Administrative Services
 Director

7:45

7. **PUBLIC HEARING AND RESOLUTION NO. 2011-29 SETTING FEES AND CHARGES FOR AQUATIC CENTER, EFFECTIVE JULY 1 2011, AND REPEALING RESOLUTION NO. 2010-35**

Paul Downey
 Administrative Services
 Director

8:00

8. **RESOLUTION NO. 2011-30 APPOINTING CITY AUDITOR FOR FISCAL YEARS COMMENCING JULY 1, 2011, AND ENDING JUNE 30, 2013, AND REPEALING RESOLUTION NO. 2010-12**

Paul Downey
Administrative Services
Director

8:15

9. **DISCUSS AND DETERMINE DISTRIBUTION OF FUNDING FOR COMMUNITY ENHANCEMENT PROGRAM (CEP) PROJECTS FOR FISCAL YEAR 2011-12**

Michael Sykes
City Manager

8:45

10. **CITY MANAGER'S REPORT:**

9:00

11. **COUNCIL COMMUNICATIONS:**

9:15

12. **ADJOURNMENT**

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 Work Session (B&C Student Advisory Interviews) Meeting Minutes of April 11, 2011.
- B. Approve City Council Work Session (Signs and Public Rights-of-Way Code Amendments) Meeting Minutes of April 11, 2011.
- C. Approve City Council Regular Meeting Minutes of April 11, 2011.
- D. Accept Community Forestry Commission Meeting Minutes of February 16, 2011.
- E. Accept Planning Commission Meeting Minutes of April 4, 2011.
- F. Accept Public Safety Advisory Commission Meeting Minutes of March 25, 2011.
- G. Library Department Monthly Circulation Statistics Report for April and March 2011.
- H. Accept Resignation on Library Commission (Karen Shepard, Term Expiring December 31, 2011).
- I. Accept Resignation on Planning Commission (Fred Smith, Term Expiring December 31, 2014).
- J. **RESOLUTION NO. 2011-28 MAKING APPOINTMENT TO ECONOMIC DEVELOPMENT COMMISSION (ANH HO, NON-VOTING STUDENT ADVISOR, TERM EXPIRING DECEMBER 31, 2012).**

TO: Mayor Peter Truax and City Councilors

PROJECT TEAM: Anna D. Ruggles, CMC, City Recorder
Michael Sykes, City Manager

DATE: April 25, 2011

SUBJECT: B&C Student Advisory Recruitment Interview

Attached you will find the following items for the Student Advisory Boards, Committees, and Commissions interviews that are scheduled for April 25, 2011.

- Boards, Committees, and Commissions Applicant List and Vacancy.
- Possible Interview Questions; and
- Application

RECOMMENDATION: Conduct interview of student who expressed interest in serving as a Student Advisor on Boards, Committees, and Commissions. Determine new appointment. Based on Council's recommendation, resolution making formal appointment will be presented for Council consideration at the next regular Council meeting.

April 25, 2011

**WORK SESSION
STAFF REPORT – WATER RATE AND SDC REVIEW**

PROJECT TEAM: Rob Foster, Director, Public Works
Susan Cole, Assistant Director, Administrative Services
Paul Downey, Director, Administrative Services
Michael Sykes, City Manager

ISSUE STATEMENT: The City has engaged the services of FCS Group (FCS) to perform a cost of service analysis on the City's water utility to ensure that rates are recovering adequate revenue in an equitable manner. FCS has found that the City's water utility would recover adequate revenue if water rates, on a system-wide basis, were raised 7.6% to 7.9% each year for the next three years. However, how this would affect specific customer classes is a matter of discussion and options exist regarding how to design the rates, as discussed below.

FCS also updated the water system development charge (SDC). FCS evaluated the calculation of a City-wide SDC and an area-specific David Hill SDC.

BACKGROUND: In light of the recent update of the City's Water Master Plan, the completion by the Joint Water Commission of a five year Capital Improvement Plan, and the decline in water revenues due to the suspension of water leasing and the economic downturn, the City felt the time was right to analyze both the costs of providing water to its citizens, and the rates to ensure cost recovery. The City has engaged the FCS Group to perform these analyses.

Operating a water utility involves many costs that do not vary much with the amount of water consumed by rate payers. For example, the water treatment facilities and piping infrastructure have been built to serve the current needs of the city's population, as well as to accommodate growth, and if the citizens' water consumption varies, those investments still need resources in order to be adequately maintained. On the margin, electric costs and chemical costs may vary with water consumption, but these are relatively small costs in the over all cost structure of the City's water utility.

Treatment facilities and piping infrastructure have been sized in order to provide customers with water on demand – in other words, when someone turns on the tap, water flows out. In the summertime, customers all tend to turn on more water simultaneously, for example, to irrigate, thereby creating a peak demand in the summer months. The water system therefore must be sized to accommodate this peak demand, and therefore the costs to

provide this peak demand need to be recovered through the water rates. The residential customer class tends to have more peak demand than other classes of customers.

Likewise, the potential for fire protection must also be built into the system, through flow and pressure infrastructure, and the proper meter size for buildings. These costs, although low, must also be recovered through the rate structure. The commercial customer class tends to have more fire protection needs from the overall system than other classes of customers.

The City's water utility incurs some costs simply for having customers. For example, providing a meter and having that meter read periodically, then billing the customer, have associated costs. These type of costs are traditionally covered in a customer base charge.

These are examples of the concepts that have gone into the cost of service analysis performed by FCS. FCS utilized the City's water budget and revenues, customer usage data, and capital plans to develop a cost of service forecast.

FCS has determined that the City's water utility needs rate revenue to increase approximately 8% (7.6% to 7.9%) in each of the next three years (FY 2011-12 through FY 2013-14) in order to continue to adequately operate and maintain its infrastructure. The rate revenue path after that varies according to how the City chooses to pay for capital investments planned for the fiscal years 2014-15 and beyond. If the City chooses to pay for capital investments out of cash saved, (pay-as-you-go), revenues from rates would need to continue to increase approximately 8% each year. If the City instead chooses to issue bonds, revenues from rates need to increase just shy of 4% beginning in FY 2014-2015 and thereafter.

Because FCS' analysis assumes *revenue* from rates increase by the same proportion as the rate increase, this translates to a system-wide average *rate increase* of just under 8%. However, in recent years, *revenue* has not increased by the same proportion as *rates*, and it may take a larger increase in *rates* to yield the necessary *revenue*. For example, in FY 2010-11, the City raised *rates* by 8%; however, the rate *revenue* is projected to increase only 2.5%. Strategies for addressing this will be discussed, and include designing rates so that more revenue is recovered through a fixed charge and the first tier of volume charges, or by adding on to the rate increase overall.

After FCS determined the total cost of providing water service, their analysis then divided the cost of service among the various functions provided by the City's water utility – for example, providing “base” water to customers all year round, providing “peak” water during the summer, providing “fire” protection service, and providing customer service. FCS determined that the proportion of these costs are approximately: 1) 28% of the total costs are to provide base service, 2) 47% of the total costs are to provide peak service, 3) 2% of the total costs are to provide fire service, and 4) 23% of the total costs are to provide customer service.

After dividing the costs between the various functions, FCS' next steps were to determine equitable rates between the customer classes, as well as to determine an appropriate

monthly fixed charge and an appropriate water volume charge. These steps are typically referred to as “rate design.”

In designing rates, key considerations are: 1) cost recovery; 2) revenue stability, and 3) equity between customer classes. Cost recovery in rate design simply means that rates are set at a level so that when customers pay their bills, enough revenue is raised so that the utility can operate and maintain its infrastructure to provide clean drinking water. Revenue stability means that rates are set in such a way so that the amount of revenue yielded is mostly predictable to cover operating and cash flow needs, and comes in at a steady pace and does not constantly experience extreme drops or high levels due to small changes in use. Equity between customer classes means that each customer class pays for the costs to serve that class, and does not necessarily subsidize another customer class. For example, ideally rates would be designed so that the residential customer class pays for the cost to serve that class, without necessarily subsidizing another customer class, and likewise, the rates the commercial class of customers are charged recovers the cost to serve the commercial class, etc.

The analysis performed by FCS has revealed that the amount that each customer class pays is not proportional to the cost to serve that class, indicating that the rate structure needs to be adjusted in order to better align the revenues from each class with the cost to serve that class. This is not surprising, given that the last cost of service study the City performed was ten years ago. While the City's water utility has been collecting enough revenue overall to fund operations (the loss of lease revenue has made funding capital improvements challenging), cost recovery between the classes has fallen out of alignment. FCS has found that the residential and commercial classes need to increase their proportion, resulting in a decrease in proportion for the industrial and multifamily classes.

How the realignment between classes happens is through rate design. Currently, the City divides its water rates between two categories: a fixed charge and a volume charge. The volume charge is further broken into tiers for the residential class of customers, to reflect the cost of providing peak water. To realign cost recovery between the classes, FCS proposes to increase the fixed charges and the volume charges for the residential and commercial class of customers, but not for the multifamily or industrial classes of customers.

Additionally, FCS proposes to change the quantity of water in each of the blocks of the residential tiered rates. Currently, the City has three tiers of rates for residential customers. The first block, or tier, charges one rate for the first 5,000 gallons used, a higher rate for 5,001 to 10,000 gallons used, and again a higher rate for every gallon over 10,001. In the first alternative, FCS proposes to change the first block to one rate for the first 7,000 gallons used. They recommend this because 7,000 gallons is the monthly average for residential customers in the City during the winter, when most usage is non-discretionary. The second block would charge a higher rate for 7,001 to 15,000 gallons used, and again a higher rate for the third block for every gallon over 15,001 gallons used. FCS also studied what the rate structure would look like with no blocks, or with two blocks instead of three. These alternatives will be discussed at the work session and can be seen in the attached PowerPoint presentation.

FCS also evaluated the City's water system development charge (SDC). SDCs are one-time charges for capital infrastructure that provide funding for planned capacity or infrastructure already built that has unused capacity. FCS used the capital improvement plan for both the City's water utility and for the City's partnership in the Joint Water Commission to determine a city-wide SDC. Additionally, FCS evaluated the David Hill area of the City to explore the possibility of an area-specific water SDC for that geographic location. The David Hill area was chosen due to the current lack of infrastructure and the perceived cost of providing it to that higher elevation.

The results of FCS' analysis determined that the City could charge up to approximately \$4,997 for a 3/4 inch water meter. The current SDC for that size meter is \$4,055. The Council may choose to set the SDC at any dollar level below the \$4,997, but the analysis does not support an SDC higher than \$4,997 for a 3/4 inch water meter. If the David Hill area were to have its own water SDC, that area would have a water SDC of \$6,583 for a 3/4 inch water meter, while the City-wide SDC would drop to \$4,725. The City-wide SDC would drop if an area-specific SDC were implemented because costs would shift from the City-wide SDC to the area-specific SDC.

FISCAL IMPACT: Water rate increases to meet the water fund's revenue requirements, and possible water SDC increases to fund capacity expansion.

STAFF RECOMMENDATION: This is an informational session only. Staff recommend that a water rate increase be considered for fiscal year 2011-12, and will bring forward rate resolutions at a later date. Last year, the City Council had suggested that an open house be held on water rates to educate and engage the public before a new rate structure is considered. Staff is seeking guidance as to whether such an open house be held to cover the information included in this staff report and work session presentation.



City of Forest Grove

Council Work Session

April 25, 2011

Agenda

■ Rate Study Results

- ✓ Revenue Requirements Analysis
- ✓ Cost of Service Analysis and Rate Design

■ System Development Charge Update

- ✓ Citywide Option
- ✓ Area-Specific Surcharge for future David Hill development

■ Questions

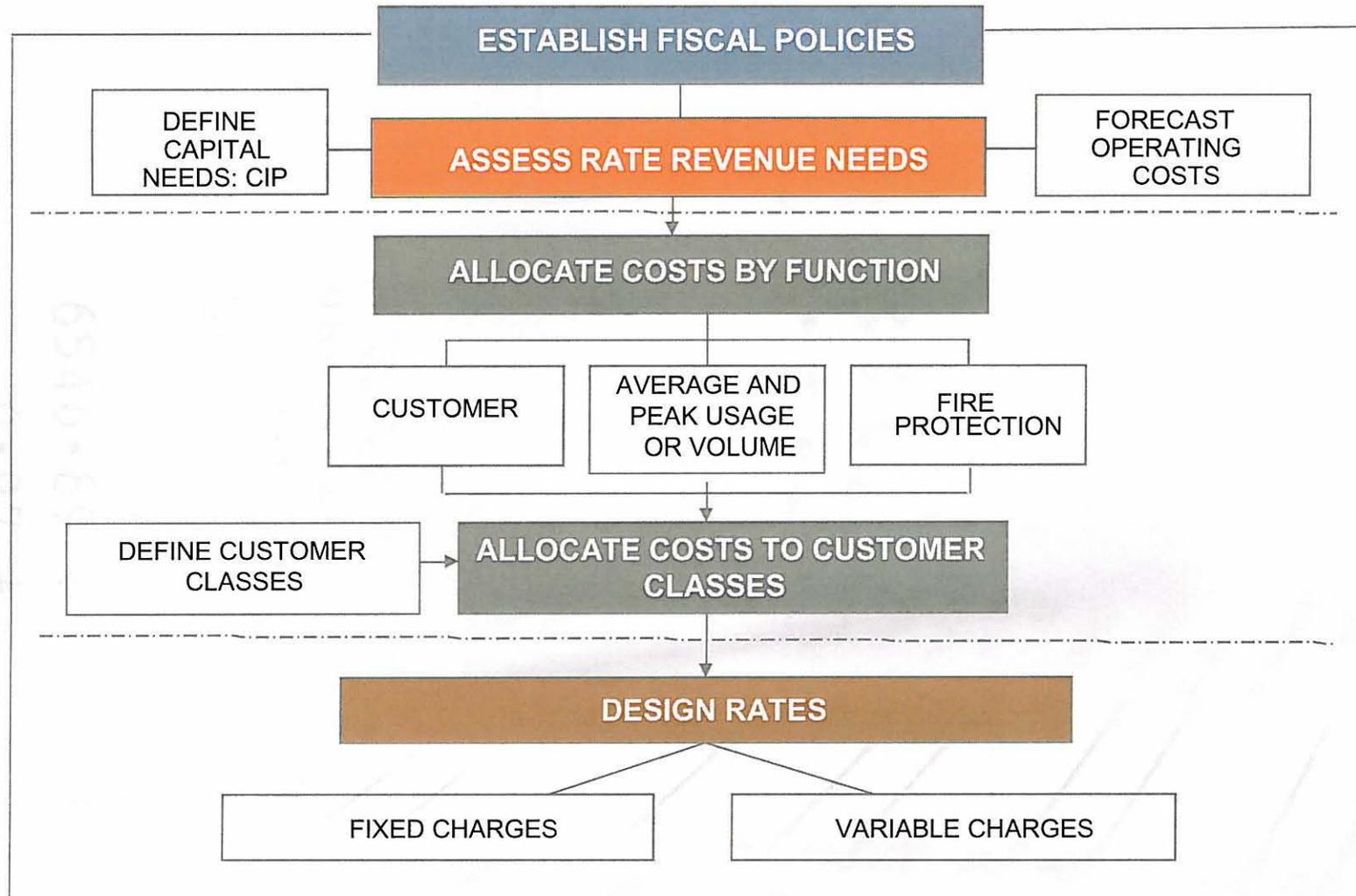
Rate Study Results

Debt & No Debt Scenarios

What Should Rates Do?

- Generate sufficient revenues to sustain the utility system
- Charge for services provided
- Recover costs equitably
- Achieve City objectives
 - ✓ Conservation
 - ✓ Revenue stability
 - ✓ Maintain minimum fund balances
 - ✓ JWC Reserve
 - ✓ Operating Fund

Overview of Rate Study Process



Key Study Assumptions

- Construction costs are assumed to increase 3% per year.
- Annual labor cost and benefits cost inflations are assumed to be 4% and 10%, respectively.
- Funds earnings rate is assumed to be 0.8% to 1.7% annually.
- Projected revenue bond issues are assumed to have 20-year term, 5.5% interest rate, 2% issuance cost, and 1.50 coverage factor.
- Two debt issues provide funding for known capital projects during 10-year study period (FY 2011-2020)

Revenue Requirement Forecast

Debt Scenario

Fiscal Year Ending 6/30:										
Revenue Requirements	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Rate Revenues Under Existing Rates	\$ 2,585,805	\$ 2,637,190	\$ 2,667,556	\$ 2,698,841	\$ 2,731,497	\$ 2,764,725	\$ 2,795,397	\$ 2,829,221	\$ 2,859,812	\$ 2,891,229
Non-Rate Revenues	839,870	769,854	770,437	771,951	773,133	774,968	777,841	785,089	795,245	798,036
Total Revenues	\$ 3,425,675	\$ 3,407,044	\$ 3,437,993	\$ 3,470,793	\$ 3,504,631	\$ 3,539,694	\$ 3,573,238	\$ 3,614,310	\$ 3,655,057	\$ 3,689,266
Expenses										
Cash Operating Expenses	\$ 3,040,361	\$ 3,027,446	\$ 3,082,372	\$ 3,172,452	\$ 3,275,996	\$ 3,384,393	\$ 3,497,661	\$ 3,616,493	\$ 3,738,996	\$ 3,875,380
Existing Debt Service	484,297	484,497	478,978	462,928	462,728	462,128	460,578	458,323	460,343	461,858
New Debt Service	-	-	-	-	-	63,489	63,489	561,091	561,091	561,091
Rate Funded CIP	-	-	-	-	-	-	-	-	-	-
Rate Funded System Reinvestment	-	21,668	43,903	67,028	90,803	117,190	140,837	171,448	196,235	303,308
Total Expenses	\$ 3,524,658	\$ 3,533,611	\$ 3,605,253	\$ 3,702,408	\$ 3,829,526	\$ 4,027,201	\$ 4,162,566	\$ 4,807,355	\$ 4,956,665	\$ 5,201,636
Annual Surplus / (Deficiency)	\$ (98,982)	\$ (126,567)	\$ (167,260)	\$ (231,615)	\$ (324,896)	\$ (487,507)	\$ (589,327)	\$ (1,193,045)	\$ (1,301,608)	\$ (1,512,371)
Annual Rate Adjustment	0.00%	7.55%	7.55%	7.55%	3.65%	3.65%	3.65%	3.65%	3.00%	3.00%
Cumulative Rate Adjustment	0.00%	7.55%	15.67%	24.40%	28.94%	33.65%	38.53%	43.58%	47.89%	52.33%
Rate Revenues After Rate Increase	\$ 2,585,805	\$ 2,836,298	\$ 3,085,563	\$ 3,357,443	\$ 3,522,097	\$ 3,695,063	\$ 3,872,422	\$ 4,062,332	\$ 4,229,443	\$ 4,404,184
Net Cash Flow After Rate Increase	(98,982)	72,541	250,746	426,987	465,704	442,830	487,697	40,066	68,023	584
Coverage After Rate Increases	n/a	n/a	n/a	n/a	n/a	21.93	22.99	2.75	2.98	3.07

Capital Funding and Fund Balances

Debt Scenario

Two debt issues are projected: \$760,000 in FY 2016 with a net proceed of \$680,000 after issuance costs and funding a bond reserve, and \$5.95 million in 2018 with a net proceed of \$5.33 million.

Fiscal Year Ending 6/30:										
Capital Funding	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Capital Projects	\$ 265,415	\$ 554,982	\$ 1,174,918	\$ 683,030	\$ 696,957	\$ 1,376,398	\$ 118,362	\$ 1,105,812	\$ 125,570	\$ 7,475,210
Other Outside Sources	-	-	-	-	-	-	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-	-	-
Other Debt Proceeds	-	-	-	-	-	-	-	-	-	-
Revenue Bond Proceeds	-	-	-	-	-	680,060	-	5,330,000	-	-
Use of Improvement Fee Fund Balance	290,000	224,500	424,360	54,636	128,873	126,011	59,703	184,481	63,339	2,013,568
Use of Reimbursement Fee Fund Balance	-	234,555	31,502	46,239	61,128	63,190	58,659	74,612	62,232	64,099
Use of Capital Fund Balance	-	95,927	719,056	582,155	506,956	507,138	-	734,992	-	5,397,544
Direct Rate Funding	-	-	-	-	-	-	-	-	-	-
Total Funding Sources	\$ 290,000	\$ 554,982	\$ 1,174,918	\$ 683,030	\$ 696,957	\$ 1,376,398	\$ 118,362	\$ 6,324,085	\$ 125,570	\$ 7,475,210

Fiscal Year Ending 6/30:										
Fund Balances	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Operating Fund	\$ 576,736	\$ 535,893	\$ 587,132	\$ 602,100	\$ 665,027	\$ 729,590	\$ 1,132,212	\$ 1,168,714	\$ 1,206,744	\$ 1,207,328
Capital (Reserve) Fund	1,027,251	1,075,621	610,732	514,341	507,138	502,050	734,992	5,404,310	5,717,006	719,959
SDC Improvement Fee Fund	878,465	808,287	620,786	874,962	1,067,723	1,280,356	1,569,029	1,713,114	2,013,568	338,454
SDC Reimbursement Fee Fund	234,555	31,502	46,239	61,128	63,190	66,014	74,612	62,350	68,641	66,778
Debt Reserve Fund	415,000	415,000	415,000	415,000	415,000	478,489	478,489	976,091	976,091	976,091
Total	\$ 3,132,006	\$ 2,866,303	\$ 2,279,888	\$ 2,467,531	\$ 2,718,078	\$ 3,056,500	\$ 3,989,334	\$ 9,324,579	\$ 9,982,050	\$ 3,308,611
Combined Minimum Target Balance	\$ 833,035	\$ 869,143	\$ 920,382	\$ 935,350	\$ 998,277	\$ 1,126,330	\$ 1,245,898	\$ 1,770,877	\$ 1,799,400	\$ 1,828,702

Revenue Requirement Forecast

No Debt Scenario

Fiscal Year Ending 6/30:										
Revenue Requirements	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Rate Revenues Under Existing Rates	\$ 2,585,805	\$ 2,637,190	\$ 2,667,556	\$ 2,698,841	\$ 2,731,497	\$ 2,764,725	\$ 2,795,397	\$ 2,829,221	\$ 2,859,812	\$ 2,891,229
Non-Rate Revenues	839,870	769,854	770,437	771,951	773,133	774,968	776,952	784,136	786,267	788,498
Total Revenues	\$ 3,425,675	\$ 3,407,044	\$ 3,437,993	\$ 3,470,793	\$ 3,504,631	\$ 3,539,694	\$ 3,572,349	\$ 3,613,358	\$ 3,646,079	\$ 3,679,727
Expenses										
Cash Operating Expenses	\$ 3,040,361	\$ 3,027,841	\$ 3,083,234	\$ 3,173,860	\$ 3,284,669	\$ 3,401,348	\$ 3,523,996	\$ 3,653,580	\$ 3,789,505	\$ 3,940,904
Existing Debt Service	484,297	484,497	478,978	462,928	462,728	462,128	460,578	458,323	460,343	461,858
New Debt Service	-	-	-	-	-	-	-	-	-	-
Rate Funded CIP	-	-	-	-	-	463,653	-	-	-	1,797,103
Rate Funded System Reinvestment	-	21,668	43,903	67,028	90,803	117,190	140,837	171,448	196,235	303,308
Additions Required to Meet Op. Reserve	-	-	-	-	-	-	-	-	-	-
Total Expenses	\$ 3,524,658	\$ 3,534,007	\$ 3,606,115	\$ 3,703,816	\$ 3,838,200	\$ 4,444,319	\$ 4,125,410	\$ 4,283,350	\$ 4,446,084	\$ 6,503,172
Annual Surplus / (Deficiency)	\$ (98,982)	\$ (126,963)	\$ (168,122)	\$ (233,023)	\$ (333,569)	\$ (904,625)	\$ (553,061)	\$ (669,993)	\$ (800,004)	\$ (2,823,445)
Annual Rate Adjustment	0.00%	7.85%	7.85%	7.85%	7.85%	7.85%	7.85%	7.90%	7.90%	7.88%
Cumulative Rate Adjustment	0.00%	7.85%	16.32%	25.45%	35.29%	45.92%	57.37%	69.80%	83.22%	97.66%
Rate Revenues After Rate Increase	\$ 2,585,805	\$ 2,844,210	\$ 3,102,800	\$ 3,385,617	\$ 3,695,570	\$ 4,034,156	\$ 4,399,106	\$ 4,804,069	\$ 5,239,638	\$ 5,714,674
Net Cash Flow After Rate Increase	(98,982)	80,057	267,122	453,752	630,503	364,806	1,050,648	1,304,855	1,579,822	0
Coverage After Rate Increases	n/a									

Capital Funding and Fund Balances

No Debt Scenario

Capital Funding	Fiscal Year Ending 6/30:										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Total Capital Projects	\$ 265,415	\$ 554,982	\$ 1,174,918	\$ 683,030	\$ 696,957	\$ 1,376,398	\$ 118,362	\$ 1,105,812	\$ 125,570	\$ 7,475,210	
Other Outside Sources	-	-	-	-	-	-	-	-	-	-	
Loan Proceeds	-	-	-	-	-	-	-	-	-	-	
Other Debt Proceeds	-	-	-	-	-	-	-	-	-	-	
Revenue Bond Proceeds	-	-	-	-	-	-	-	-	-	-	
Use of Improvement Fee Fund Balance	290,000	224,500	424,360	54,636	128,873	126,011	59,703	184,481	63,339	2,013,568	
Use of Reimbursement Fee Fund Balance	-	234,555	31,502	46,239	61,128	63,190	58,659	74,612	62,232	64,099	
Use of Capital Fund Balance	-	95,927	719,056	582,155	506,956	723,545	-	846,719	-	3,600,441	
Direct Rate Funding	-	-	-	-	-	463,653	-	-	-	1,797,103	
Total Funding Sources	\$ 290,000	\$ 554,982	\$ 1,174,918	\$ 683,030	\$ 696,957	\$ 1,376,398	\$ 118,362	\$ 1,105,812	\$ 125,570	\$ 7,475,210	

Fund Balances	Fiscal Year Ending 6/30:										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Operating Fund	\$ 576,736	\$ 535,893	\$ 587,132	\$ 602,100	\$ 665,027	\$ 729,590	\$ 1,132,212	\$ 1,168,714	\$ 1,206,744	\$ 1,206,744	
Capital (Reserve) Fund	1,027,251	1,083,137	634,699	565,338	723,545	426,839	1,221,678	1,833,086	3,600,441	364,515	
SDC Improvement Fee Fund	878,465	808,287	620,786	874,962	1,067,723	1,280,356	1,569,029	1,713,114	2,013,568	338,454	
SDC Reimbursement Fee Fund	234,555	31,502	46,239	61,128	63,190	66,014	74,612	62,350	68,641	66,778	
Debt Reserve Fund	415,000	415,000	415,000	415,000	415,000	415,000	415,000	415,000	415,000	415,000	
Total	\$ 3,132,006	\$ 2,873,819	\$ 2,303,855	\$ 2,518,527	\$ 2,934,485	\$ 2,917,799	\$ 4,412,530	\$ 5,192,264	\$ 7,304,394	\$ 2,391,492	
Combined Minimum Target Balance	\$ 833,035	\$ 869,143	\$ 920,382	\$ 935,350	\$ 998,277	\$ 1,062,840	\$ 1,182,409	\$ 1,209,785	\$ 1,238,308	\$ 1,267,610	

Debt vs. No Debt

Debt

- + Spreads cost recovery over useful life of asset
- + Smooths rate impacts over time
- Obligates issuer to meet covenants and coverage
- Interest cost

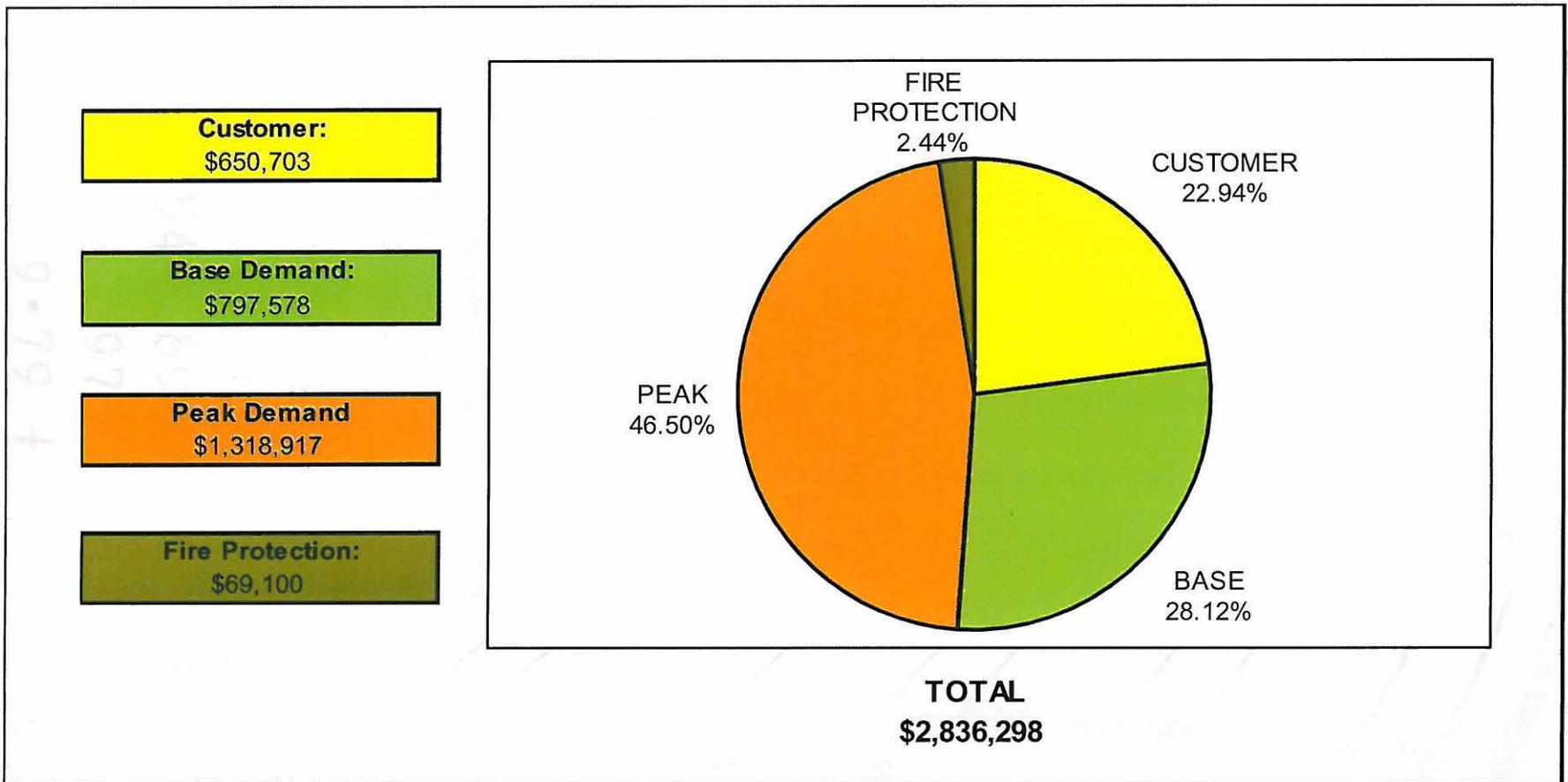
No Debt

- + Less long-term cost
- + Improved flexibility
- Causes rate spikes
- Requires current ratepayers to pay for improvements that will benefit future ratepayers

Functional Cost Allocation Results

Debt Scenario

Total rate revenue requirement for FY 2012 is \$2,836,298

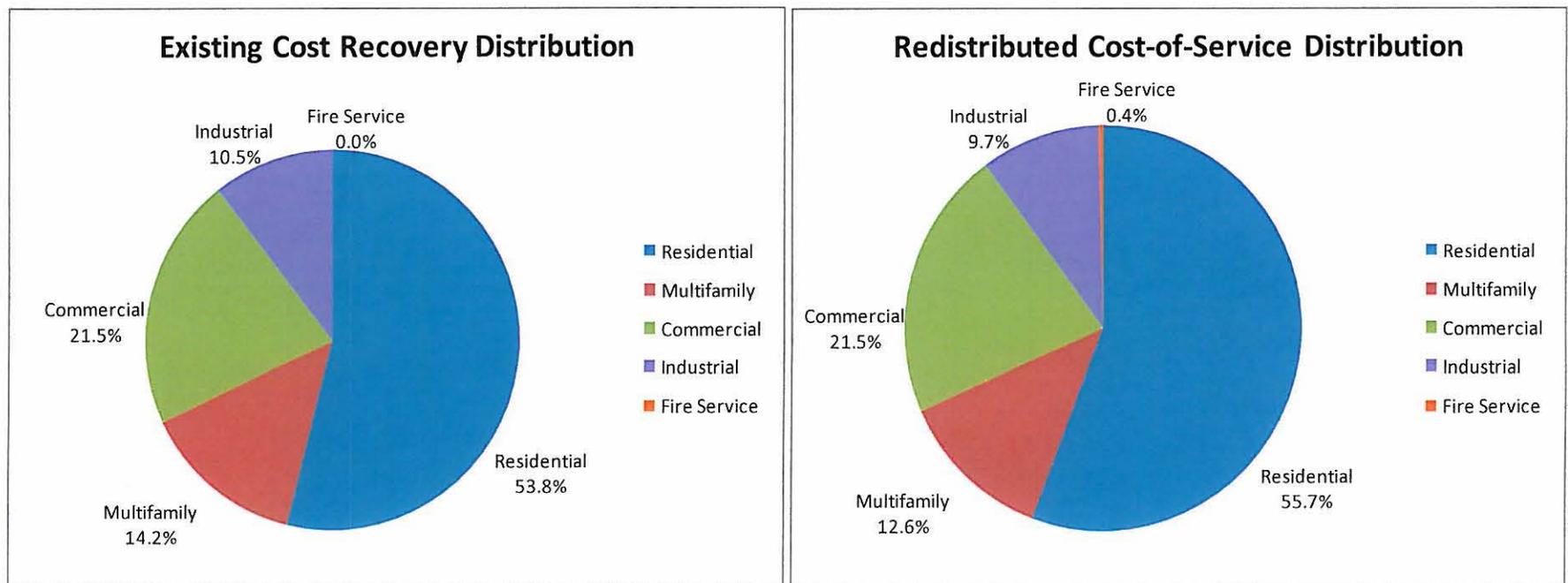


Customer Cost Allocation Results

Debt Scenario

Key Findings

SFR and Commercial are not paying their fair share in current rate structure



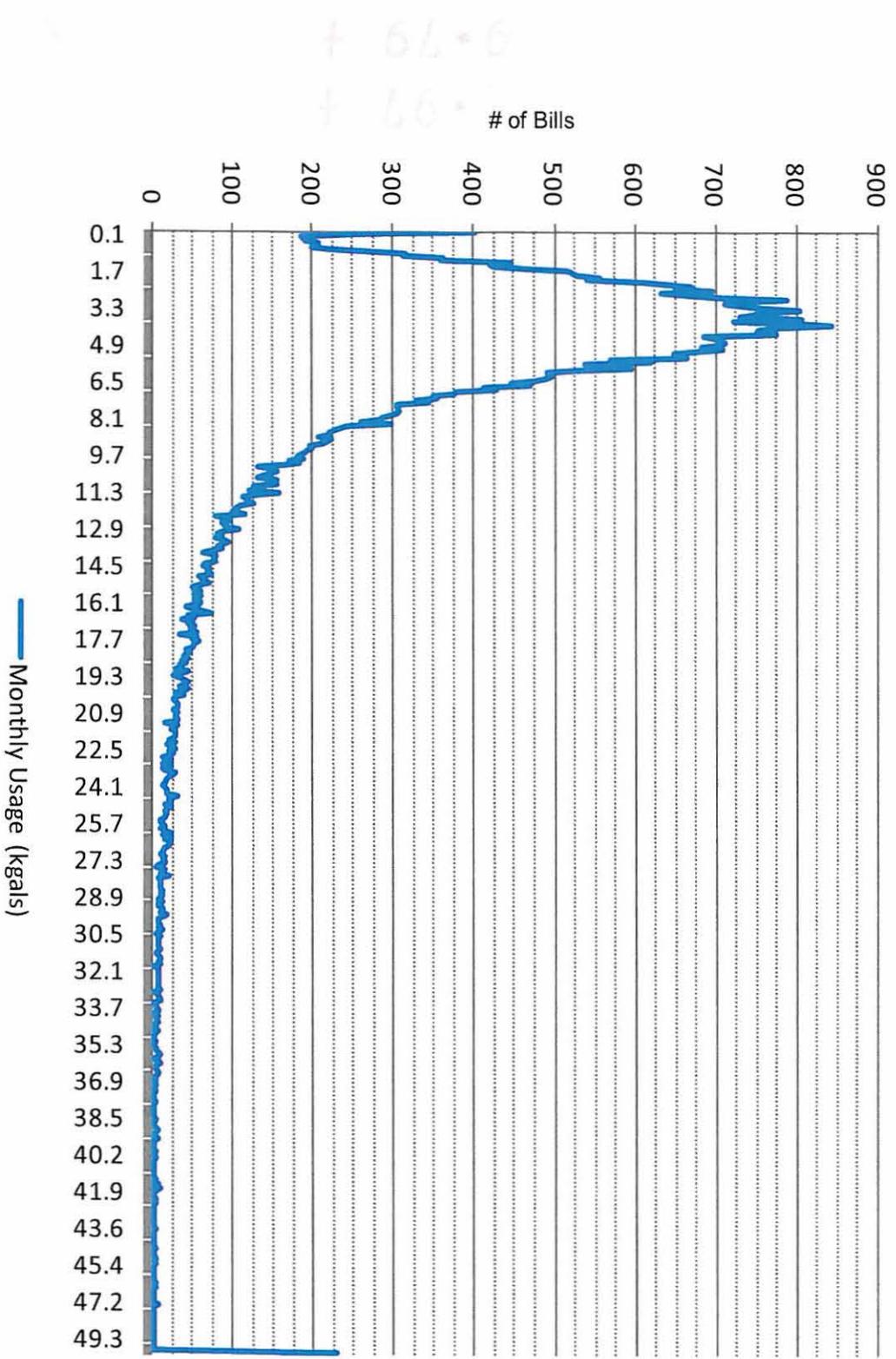
Summary of the Existing Water Rate Structure

- All customers are subject to a monthly fixed charge, which:
 - ✓ Increase by meter size
 - ✓ Smallest meters pay fixed charges ranging from \$13.28 to \$14.96
 - ✓ Largest Commercial and Industrial meters pay \$177 and \$413.
 - ✓ Revenues from fixed charges comprise 33% of rate revenue total
- All customers are subject to usage charges:
 - ✓ SFR: \$1.35 per 1,000 gallons of water usage to 5,000 gallons
\$2.21 per 1,000 gallons of usage from 5,000 gallons to 10,000
\$3.25 per 1,000 gallons of usage above 10,000 gallons
 - ✓ Non-SFR volume rates range from \$1.73 to \$1.89
 - ✓ Revenues from volume charges comprise 67% of rate revenue total
- Outside City customers pay a 50% surcharge

Water Rate Alternatives Evaluated

- Four rate alternatives were evaluated:
 - ✓ Across-the-board rate increase
 - ✓ Redistributed cost of service: three-tier SFR volume rate (Alternative 1)
 - ✓ Redistributed cost of service: one-tier SFR volume rate (Alternative 2)
 - ✓ Redistributed cost of service: two-tier SFR volume rate (Alternative 3)
- Redistributed Cost of Service Rates:
 - ✓ Phase-in increased revenue requirement for SFR and Commercial
 - ✓ SFR usage thresholds changed from 5 kgals and 10kgals to match approximate winter average of 6.9 kgals and summer average of 12.3 kgals, respectively
 - ✓ Revenues from fixed charges increase to 37% of rate revenue total, improving revenue stability

SFR Usage Frequency



Existing Rate Schedule

SFR	Monthly Fixed Chg.	Variable Rate per 1,000 gallons
3/4" less	\$ 13.28	
1"	18.31	
1.5"	26.69	
2"	36.72	
Volume Block 1	0 to 5 kgal	\$ 1.35
Volume Block 2	5 to 10 kgal	2.21
Volume Block 3	10+ kgal	3.25

Commercial	Monthly Fixed Chg.	Variable Rate per 1,000 gallons
3/4" less	\$ 14.17	\$ 1.83
1"	20.53	1.83
1.5"	31.10	1.83
2"	43.82	1.83
3"	77.72	1.83
4"	115.82	1.83
6"	221.71	1.83

MFR	Monthly Fixed Chg.	Variable Rate per 1,000 gallons
3/4" less	\$ 13.28	\$ 1.89
1"	18.31	1.89
1.5"	26.69	1.89
2"	36.72	1.89
3"	63.51	1.89
4"	93.67	1.89
6"	177.34	1.89

Industrial	Monthly Fixed Chg.	Variable Rate per 1,000 gallons
3/4" less	\$ 14.96	\$ 1.73
1"	22.53	1.73
1.5"	35.12	1.73
2"	50.23	1.73
3"	90.53	1.73
4"	135.86	1.73
6"	261.80	1.73
8"	412.80	1.73

Compound Meters	
Monthly Charge	\$ -

Fire Service / Hydrant		Variable Rate per 1,000 gallons
Overhead Charge	\$ -	\$ -

Across-the-Board Rates: 7.55% increase

SFR	Monthly Fixed Chg.	Variable Rate per 1,000 gallons
3/4" less	\$ 14.28	
1"	19.69	
1.5"	28.71	
2"	39.49	
Volume Block 1	0 to 5 kgal	\$ 1.45
Volume Block 2	5 to 10 kgal	2.38
Volume Block 3	10+ kgal	3.50

Commercial	Monthly Fixed Chg.	Variable Rate per 1,000 gallons
3/4" less	\$ 15.24	\$ 1.97
1"	22.08	1.97
1.5"	33.45	1.97
2"	47.13	1.97
3"	83.59	1.97
4"	124.56	1.97
6"	238.45	1.97

MFR	Monthly Fixed Chg.	Variable Rate per 1,000 gallons
3/4" less	\$ 14.28	\$ 2.03
1"	19.69	2.03
1.5"	28.71	2.03
2"	39.49	2.03
3"	68.31	2.03
4"	100.74	2.03
6"	190.73	2.03

Industrial	Monthly Fixed Chg.	Variable Rate per 1,000 gallons
3/4" less	\$ 16.09	\$ 1.86
1"	24.23	1.86
1.5"	37.77	1.86
2"	54.02	1.86
3"	97.37	1.86
4"	146.12	1.86
6"	281.57	1.86
8"	443.97	1.86

Compound Meters	
Monthly Charge	\$ -

Fire Service / Hydrant		Variable Rate per 1,000 gallons
Overhead Charge	\$ -	\$ -

Redistributed Cost of Service Rates: Alternative 1

SFR	Monthly Fixed Chg.	Variable Rate per 1,000 gallons
3/4" less	\$ 16.90	
1"	23.80	
1.5"	35.29	
2"	49.08	
Volume Block 1	0 to 7 kgal	\$ 1.30
Volume Block 2	7 to 15 kgal	2.50
Volume Block 3	15+ kgal	3.85

Commercial	Monthly Fixed Chg.	Variable Rate per 1,000 gallons
3/4" less	\$ 16.15	\$ 1.99
1"	21.11	1.99
1.5"	31.03	1.99
2"	46.89	1.99
3"	78.62	1.99
4"	128.20	1.99
6"	227.36	1.99

MFR	Monthly Fixed Chg.	Variable Rate per 1,000 gallons
3/4" less	\$ 13.28	\$ 1.89
1"	18.31	1.89
1.5"	26.69	1.89
2"	36.72	1.89
3"	63.51	1.89
4"	93.67	1.89
6"	177.34	1.89

Industrial	Monthly Fixed Chg.	Variable Rate per 1,000 gallons
3/4" less	\$ 14.96	\$ 1.73
1"	22.53	1.73
1.5"	35.12	1.73
2"	50.23	1.73
3"	90.53	1.73
4"	135.86	1.73
6"	261.80	1.73
8"	412.80	1.73

Compound Meters		MFR Compound Meter Example--2" domestic + compound meter: \$110.61
Fire Service Charge	\$ 73.89	

Fire Service / Hydrant		Variable Rate per 1,000 gallons
Overhead Charge	\$ 73.89	\$ -

Sample Bills: SFR with 3/4" Meter

Use (kgals)	Existing	ATB	Alt. 1 Proposed	Existing \$ chg	Existing % chg	ATB \$ chg	ATB % chg
5	\$ 20.03	\$ 21.54	\$ 23.43	\$ 3.40	16.97%	\$ 1.89	8.76%
7	24.45	26.30	26.04	1.59	6.50%	(0.26)	-0.98%
10	31.08	33.43	33.55	2.47	7.96%	0.13	0.38%
13	40.83	43.91	41.07	0.24	0.58%	(2.84)	-6.48%
17	53.83	57.89	53.78	(0.05)	-0.10%	(4.12)	-7.11%
20	63.58	68.38	65.33	1.75	2.75%	(3.05)	-4.46%
25	79.83	85.86	84.58	4.75	5.95%	(1.28)	-1.49%
35	112.33	120.81	123.08	10.75	9.57%	2.27	1.88%
50	161.08	173.24	180.83	19.75	12.26%	7.59	4.38%

Sample Bills: MFR with 3/4" Meter

Use (kgals)	Existing	ATB	Alt. 1 Proposed	Existing \$ chg	Existing % chg	ATB \$ chg	ATB % chg
5	\$ 22.73	\$ 24.45	\$ 22.73	\$ -	0.00%	\$ (1.72)	-7.02%
10	32.18	34.61	32.18	-	0.00%	(2.43)	-7.02%
15	41.63	44.77	41.63	-	0.00%	(3.14)	-7.02%
20	51.08	54.94	51.08	-	0.00%	(3.86)	-7.02%
25	60.53	65.10	60.53	-	0.00%	(4.57)	-7.02%
50	107.78	115.92	107.78	-	0.00%	(8.14)	-7.02%
65	136.13	146.41	136.13	-	0.00%	(10.28)	-7.02%
80	164.48	176.90	164.48	-	0.00%	(12.42)	-7.02%
95	192.83	207.39	192.83	-	0.00%	(14.56)	-7.02%
110	221.18	237.88	221.18	-	0.00%	(16.70)	-7.02%

Sample Bills: Commercial - 3/4" Meter

Use (kgals)	Existing	ATB	Alt. 1 Proposed	Existing \$ chg	Existing % chg	ATB \$ chg	ATB % chg
5	\$ 23.32	\$ 25.08	\$ 26.08	\$ 2.76	11.83%	\$ 1.00	3.98%
10	32.47	34.92	36.01	3.54	10.89%	1.08	3.11%
15	41.62	44.76	45.93	4.31	10.36%	1.17	2.61%
20	50.77	54.60	55.86	5.09	10.02%	1.26	2.30%
25	59.92	64.44	65.79	5.87	9.79%	1.34	2.08%
50	105.67	113.65	115.42	9.75	9.22%	1.77	1.56%
65	133.12	143.17	145.20	12.08	9.07%	2.03	1.42%
80	160.57	172.69	174.98	14.41	8.97%	2.28	1.32%
95	188.02	202.22	204.76	16.74	8.90%	2.54	1.26%
110	215.47	231.74	234.53	19.06	8.85%	2.80	1.21%

Sample Bills: Industrial with 2" meter

Use (kgals)	Existing	ATB	Alt. 1 Proposed	Existing \$ chg	Existing % chg	ATB \$ chg	ATB % chg
100	\$ 223.23	\$ 240.08	\$ 223.23	\$ -	0.00%	\$(16.85)	-7.02%
200	396.23	426.15	396.23	-	0.00%	(29.92)	-7.02%
300	569.23	612.21	569.23	-	0.00%	(42.98)	-7.02%
400	742.23	798.27	742.23	-	0.00%	(56.04)	-7.02%
520	949.83	1,021.54	949.83	-	0.00%	(71.71)	-7.02%
600	1,088.23	1,170.39	1,088.23	-	0.00%	(82.16)	-7.02%
700	1,261.23	1,356.45	1,261.23	-	0.00%	(95.22)	-7.02%
800	1,434.23	1,542.51	1,434.23	-	0.00%	(108.28)	-7.02%
900	1,607.23	1,728.58	1,607.23	-	0.00%	(121.35)	-7.02%
1000	1,780.23	1,914.64	1,780.23	-	0.00%	(134.41)	-7.02%

Redistributed Cost of Service Rates: Alternatives 2 & 3

Flat Rate SFR	Monthly Fixed Chg.	Variable Rate per 1,000 gallons
3/4" less	\$ 16.90	
1"	23.80	
1.5"	35.29	
2"	49.08	
All Volume		\$ 1.94

Two-Tiered SFR	Monthly Fixed Chg.	Variable Rate per 1,000 gallons
3/4" less	\$ 16.90	
1"	23.80	
1.5"	35.29	
2"	49.08	
Volume Block 1	0 to 7 kgal	\$ 1.50
Volume Block 2	7+ kgal	2.63

Sample Bills: SFR - 3/4" Meter - Alt. 2

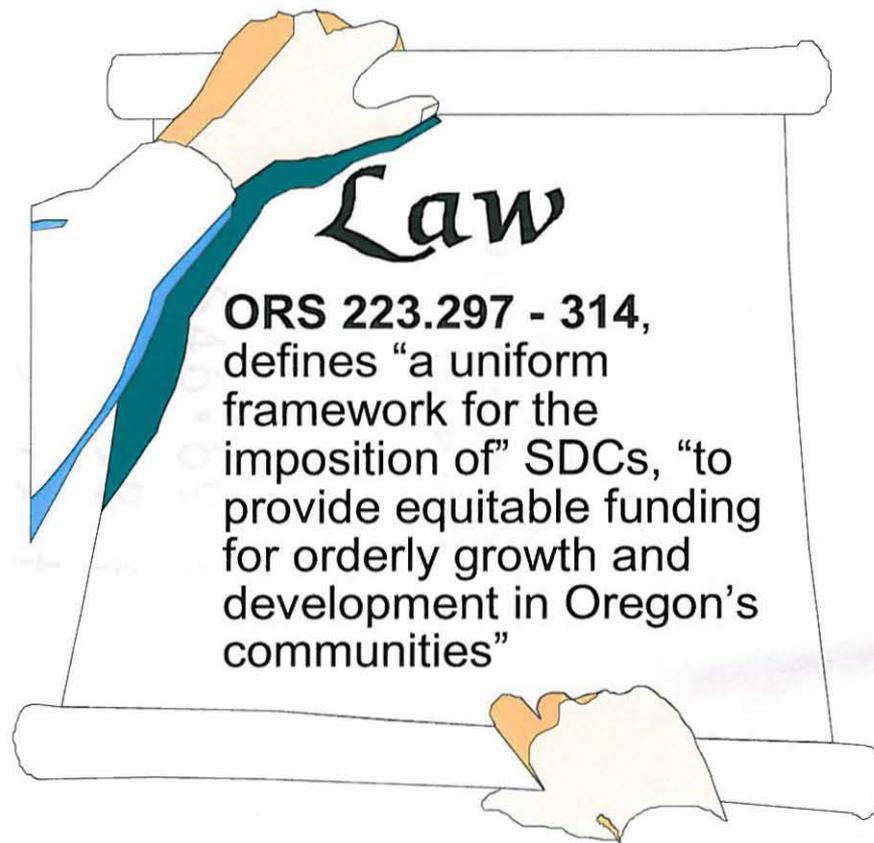
Use (kgals)	Existing	ATB	Alt. 2 Proposed	Existing \$ chg	Existing % chg	ATB \$ chg	ATB % chg
5	\$ 20.03	\$ 21.54	\$ 26.60	\$ 6.57	32.78%	\$ 5.05	23.46%
7	24.45	26.30	30.47	6.02	24.63%	4.18	15.88%
10	31.08	33.43	36.29	5.21	16.75%	2.86	8.56%
13	40.83	43.91	42.10	1.27	3.11%	(1.81)	-4.12%
17	53.83	57.89	49.85	(3.98)	-7.39%	(8.04)	-13.89%
20	63.58	68.38	55.67	(7.91)	-12.44%	(12.71)	-18.59%
25	79.83	85.86	65.36	(14.47)	-18.13%	(20.50)	-23.87%
35	112.33	120.81	84.74	(27.59)	-24.56%	(36.07)	-29.86%
50	161.08	173.24	113.81	(47.27)	-29.34%	(59.43)	-34.30%

Sample Bills: SFR - 3/4" Meter - Alt. 3

Use (kgals)	Existing	ATB	Alt. 3 Proposed	Existing \$ chg	Existing % chg	ATB \$ chg	ATB % chg
5	\$ 20.03	\$ 21.54	\$ 24.38	\$ 4.35	21.72%	\$ 2.84	13.17%
7	24.45	26.30	27.37	2.92	11.94%	1.07	4.08%
10	31.08	33.43	35.27	4.19	13.49%	1.85	5.53%
13	40.83	43.91	43.18	2.35	5.75%	(0.74)	-1.67%
17	53.83	57.89	53.72	(0.11)	-0.21%	(4.18)	-7.22%
20	63.58	68.38	61.62	(1.96)	-3.08%	(6.76)	-9.89%
25	79.83	85.86	74.79	(5.04)	-6.31%	(11.07)	-12.89%
35	112.33	120.81	101.14	(11.19)	-9.96%	(19.67)	-16.28%
50	161.08	173.24	140.66	(20.42)	-12.68%	(32.59)	-18.81%

System Development Charge Update

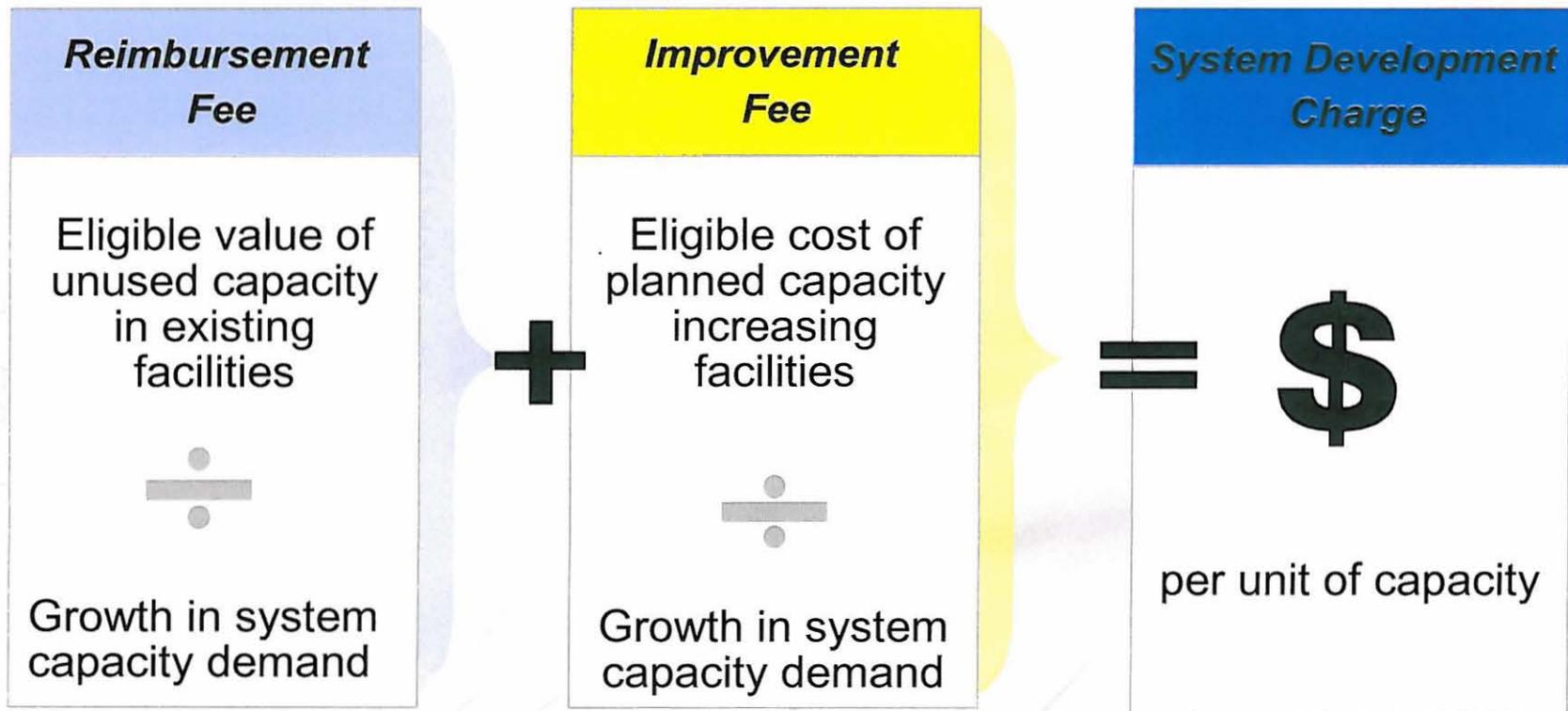
SDC Background



Key Characteristics

1. SDCs are one-time charges, not ongoing rates.
2. SDCs are for capital only, in both their calculation and in their use.
3. Properties which are already developed do not pay SDCs unless they “redevelop”.
4. SDCs include both future and existing cost components.
5. SDCs are for general facilities, not “local” facilities.

SDC Methodology



Calculation of Citywide SDC

Reimbursement Fee

Cost of Net Unused Capacity	\$ 15,406,713
Growth to End of Planning Period	6,420 Meter Equivalents
Reimbursement Fee	\$ 2,399.68 per ME

Improvement Fee

Capacity Expanding Projects	\$ 16,482,853
Growth to End of Planning Period	6,420 Meter Equivalents
Improvement Fee	\$ 2,567.29 per ME

Total System Development Charge

Reimbursement Fee	\$ 2,399.68 per ME
Improvement Fee	<u>2,567.29 per ME</u>
SDC Subtotal	\$ 4,966.97 per ME
plus: Administrative Cost Recovery	<u>29.73 per ME</u>
	0.60%
Total Water SDC	\$ 4,997 per ME

Calculation of Area-Specific SDC

Citywide Reimbursement Fee

Cost of Net Unused Capacity Citywide	\$ 15,406,713
Citywide Growth to End of Planning Period	6,420 Meter Equivalents
Citywide Reimbursement Fee	\$ 2,399.68 per ME

Citywide Improvement Fee

Capacity Expanding Projects Citywide	\$ 14,737,853
Citywide Growth to End of Planning Period	6,420 Meter Equivalents
Citywide Improvement Fee	\$ 2,295.50 per ME

David Hill Area-Specific Charge

David Hill Capacity Expanding Projects	\$ 1,745,000
David Hill Growth to End of Planning Period	939 Meter Equivalents
David Hill Area-Specific Improvement Fee	\$ 1,858.36 per ME

Total David Hill City Development Charge

Citywide Reimbursement Fee	\$ 2,399.68 per ME
Citywide Improvement Fee	2,295.50 per ME
David Hill Area-Specific Improvement Fee	<u>1,858.36</u> per ME
David Hill SDC Subtotal	\$ 6,553.54 per ME
plus: Administrative Cost Recovery	<u>29.73</u> per ME
	0.45%
Total David Hill Water SDC	\$ 6,583 per ME

Calculated SDCs by Meter Size

Meter Size	Meter Multiplier	Existing SDC	Proposed SDC	Area-Specific	
				David Hill	Citywide
3/4" Meter	1.00	\$ 4,055	\$ 4,997	\$ 6,583	\$ 4,725
1" Meter	2.50	10,138	12,493	16,458	11,813
1.5" Meter	5.00	20,275	24,985	32,915	23,625
2" Meter	8.00	32,440	39,976	52,664	37,800
3" Meter	16.00	64,880	79,952	105,328	75,600
4" Meter	25.00	101,375	124,925	164,575	118,125
6" Meter	50.00	202,750	249,850	329,150	236,250
8" Meter	80.00	324,400	399,760	526,640	378,000

Water SDC Comparison

Jurisdiction	Water SDC
Hillsboro	\$ 5,588
Tualatin Valley Water District ^[1]	5,521
Forest Grove -- Proposed	4,997
Forest Grove -- Current	4,055
Cornelius ^[1] ^[2]	3,823
Beaverton ^[1]	3,180

NOTES:

- [1] Charges shown are for standard 5/8" SFR meter size. In Forest Grove, the standard is 3/4".
- [2] Includes City of Hillsboro water SDC payment.

Questions



**FOREST GROVE CITY COUNCIL WORK SESSION
(BOARDS, COMMITTEES, AND COMMISSIONS INTERVIEWS)
APRIL 11, 2011– 5:30 P.M.
COMMUNITY AUDITORIUM – CONFERENCE ROOM
PAGE 1**

Minutes are unofficial until approved by Council.

1. ROLL CALL:

Mayor Peter Truax called the Work Session to order at 5:52 p.m. **ROLL CALL: COUNCIL PRESENT:** Thomas BeLusko, Jr., Thomas Johnston, Council President, Victoria Lowe, Camille Miller, Ronald Thompson, Elena Uhing, and Mayor Peter Truax. **STAFF PRESENT:** Michael Sykes, City Manager, and Anna Ruggles, City Recorder.

2. WORK SESSION: STUDENT ADVISORY BOARDS, COMMITTEES, AND COMMISSIONS INTERVIEW

The following student applicants were scheduled for an interview as follows:

- Nicole Smith (scheduled for 5:30 p.m. was unable to make her interview and will be rescheduled for April 25, 2011)
- Anh Ho (scheduled for 5:45 was interviewed)

Council Discussion:

Mayor Truax opened the floor and roundtable discussion ensued pertaining to the above applicant interview. After Council deliberation, Council collectively made recommendation to appoint Anh Ho as a student advisor to the Economic Development Commission, term expiring December 31, 2012. A resolution making formal appointment will be considered at the next regular Council meeting.

3. ADJOURNMENT

Mayor Truax adjourned the work session at 6:15 p.m.

Respectfully submitted,

Anna D. Ruggles, CMC, City Recorder

**FOREST GROVE CITY COUNCIL WORK SESSION
(SIGN AND RIGHTS-OF-WAY CODE AMENDMENTS)
APRIL 11, 2011 – 6:00 P.M.
COMMUNITY AUDITORIUM – CONFERENCE ROOM
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Minutes are unofficial until approved by Council.

1. ROLL CALL:

Mayor Peter Truax called the Work Session to order at 6:00 p.m. **ROLL CALL:**
COUNCIL PRESENT: Thomas BeLusko, Jr., Thomas Johnston, Council President, Victoria Lowe, Camille Miller, Ronald Thompson, Elena Uhing, and Mayor Peter Truax. **STAFF PRESENT:** Michael Sykes, City Manager; Jon Holan, Community Development Director; Rob Foster, Public Works Director; James Reitz, Senior Planner; and Anna Ruggles, City Recorder.

2. WORK SESSION: SIGN AND PUBLIC RIGHTS-OF-WAY PROPOSED CODE AMENDMENTS:

Holan, Foster, Reitz, and Sykes facilitated the work session, noting the purpose of the work session was to discuss and review a proposal that would amend the sign and public rights-of-way code for businesses located away from the main couplet and for open-house real estate signs. Sykes reported there has been issues raised by the community regarding the sign and public rights-of-way ordinances, noting as directed by Council, staff has drafted revisions to the sign and public rights-of-way code for Council's review and discussion. Holan referenced a copy of the draft revisions to the sign code, noting staff is proposing to amend Code Section 10.8.810.A, Exempted Signs, to allow placement of signs at least two blocks north of Pacific Avenue or two blocks south of 19th Avenue for tourist-oriented businesses to be erected by the City. Holan and Foster projected photographs showing examples of the City's tourist-oriented signs and examples of the City's signs for placement on street poles, noting no more than one tourist-oriented sign would be allowed per business and only one sign would be allowed per street pole. Holan defined tourist-related business as meaning facilities that offer a cultural, historical, recreational, educational, entertaining, or food-service activity, or unique and unusual commercial activity whose major income or visitors is derived from motorists not residing in the immediate area of the business, noting bed and breakfast establishments conforming to code requirements would be included as tourist-oriented. In addition, Holan referenced a copy of the draft revisions to the sign code for open house real estate signs, noting staff is proposing to amend Code Section 10.8.820.B(v), Temporary Signs, to allow up to two (2) temporary signs located anywhere in a residential zone district within the public rights-of-way with each sign not exceeding six (6) square feet in size and thirty (30) inches in height.

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Council Discussion:

Mayor Truax opened the floor and roundtable discussion ensued pertaining to the proposed revisions to the sign and public rights-of-way code.

In response to Uhing's inquiry pertaining to the City's proposed fee for tourist-oriented signs, Foster advised that staff is still exploring what fee to set based on cost of services, noting he anticipates the permit fee for tourist-oriented signs will be approximately \$100 per year. In response to Uhing's inquiry pertaining to the location of placement of tourist-oriented signs, Foster explained the signs are required to be erected by the City and must be placed in a location that is functional with an arrow directing to the business. In response to Uhing's inquiry pertaining to the intent of tourist-oriented signs, Holan explained tourist-oriented signs are intended for vehicular traffic, noting kiosks are better suited for pedestrian traffic. In conclusion, Uhing commented that she finds the proposed revisions to be more reasonable.

Lowe suggestion requiring approval from residents before placing open house real estate signs in the public rights-of-way, to which Mayor Truax advised that it is the City's responsibility not residents to regulate the public rights-of-way. In conclusion, Lowe commented that she likes staff's approach and noted she prefers having tourist-oriented signs instead of street pole signs.

BeLusko pointed out the sign code does not contain a provision requiring businesses to show proof of having a valid City business license as part of the sign permit process.

Johnston pointed out there are no punitive provisions either that require businesses to have a City business license before issuance of a sign permit.

Johnston voiced concern the proposed code revisions exclude placement of open house real estate signs in the public rights-of-way within commercial zone districts, noting there is residential housing (non-conforming uses) located within commercial zone districts, to which Holan advised this concern was a policy question for the Council. Sykes concurred and explained the provisions would allow sign placement in the public rights-of-way until 6:00 p.m. on Sunday, noting come Monday, if signs are not removed, City crew will begin picking up the signs. In conclusion of the above-noted discussion, Council collectively concurred to amend the provisions to allow placement of signs in the public rights-of-way within commercial zone districts as well as residential zone districts.

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In response to Mayor Truax's concern pertaining to the language as written for time limitation, Holan concurred to amend the language for clarity purposes to read as follows: "Signs are allowed from 12 noon on Friday to 6:00 p.m. the ~~next~~ on Sunday and must be removed promptly thereafter."

In conclusion to Council inquiries pertaining to implementation of the new sign and public rights-of-way code provisions, Holan advised he would like to seek Council consensus this evening to proceed with taking the proposed sign and public rights-of-way code revisions to the Economic Development Commission and Chamber of Commerce for review, noting staff turnaround time would be approximately one to three months to complete the process, because the proposed code revisions require Planning Commission review prior to bringing back an ordinance for Council consideration. At the conclusion to the above-noted discussion, Council collectively concurred to direct staff to proceed with above-noted recommendations.

Council took no formal action nor made any formal decisions during the work session.

3. ADJOURNMENT

Mayor Truax adjourned the work session at 6:56 p.m.

Respectfully submitted,

Anna D. Ruggles, CMC, City Recorder



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1. ROLL CALL:

Mayor Peter Truax called the regular City Council meeting to order at 7:04 p.m. and led the Pledge of Allegiance. **ROLL CALL: COUNCIL PRESENT:** Thomas BeLusko, Jr., Thomas Johnston, Council President, Victoria Lowe, Camille Miller, Ronald Thompson, Elena Uhing, and Mayor Peter Truax. **STAFF PRESENT:** Michael Sykes, City Manager; Paul Downey, Administrative Services Director; Rob Foster, Public Works Director; Tom Gamble, Parks and Recreation Director; Jon Holan, Community Development Director; Richard Matzke, Interim Light and Power Director; Derek Robbins, Civil Engineer; Kerry Aleshire, Police Chief (in the audience); Colleen Winters, Library Director (in the audience); Dan Riordan, Senior Planner (in the audience); and Anna Ruggles, City Recorder.

1. A. PROCLAMATIONS:

National Earth Day

Mayor Truax publicly proclaimed April 22, 2011, as “National Earth Day in Forest Grove”. Mayor Truax presented the proclamation to Mikaila Way, student, who accepted the proclamation on behalf of Pacific University’s Earth Day Committee.

National Library Week

Mayor Truax publicly proclaimed April 10 – April 16, 2011, as “National Library Week in Forest Grove”. Mayor Truax presented the proclamation to Mike Smith, Friends of Library, and Anita Eller, Library Commission, who accepted the proclamation on behalf of the Library. Eller urged everyone to attend the various Library events planned for the month of April, 2011.

Forest Grove Arbor Day

Mayor Truax publicly proclaimed April 30, 2011, as “Arbor Day” in Forest Grove. Mayor Truax presented the proclamation to Mindy Laird-Garcia, Community Forestry Commission (CFC) Chair, who received the proclamation on behalf of CFC. Laird-Garcia urged everyone to attend CFC’s Tree Planting Workshop on Saturday, April 30, 2011, at

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9:00 a.m. at Lincoln Park.

1. B. Tree City USA® Recognition, Growth Award:

Gail Shaloum, Oregon Community Trees, presented the National Arbor Day *Tree City USA® Award* and *Tree City® Growth Award* to Mayor Truax who received the awards on behalf of the City. The City has received the Tree City Award for 21 consecutive years and has received the Growth Award for two consecutive years.

2. CITIZEN COMMUNICATIONS: Item 5. A. was heard under Citizen Communications; refer below.

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 Work Session (B&C Student Advisory Interviews) Meeting Minutes of March 28, 2011.
- B. Approve City Council Work Session (BPA Settlement Agreement) Meeting Minutes of March 28, 2011.
- C. Approve City Council Regular Meeting Minutes of March 28, 2011.
- D. Accept Committee for Citizen Involvement Meeting Minutes of February 15, 2011.
- E. Accept Parks and Recreation Commission Meeting Minutes of January 19, 2011.
- F. Accept Planning Commission Meeting Minutes of March 21, 2011.
- G. Accept Public Safety Advisory Commission Meeting Minutes of February 23, 2011.
- H. Community Development Department Monthly Building Activity Informational Report for March 2011.
- I. **RESOLUTION NO. 2011-25 ADOPTING PUBLIC SAFETY ADVISORY COMMISSION (PSAC) BYLAWS.**

MOTION: Councilor Lowe, seconded by Councilor Uhing, to approve

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the Consent Agenda as presented. MOTION CARRIED 7-0 by voice vote.

4. **ADDITIONS/DELETIONS:** None.
5. **PRESENTATIONS:**
 5. A. **Legislative Update**

Katie Eyre-Brewer, State Representative, District 29, provided an update on the 2011 legislative session, noting she is currently serving as Co-Vice Chair on the Revenue Committee and Co-Vice Chair on the Ways and Means Subcommittee and serves on the Tax Credits Committee. Eyre-Brewer provided insight on various legislative-related house bills and issues, including State budget, 911 funds, Oregon redistricting, education reform, educational programs, and transportation and water-related issues. In conclusion, Eyre-Brewer invited the public to attend her Constituent Coffee, which is held every third Saturday at 9:00 a.m. at BJ's Coffee.

Legislative Update
Bruce Starr, State Senator, District 15, provided an update on the 2011 legislative session and provided insight on various legislative-related house bills and issues, including State budget, 911 funds, shared revenue, education reform, educational programs, Oregon redistricting, and transportation and water-related issues. In conclusion, Starr invited the public to attend his upcoming Legislative Open House on April 23, 2011, 9:00 a.m. at Forest Grove Community Auditorium.
 5. B. **EARTH DAY CELEBRATION COMMUNITY EVENTS**

Mikaila Way, Pacific University student, provided a PowerPoint presentation outlining the various community events planned for the week of April 17 – 23, 2011, in recognition of Earth Week.
 6. **CONTINUE PUBLIC HEARING FROM MEETING OF MARCH 28, 2011, AND SECOND READING OF ORDINANCE NO. 2011-06 VACATING 27TH PLACE, A SEGMENT OF OSBURN STREET AND THE ADJACENT PUBLIC UTILITY EASEMENTS. FILE NO. VAC-11-00105**

First reading of Ordinance No. 2011-06 and first Public Hearing occurred at the Council meeting of March 28, 2011.

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Staff Report:

Staff had nothing further to report.

Public Hearing Continued:

Mayor Truax continued the Public Hearing from the meeting of March 28, 2011.

Proponents:

No one testified and no written comments were received

Opponents:

No one testified and no written comments were received.

Others:

No one testified and no written comments were received.

Council Discussion:

Hearing no discussion from the Council, Mayor Truax asked for a roll call vote on the motion made at the meeting of March 28, 2011.

Sykes read Ordinance No. 2011-06 by title for second reading.

ROLL CALL VOTE: AYES: Councilors BeLusko, Jr., Johnston, Lowe, Miller, Thompson, Uhing, and Mayor Truax. NOES: None. MOTION CARRIED 7-0.

7. RESOLUTION NO. 2011-24 AUTHORIZING CITY MANAGER TO ENDORSE THE RESIDENTIAL EXCHANGE PROGRAM (REP) SETTLEMENT AGREEMENT BETWEEN CITY OF FOREST GROVE AND BONNEVILLE POWER ADMINISTRATION (BPA)

Staff Report:

Sykes and Matzke presented the above-proposed resolution for Council consideration, noting staff is seeking Council approval to endorse the Bonneville Power Administration (BPA) Residential Exchange Program (REP) Settlement Agreement. Sykes reported as directed by Council at the work session, held on March 28, 2011, staff and Councilor BeLusko and Thompson held several conference calls with other utility providers

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regarding the Settlement Agreement, noting the majority of the other utility providers support the Agreement. Sykes reported that Northwest Requirements Utilities estimates Forest Grove's total savings under the Settlement Agreement would be approximately \$7,741,339 over the term of the Agreement (2012-2028), noting he believes that it is in the City's best interest to sign the Settlement Agreement. Sykes introduced Matzke who referenced a graph, prepared by the Public Power Council, showing Forest Grove's obligation for REP benefits under status quo, under Settlement Agreement and under possible litigation outcomes, noting the purpose of the Settlement Agreement is to resolve challenges over BPA's implementation of the REP. In conclusion, Matzke advised that the Agreement would not become effective unless all required parties have signed and returned the Agreement to BPA by April 15, 2011, noting if the City signs the Agreement and Agreement goes forward, the City's costs of the REP will be less than under BPA's present implementation of the REP and litigation outcomes. If the City signs the Agreement and Agreement does not go forward, the City has nothing to lose. If the City does not sign the Agreement and Agreement goes forward, the City would have exposure to legal action taken against the non-signers.

Before proceeding with the Council discussion, Mayor Truax asked for a motion to adopt Resolution No. 2011-24.

Sykes read Resolution No. 2011-24 by title.

MOTION: Councilor Johnston, moved, seconded by Councilor Miller, to adopt Resolution No. 2011-24 Authorizing City Manager to endorse the Residential Exchange Program (REP) Settlement Agreement between City of Forest Grove and Bonneville Power Administration (BPA).

Council Discussion:

In response to Johnston's scenario, if the 91% threshold is not met, Matzke explained the Agreement would not go forward and the rates would fluctuate depending on the court ruling outcome. Sykes added that the Agreement would be voided and the matter would go back to the Ninth Circuit Court for renegotiation. In addition, Johnston referenced Page 1 of the document titled "2012 Residential Exchange Program Settlement Agreement Background, Key Elements of the Agreement and Next Steps", noting a three-judge panel of the U. S. Court of Appeals in two cases

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disallowed a previous REP settlement, noting it is a coin flip of whether or not the court will challenging the Agreement.

Lowe indicated that the “danger sign” for her is the lack of “no capping” and how “green credits” will be affected under the terms of the Agreement, noting she is concerned that the reduction of rates is not monies to the City but a holding of rates through the first eight years of the Agreement, and after the eighth year, the rates will increase to meet projections, to which Matzke explained if the critical mass, 91%, endorse the Agreement, they would petition the court to dismiss all litigation and the Agreement would resolve challenges over BPA’s implementation of the REP in return for benefits to the IOUs for a term of 17 years as illustrated in the graph shown as a red line (Settlement Agreement). In addition, Lowe pointed out the Agreement is applicable to Tier I rates only, noting if consumption increases, the City would need to purchase above Tier I rates, to which Matzke advised that the City would still need to purchase above Tier I rates regardless of the Settlement Agreement. Mayor Truax added that Tier I rates are set by a separate agreement aside from the Settlement Agreement.

BeLusko advised if the City signs the Agreement and Agreement does not go forward, the City has nothing to lose and pointed out the risk the City would be taking by not signing the Agreement, noting if the City does not sign the Agreement, the rates would fluctuate and would be set for non-signers consistent with the Court ruling outcome; whereas, if the City signs the Agreement, the rate would be set as illustrated in the graph shown as a red line (Settlement Agreement).

Thompson calculated the City’s savings under the 2012-2028 term of the Agreement as a guaranteed fixed rate per year of 2.7 percent to ratepayers, noting the City would be taking a risk by not signing the Agreement. Thompson also pointed out the Agreement provides a mechanism to terminate the Agreement if BPA does not meet the rates applicable to the Agreement.

In conclusion, Mayor Truax reaffirmed staff’s key recommendations, noting staff has indicated that if the City signs the Agreement and Agreement goes forward, the City’s costs of the REP will be less than under BPA’s present implementation of the REP and litigation outcomes. If the City signs the Agreement and Agreement does not go forward, the

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City has nothing to lose. If the City does not sign the Agreement and Agreement goes forward, the City would have exposure to legal action taken against the non-signers.

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

ROLL CALL VOTE: AYES: Councilors BeLusko, Jr., Johnston, Lowe, Miller, Thompson, Uhing, and Mayor Truax. NOES: None. MOTION CARRIED 7-0.

8. RESOLUTION NO. 2011-26 ACCEPTING THE CITY ENGINEER'S REPORT ON THE FORMATION OF A PROPOSED SANITARY SEWER REIMBURSEMENT DISTRICT PURSUANT TO CITY CODE FOR WILLAMINA AVENUE BETWEEN BREANNA STREET AND SUNSET DRIVE

Staff Report:

Foster and Robbins presented the above-proposed resolution for Council consideration, noting staff is seeking Council approval to accept the Engineer's Report as required by City Code to proceed with an application to form a proposed Sanitary Sewer Reimbursement District for Willamina Avenue, between Breanna Street and Sunset Drive, as illustrated in Attachment 1 of the staff report. Robbins reported the Oregon Rehabilitation Association (OAR), located at 2432 Willamina Avenue, has made application to the City requesting to form a Reimbursement District as a means to finance their proposed sanitary sewer improvements. Robbins reported City Code allows a Reimbursement District to exist for ten years from the formation date, and upon application, the Council has sole discretion to authorize an extension up to ten more years, not to exceed 20 years. Robbins indicated staff has evaluated the application pursuant to City Code and has determined the adjacent properties would likely benefit from the sanitary sewer improvements; and as a result, the OAR may be entitled to recoup a portion of the sanitary sewer improvement costs. Robbins referenced Table 1, which outlined the estimated construction costs, and referenced Table 2, which outlined the estimated costs of the sanitary sewer extension to the eligible tax lots, noting the costs to each tax lot are allocated based on frontage and tax lot area. In conclusion, Foster and Robbins recommended proceeding with

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the application and set an informational Public Hearing date of May 9, 2011, to allow persons impacted by the formation of the proposed Reimbursement District an opportunity to obtain information and to comment on the applicant's request to form a Sanitary Sewer Reimbursement District, noting the Council has the sole discretion after the hearing to decide whether or not to form the Reimbursement District.

Before proceeding with the Council discussion, Mayor Truax asked for a motion to adopt Resolution No. 2011-26.

Sykes read Resolution No. 2011-26 by title.

MOTION: Councilor BeLusko, Jr. , moved, seconded by Councilor Lowe, to approve Resolution No. 2011-26 Accepting the City Engineer's Report on the Formation of a Proposed Sanitary Sewer Reimbursement District Pursuant to City Code for Willamina Avenue between Breanna Street and Sunset Drive.

Council Discussion:

Hearing no discussion from the Council, Mayor Truax asked for a roll call vote on the above motion.

ROLL CALL VOTE: AYES: Councilors BeLusko, Jr., Johnston, Lowe, Miller, Thompson, Uhing, and Mayor Truax. NOES: None. MOTION CARRIED 7-0.

9. **RESOLUTION NO. 2011-27 SETTING AN INFORMATIONAL PUBLIC HEARING ON THE FORMATION OF A PROPOSED SANITARY SEWER REIMBURSEMENT DISTRICT PURSUANT TO CITY CODE FOR WILLAMINA AVENUE BETWEEN BREANNA STREET AND SUNSET DRIVE; GIVING DIRECTION TO THE CITY RECORDER AS TO THE PUBLICATION OF NOTICE OF THE HEARING ON SAID PROPOSED REIMBURSEMENT DISTRICT**

Staff Report:

Foster and Robbins presented the above-proposed resolution for Council consideration, noting the proposed resolution sets an informational Public Hearing date of May 9, 2011, to allow persons impacted by the formation of the proposed Sanitary Sewer Reimbursement District for Willamina

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Avenue, between Breanna Street and Sunset Drive, an opportunity to obtain information and to comment on the applicant's request to form a Sanitary Sewer Reimbursement District, noting the Council has the sole discretion after the hearing to decide whether or not to form the Reimbursement District. In addition, Robbins outlined the four-step process required by City Code as outlined on Page 3 of the staff report, citing the Public Hearing requirements, execution of a resolution forming a Reimbursement District, and final implementation of the project construction costs. In conclusion, Foster and Robbins advised that upon adoption of the above-proposed resolution, staff will send notice, along with a copy of the Engineer's Report and estimated costs of the proposed improvements as outlined in Table 1, estimated construction costs, to each of the adjacent properties that would likely benefit from the sanitary sewer improvements.

Before proceeding with the Council discussion, Mayor Truax asked for a motion to adopt Resolution No. 2011-26.

Sykes read Resolution No. 2011-26 by title.

MOTION: Councilor Johnston, moved, seconded by Councilor Miller, to approve Resolution No. 2011-27 Setting an Informational Public Hearing on the Formation of a Proposed Sanitary Sewer Reimbursement District Pursuant to City Code for Willamina Avenue between Breanna Street and Sunset Drive; Giving Direction to the City Recorder as to the Publication of Notice of the Hearing on said Proposed Reimbursement District.

Council Discussion:

In response to Lowe's inquiry pertaining to notification requirements, Robbins explained the adjacent property owners would be notified of the informational Public Hearing as required by City Code, noting notice of the hearing must be sent no less than 10 days before the hearing to persons impacted by the creation of the Sanitary Sewer Reimbursement District.

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

ROLL CALL VOTE: AYES: Councilors BeLusko, Jr., Johnston,

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**Lowe, Miller, Thompson, Uhing, and Mayor Truax. NOES: None.
MOTION CARRIED 7-0.**

10. DEPARTMENT WORK PLANS FOR FY 2011-12

Fire Department:

Kinkade presented a PowerPoint presentation outlining the Fire Department's Work Plan for 2011-12 as noted in his staff report. Kinkade's report focused on management goals, strategic planning, fire prevention/public education goals and programs, and department training goals. In addition, Kinkade reported on other various department-related projects and goals and addressed Council inquiries pertaining to Gales Creek Station and other various tasks. In conclusion, Kinkade invited Council to attend an Emergency Disaster Training Workshop on May 10, 2011, 9:00 a.m., Fire Conference Room.

Engineer/Public Works Department:

Foster presented a PowerPoint presentation outlining the Engineering/Public Works Department's Work Plan for 2011-12 as noted in his staff report. Foster's report focused on transportation construction-related projects, transportation planning-related projects, sewer improvement-related projects, water improvement-related projects, watershed management plans, storm drainage-related projects, and engineering-related projects. In addition, Foster reported on other various department-related projects and goals and addressed Council inquiries pertaining to railroad crossing upgrade, 19th Avenue pavement failure, potholes, reducing speed at Fernhill Road/Maple Street and Highway 47 intersection, and safe pedestrian crossings.

Administrative Services Department:

Downey presented Administration Services Department's Work Plan for 2011-12 as noted in his staff report. Downey's report focused on various financing and budget-related tasks, management tasks, human resources tasks, and information systems-related tasks. In addition, Downey reported on other various department-related projects and goals and addressed concerns pertaining to internet connection in the Community Auditorium.

Community Development Department:

Holan presented the Community Development Department's Work Plan

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for 2011-12 as noted in his staff report. Holan's report focused on various ongoing programs, future projects, providing support for other departments, Metro-related programs, and general work and management programs and tasks. In addition, Holan reported on other various department-related projects and goals and addressed Council inquiries pertaining to department-related activities.

11. CITY MANAGER'S REPORT:

Sykes reported on upcoming events as noted in the Council calendar and reported on other various upcoming local meetings and events. Sykes reminded Council of the upcoming Work Session on April 19, 2011, for presentation of the Community Enhancement Program (CEP) grant applications and updated Council on various-citywide public events that were occurring. Sykes distributed various handouts; distributed an article printed in the *Oregonian* about the City's newly-adopted Business Incentive Program; and gave an update on the League of Oregon Cities' 2011 legislative issues. In addition, Sykes reported on various meetings he attended and provided updates on various City department-related activities and projects. In conclusion, Sykes commended the department directors for presentation of Work Plans, noting he is pleased to be able to share the various work plans with Council.

12. COUNCIL COMMUNICATIONS:

BeLusko reported on the Economic Development Commission (EDC) meeting and topics of discussion; reported the last Public Arts Commission (PAC) meeting was cancelled; reported he would be unable to attend the upcoming PAC meeting due to a conflict; and reported on his attendance at Metro's Climate Leadership Summit. In addition, BeLusko reported on other information of interest and reported on various upcoming meetings he was planning to attend.

Johnston reported on the Joint Council Work Session with the Forest Grove Rural Fire Protection District Board of Directors, noting Chief Kinkade gave a presentation pertaining to elected officials' role during a major disaster. In addition, Johnston reported on various meetings he attended and other information of interest and reported on various upcoming meetings he was planning to attend.

Lowe reported on the Parks and Recreation Commission meeting and topics of discussion; provided information about the upcoming SOLV

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cleanup event; reported on her attendance at a conference held at Metro pertaining to greenhouse gas emissions; and reported on Joint Water Commission-related projects and Barney Reservoir-timber harvest related project and proposed budgetary future expenditures. In addition, Lowe reported on other information of interest and reported on various upcoming meetings she was planning to attend.

Miller reported she would be unable to attend the upcoming Committee for Citizen Involvement meeting, noting the CCI meeting is the same evening as the CEP work session.

Thompson reported the Community Forestry Commission plans to host a public Tree Planting Workshop on Arbor Day, which will be held April 30, 2011. Thompson reported he was unable to attend the last Forest Grove Senior and Community Center meeting. Thompson reported on his day at the Capital, noting he met with Senator Starr and State Representative Eyre-Brewer about Ride Connection-related services. In addition, Thompson reported on upcoming meetings he was planning to attend.

Uhing reported on the Historic Landmarks Board (HLB) meeting, noting HLB is hosting a public Window Restoration Workshop on May 7, 2011. Uhing highly commended HLB for successfully achieving a historic designation for the Walker/Naylor District. In addition, Uhing reported on other various meetings she attended and upcoming meetings she was planning to attend.

Mayor Truax reported on various local, regional, Metro, and Washington County meetings he attended and reported on various upcoming meetings and community-related events he was planning to attend. Mayor Truax reported on his attendance at a legislative committee meeting on redistricting and reported the Washington County Coordinating Committee is proposing a new process for fund allocations and timeline for project nominations. In addition, Mayor Truax provide a PowerPoint presentation showing the upcoming Metro work session meeting agenda, noting Metro will be wrapping up discussion on the Climate Leadership Summit; setting carbon emissions reduction targets; and will be discussing and reviewing the Urban Growth Boundary work program and decision timelines.

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13. ADJOURNMENT:

Mayor Truax adjourned the meeting at 9:59 p.m.

Respectfully submitted,

Anna D. Ruggles, CMC, City Recorder

CITY OF FOREST GROVE COMMUNITY FORESTRY COMMISSION MEETING MINUTES – February 16, 2011

Members in Attendance:

Stephanie Beall, David Hunter, Lance Schamberger, Sebastian Lawler,

Members Absent:

Mindy Laird-Garcia, Mark Nakajima, Dale Wiley

Staff and Councilors Present:

Dan Riordan, Councilor Ron Thompson

Agenda Items

1. Call to Order and Approval of Minutes

- The meeting was called to order at 1732 hours.
- David Hunter, Vice-Chair presided.
- The meeting minutes for January 19, 2011 were reviewed by the Commission members.
- Stephanie Beall moved and Sebastian Lawler seconded that the minutes be accepted as submitted. Motion passed unanimously.

2. Citizen Communication

- There was no citizen communication.

3. New Business

a. Introduction of Tree Survey Interns – Dan Riordan

Due to course schedule conflicts the interns were not able to be present. Dan gave a brief overview about the two intern volunteers.

- Nicole Smith – Senior at Pacific University in Environmental Studies
- Zach Gustafson – From Portland State University. Participated in Portland's recent tree inventory project.

Initial survey work and creating a random survey site sample is underway.

b. Sidewalk Replacement Project Update – Nick Kelsay and Ron Foster

The City of Forest Grove Engineering Department gave an update on the sidewalk replacement project that is underway.

- Sidewalk replacement was made a priority by the city council.
- A citywide Local Improvement District contract was created, it included 70 homeowners. City coordinates the work and the homeowner is responsible for cost (payment plan is available).

- CFC concerned about how issues related to root cutting are being handled. The city representatives indicated that the homeowners were informed about the root issues and the options of either ramping up the sidewalks to properly accommodate the roots (at more cost), removing the trees (at homeowner expense) or cutting the roots. The homeowners on all properties chose to have the roots cut.
- David Hunter related the details of the specific instance in which he had been contacted by a homeowner participating in the project.
- The city representatives indicated that prior to Phase II of this project, the list of participating homes would be presented to the CFC for identification of trees on the register of significant trees and for discussion of potential tree-related issues.
- The group decided to review and update the list of approved street trees at the next meeting.

c. Washington County Tourism Grant – Stephanie Beall

Stephanie presented the Washington County Tourism Grant. Communities can apply for \$1,000 - \$5,000 project funding with a required \$500 match. The Tree Tour Brochure may qualify. Steph offered to write and submit the grant in partnership with Mindy.

d. Oregon Heritage Tree Program – Steve Huffman (absent)

The group discussed which trees in Forest Grove might be eligible for Heritage Tree Status and decided to pursue application after further discussion at the next meeting.

4. Project Reports

a. Calendar Publication – Steph

- Photographs are on target to arrive for April meeting
- ODF recently published anniversary calendar, Steph working to find other publishing resources

b. Tree Inventory Update – Mindy / Dan

- Covered during discussion of interns work to date under New Business

c. Oak Wood Project – Dale

- Deferred to next meeting

d. Commemorative Tree Project – Mark

- Deferred to next meeting

e. Tree Workshop – David

- Work on a lesson plan is underway will be reviewed at March meeting.

f. Tree Tour Brochure – Sebastian

- Received the PDF file from Dan

5. Other Business

- a. Dan brought up the idea of the CFC participating in Forest Grove's Adopt-a-Park program. The group decided to learn more about the program, specifically time requirements.

6. Adjourn

- It was moved by Stephanie and seconded by Lance that the meeting be adjourned at 1915 hours. The motion passed unanimously and the meeting adjourned.

PLANNING COMMISSION MEETING MINUTES
FOREST GROVE COMMUNITY AUDITORIUM

April 4, 2011 –7:00 P.M.

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APPROVED

1. CALL TO ORDER:

Chairman Beck called the meeting to order at 7:02 p.m.

Planning Commission Present: Tom Beck, Carolyn Hymes, Fred Smith, Al Miller, Lisa Nakajima, and Luann Arnott.

Absent: Charles Kingston

Historic Landmarks Board Present: Neil Poulsen, Holly Tsur, George Cushing, and Larry Wade.

Absent: Claude Romig, Kevin Kamberg, Jennifer Ray.

Staff Present: Jon Holan, Community Development Director; James Reitz, Senior Planner; Marcia Phillips, Assistant Recorder.

2. PUBLIC MEETING:

2.1 PUBLIC COMMENT PERIOD FOR NON-AGENDA ITEMS: None.

2.2 PUBLIC HEARING: None Scheduled.

2.3 ACTION ITEMS: None.

2.4 WORK SESSION ITEMS:

A. Meeting with Historic Landmarks Board (HLB) to discuss preservation of the character of historic neighborhoods in Forest Grove.

Chairman Beck: The purpose of the meeting is to brainstorm how to preserve the character of the historic neighborhoods in Forest Grove. The City has three historic districts now, with procedures to maintain the historic homes, but no procedures to maintain the districts. There are currently no procedures to maintain other buildings within those districts. With the Periodic Review update going on, this is a good time to look at this matter.

Mr. Poulsen: A person came in when the Walker/Naylor area officially became a historic district and asked how to maintain it.

Chairman Beck: What is the predominant zoning in the historic districts?

Mr. Reitz: Mostly residential average 5,000 sq. ft. lots (R-5). The Clark District has some commercial. There is some opportunity in each district for duplexes.

Commissioner Miller: When we received a request for an extension for Smith's Orchard PRD, the proposed subdivision was not wanted because the area was in the process of being designated an historic district.

**PLANNING COMMISSION MEETING MINUTES
FOREST GROVE COMMUNITY AUDITORIUM**

April 4, 2011 –7:00 P.M.

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Mr. Holan: If Smith's Orchard PRD had developed what impacts would it have had on the district?

Mr. Cushing: A large development like that would have had an impact, because you must have 50% historic homes to be designated an historic district.

Mr. Holan: Now is the time to do some kind of historic preservation while there is a lull in building activity – if we are going to do it.

Chairman Beck: Should we have some zoning guidelines in place? There are a number of small poor houses in these districts that will eventually be torn down and rebuilt.

Ms. Tsur: We want to attract the type of people who want to restore an historic home – it is expensive. Are these people going to be motivated if there is an apartment building behind them?

Mr. Poulsen: Can historic districts have their own zoning?

Mr. Holan: Yes, that can be done in several ways. Does it need to be a separate zone to accomplish the purpose or can it be an overlay zone? There is not a lot of difference between an overlay zone and a separate zone. An overlay prevents little islands with underlying zoning. It depends on what you are trying to do. Usually an overlay zone has additional requirements. You could not change density with an overlay zone.

Mr. Poulsen: If a property is on the historic registry, any exterior changes must go through the HLB. Other property owners in the district are encouraged to keep the historic look.

Chairman Beck: We have no say over the 71 non-historic homes and vacant property in the historic districts. I would like to have some say in how they are developed.

Commissioner Hymes: It is not just about density – it is design. It would not be bad for a property to develop with two houses on it if they were to meet historic guidelines.

Mr. Poulsen: If a house adds to the character of the district – if it looks like it fits the neighborhood. We should be able to develop guidelines.

Ms. Tsur: We have no teeth in our rules. We give incentives in the form of grants to help fund improvements.

**PLANNING COMMISSION MEETING MINUTES
FOREST GROVE COMMUNITY AUDITORIUM**

April 4, 2011 –7:00 P.M.

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Mr. Cushing: Vinyl siding and vinyl windows disqualifies or makes a house ineligible to be on the National Historic Register.

Mr. Reitz: An overlay with design standards could deal with tear downs, additions, infills, etc. but it would not deal with density.

Chairman Beck: I see no point in an overlay.

Mr. Reitz: If you do an historic zone there are issues.

Commissioner Miller: The non-compliant homes would go into the zone along with the conforming ones.

Chairman Beck: But you can write the whole thing from beginning to end.

Mr. Holan: As an administrator, you may overlook the overlay requirement, but a not a zone district.

Chairman Beck: I would not be in favor of having a zone where new homes must look historical, but they could look like they fit in. You want a zone that allows people to do what they want, and is not terribly restrictive.

Mr. Poulsen: We also want to protect churches. In the absence of an historical district downtown, how can we protect those buildings? There is no historical downtown.

Mr. Wade: It would be good to encourage downtown to develop with an historical look. The Compton Building at 19th and Main St. looks tasteful.

Mr. Holan noted that the Compton Building was developed consistent with current design requirements for the downtown.

Commissioner Nakajima: Several years ago the state requirements changed to allow manufactured homes to be placed in town.

Mr. Reitz: We tweaked the state's requirement to state the manufactured home could not be placed directly next to an historical home.

Mr. Holan: Under the current ordinance we have 120 days to do reviews and appeals – including referrals to other Boards. If an application is in an historical district it should be referred to HLB. It is more explicit with the new Development Code than the old Zoning Ordinance.

**PLANNING COMMISSION MEETING MINUTES
FOREST GROVE COMMUNITY AUDITORIUM**

April 4, 2011 –7:00 P.M.

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Mr. Wade: The biggest concentration of historical homes is on the Pacific University campus west of College Way. Those homes get turned into offices, then they do not need them any more.

Chairman Beck: Pacific University has its own Master Plan.

Mr. Holan: The Master Plan does call for redevelopment of that block – those houses will go away.

Mr. Holan: Landscaping contributes.

Mr. Poulsen: Changing the landscaping does not prevent a property from being listed nationally, unless the landscape is significant.

Mr. Poulsen: Historical preservation is not about protecting everything. It is about protecting the best of what you have.

Mr. Holan: Are there other elements that enhance the historic district such as drinking fountains, benches, lamp posts? For instance, if someone were building in the Clark Historic District, they would be required to do an enhancement.

Mr. Poulsen: That is interesting.

Chairman Beck: Is this something we want staff to pursue?

Mr. Holan: The idea was to form a joint committee to write a paper and then present that to the City Council.

The Planning Commission was in agreement to pursue this matter.

Chairman Beck: I will get together with staff and move forward.

Ms. Tsur: On May 7th we are scheduling a window refinishing seminar to show how to tear double hung windows apart and restore them, and it is free.

3.0 BUSINESS MEETING:

3.1 APPROVAL OF MINUTES: The minutes for the March 21, 2011, meeting were approved with a voice vote 6-0.

3.2 REPORTS FROM COMMISSIONERS/SUBCOMMITTEES: None.

3.3 DIRECTOR'S REPORT:

Mr. Holan said the Commission will be busy. Upcoming projects include:
4-18-11 – Joseph Gale School CUP

**PLANNING COMMISSION MEETING MINUTES
FOREST GROVE COMMUNITY AUDITORIUM**

April 4, 2011 –7:00 P.M.

PAGE 5 of 5

5-04-11 – Vista Presentation

5-16-11 – Forest Grove High School CUP

He said the first meeting in June will be the recommended plan from Vista Planning. Holan said the Conditional Use Permit for Harvey Clark school and a design review for a 24-unit complex for farm laborers will be coming, and then there are the Periodic Review items to go through.

Mr. Holan said on April 18th he wanted to share the 2-3 year work program with the Planning Commission.

- 3.4** **ANNOUNCEMENT OF NEXT MEETING:** Next meeting will be held on April 18, 2011.
- 3.5** **ADJOURNMENT:** The meeting was adjourned at 8:34 p.m.

Respectfully submitted by:

Marcia Phillips

Assistant Recorder

APPROVED

1. **ROLL CALL:**

Chair Chere Sandusky called the meeting to order at 7:30 am

MEMBERS PRESENT: Russell Redmond, Bob Mills, John Rinier, Susan Aguilar, Chere Sandusky, Tim Dierickx, Drue Garrison, and Bryan Luciani

LIAISONS PRESENT: Matt Pool, Byron Schmildkofer, and City Councilor Tom Johnston

STAFF PRESENT: Police: Chief Aleshire, Carol Lorenz; Fire: Chief Kinkade.

MEMBERS NOT PRESENT: Randall Roedl

LIAISONS NOT PRESENT: Brandon Hundley, Naomi Montelongo, Rob Dahl, and Harold Roark

2. **CITIZEN COMMUNICATIONS:** None

3. **APPROVAL OF MINUTES:** March 30, 2011 minutes approved and seconded

4. **ADDITIONS/DELETIONS:** None

5. **ACTION ITEMS/DISCUSSION:**

PSAC:

Appoint Alternate Chairperson: Bob Mills was nominated for the alternate Chairperson.

By-laws: A discussion regarding PSAC By-laws were reviewed and approved. It was recommended that the By-laws for PSAC be on the council agenda for April. See copy attached.

6. **COMMISSIONER'S REPORTS:** None

7. **STAFF REPORT:**

Police:

Monthly Department Report: See attached

Police Department Positions: Police Officer Position: In the final stages. Community Service Officer Position: Chief interviews next week. Captain Position: Chief interviews were held last week and are being considered at this time.

Volunteer Programs: Reserves: Two Reserve Officers have gone through the program at this time. The department is planning on taking more applications to expand the program. Domestic Violence Volunteer: The department is also developing a domestic violence program.

Work Plan Presentation: The presentation went well if any PSAC members would like a copy please let Chief Aleshire know.

Fire:

Monthly Department Report: See attached

Fatality Fire: It was determined that the fire was caused by a space heater.

Forest Grove/Cornelius Services Agreement Update: The Forest Grove fire department and Cornelius Fire department have just completed their first 90 days under the service agreement. It has been very successful and both departments have had cost savings. The departments have not seen any problems and training together has been successful as well.

PSAC:

College Way: It was asked if College Way would be better running north due to the response time for public safety on the north side of town. The fire chief stated that he would try and find information for discussion at the next PSAC meeting.

8. **OLD BUSINESS:**

Discuss/appoint Levy Subcommittee: John Rinier, Bob Mills, and Brian Luciani have volunteered to be on the subcommittee. Subcommittee will report to PSAC what they feel are the needs of both fire and the police department.

9. **ANNOUNCEMENT OF NEXT MEETING:** April 27, 2011

10. **ADJOURNMENT:**

Chere Sandusky adjourned the meeting at 0842 a.m.

Respectfully submitted by:

Carol Lorenz

**CITY OF FOREST GROVE
PUBLIC SAFETY ADVISORY COMMISSION BY-LAWS**

Section I - Name

Forest Grove Public Safety Advisory Commission (PSAC)

Section II - Established

The Commission was established October 10, 2005, by an act of the Forest Grove City Council by Resolution No. 2006-06 to provide advice and recommendations to the City Council on public safety issues.

Section III - Responsibilities and Functions

The Commission is charged with the responsibility:

1. To advise the City Council and make recommendations regarding public safety policy, service levels, fiscal budgetary impacts, and sustain safe and livable neighborhoods.
2. To advise Council on educating the community about public safety issues, concerns and programs.
3. To review and recommend public safety policies and plans.
4. To facilitate Forest Grove community involvement in public safety and increase citizen awareness.

In line with the above stated objectives, the following are examples of issues for the Public Safety Advisory Commission:

1. Advise the City Council on:
 - a. Disaster preparedness
 - b. Emergency management
 - c. Emergency Medical Services
 - d. Fire and Rescue services
 - e. Police services
 - f. Public safety at city facilities
 - g. Public safety legislation
 - h. Post-incident management
 - i. Traffic Management
2. Identify public safety needs in Forest Grove.
3. Develop educational programs and materials to increase community awareness.
4. Organize and conduct public forums on public safety agencies.

5. Promote opportunities for citizens to assist public safety agencies through volunteer activities like: Neighborhood Watch Program, Volunteer Fire and Rescue, Red Cross and Search and Rescue.

Section IV - Internal Organization:

1. Membership and Terms:

- a. The Public Safety Advisory Commission will consist of nine (9) voting members appointed by the Mayor with consent of the City Council. The members will be residents of Forest Grove or the Forest Grove Rural Fire Protection District, with at least seven members residing within the City limits (updated by resolution 2010-27 on March 8, 2010).
- b. The Forest Grove Rural Fire Protection District may also nominate a board member as a non-voting liaison. The Commission may also include the following non-voting liaisons:
 - i. The Chief of Police or designee
 - ii. The Fire Chief of designee
 - iii. A representative from the Forest Grove School District designated by the Superintendent
 - iv. A representative from Pacific University designated by the University President
 - v. A representative from the Chamber of Commerce designated by the Chamber board
 - add* → vi. An administrative liaison designated by the City Manager
- c. The Commission may involve additional people as adjunct, non-voting advisors for special projects based on expertise.
- d. The Public Safety Advisory Commission members will serve four-year, staggered terms (four and three each term). Vacancies can be filled at any time to complete a given term.
- e. The City Council will select one of its members to serve as its non-voting liaison to the Commission.

2. Chairperson:

- f. The chairperson shall be elected annually in January by the committee following new or continuing appointments to the PSAC by the City Council. The chairperson is accountable to the committee for the following designated functions in all respects. Specific responsibilities of the chairperson may be changed by committee action at any time by majority vote of the entire membership.
- g. Routine functions and responsibilities of the chairperson shall include:

- vii. Development of a written agenda in sufficient time to allow for distribution to the committee prior to any regular meeting.
- viii. Chairing all meetings. In the event the chairperson cannot be present at any given meeting, the chairperson ^{will be} responsible for ^{chairing} appointing a substitute to chair the meeting.
- ix. Presents the yearly major activity report to the Council. The report will be written and presented orally in a public forum.

3. Meetings (Regular and Special):

A. The Commission will meet ~~at least~~ ^{at least} monthly and will be guided by Oregon statute on public meetings. Special meetings may be called by vote of the committee at any regular meeting, by the chairperson, by request from the Council's liaison, or by ~~written~~ ^{written or verbal} petition by three or more members. All regular and special meetings are open to the public. Citizens in attendance shall be given an opportunity to participate, without vote, in any discussion.

4. Quorum:

A. ~~F~~ ^{working} A majority of the members of PSAC as appointed by Council.

5. Voting and Decision Making:

A. ~~K~~ Consensus will be used during the meetings where possible or feasible. Any member may object to the use of a consensus decision at any time on any given issue. If there is an objection, the chairperson shall commit the issue to a vote by the commission.

B. ~~K~~ Decisions by voting shall be decided by a majority of those members present and voting.

C. ~~F~~ A change in the voting procedure described in previous item F2 may be used on any specific item if the committee, prior to the vote, agrees by consensus or vote to require more than a majority for passage.

D. ~~ta~~ The chairperson has the right to vote whenever a vote is cast. In case of a tie vote with the chairperson voting, the motion fails.

6. Role of Council Liaison to PSAC :

n. Council's liaison shall have the freedom of the floor at all times to present Council's views and to comment, recommend, or suggest actions to the PSAC.

o. Council's liaison shall not vote at PSAC meetings.

- p. Council's liaison is not responsible to convey the majority and/or the minority PSAC actions and recommendations to the Council. This is the chairperson's responsibility.
- q. Further, the liaison is not obligated to support PSAC opinions and recommendations during formal meetings of the Council.

Section V - Issues

The rules contained in Robert's Rules of Order Newly Revised shall govern this Commission in all cases where these by-laws are insufficient in specification of procedure. The PSAC will operate in the general public interest serving the community as a whole. The PSAC will serve no special interests and will not endorse any commercial product or enterprise.

Section VI - Amending the PSAC By-Laws:

A majority of all members must vote affirmatively to modify the committee's by-laws on at least two separate regular meetings. Final decisions on a by-law change shall not be made until at least the next regular meeting following the introduction of the motion. All by-law changes adopted by the PSAC must be approved by Council. The by-laws shall be reviewed on a bi-annual basis.

Public Safety Advisory Commission
Fire Chief's Report
March 30, 2011
March 1-March 28, 2011

Notable Calls and Events

1. Forest Grove residential fire occurred in the early hours of March 28, on Laurel Street and 22nd, with the first fire fatality in the City since 1998. An elderly resident was trapped in the bathroom by the rapidly removing fire. The investigation into this fire is ongoing with Forest Grove, Cornelius, Oregon State Fire Marshal and ATF investigators participating.
2. Motor vehicle accident at Fred Meyer – car had driven through front doors of the shopping center.
3. Joint: Cornelius and Forest Grove firefighters participated in the Seattle Scott Stairclimb on March 5, raising money for the lymphoma and leukemia society. Cornelius had 13 participants and raised over \$4300 and Forest Grove had 15 participants and raised almost \$5000.

Training

1. Joint: Dr. Daya conducted medical/training case reviews with crews on February 21.
2. Joint: Multiple personnel attended from both agencies attended Winter Fire School at DPSST.
3. Joint: Conducted training on confined space rescue for both agencies.

Fire Prevention/Community Risk Reduction

1. Cornelius: Captain Black completed inspections of the "Pallet Doctor," began researching possibility of fire inspection requirement for new businesses, and is working on updating and improving our pre-plan program.
2. Fire Chief and Captain Reckmann toured Chehalem Ridge area for access and wildland fire pre-planning. Contact made with Metro regarding Knox locks on access gates.
3. Conducted plan reviews for Fred Meyer store addition, Echo Shaw school addition and commercial property project.

Projects and Administration

1. Joint: Fire Chief attended Washington County EMS Operations meeting with discussions on fire department ambulance transports and strategic planning.
2. Joint: Fire Chief's from Washington County District #2, Gaston, Banks, and FG/Cornelius met to discuss partnerships with hose and ladder testing, apparatus maintenance, physical agility testing and intern programs and to discuss future opportunities and challenges.

3. Joint: Fire Chief met with TVFR and Gaston fire chiefs to review regional open burning policies to try and generate a consistent program throughout Washington County.
4. Cornelius: Captain Marc Reckmann successfully repaired a problem with our Firehouse records management system.
5. Cornelius: We received notification that our 2010 SAFER grant program has been tentatively approved.
6. Cornelius: Began orientation of two new volunteer officers from Forest Grove.
7. Forest Grove: Continue working on Type III Heavy Brush engines – completed decals, seat repairs, and hose loads.



Forest Grove Police Department Monthly Report - February 2011



Patrol Division Activities

Homicide	Robbery	Rape	Sexual Assaults	Burglary	Theft	Agg. Assault	Domestic Assault	Simple Assault	DUII	Graffiti	Detox	Motor Vehicle Crash	Traffic Citations	Arrests (for listed charges)
0	0	0	0	8	22	0	3	6	8	1	3	2	213	22

Highlights:

- Continued GREAT training
- DUII Saturation Patrol performed on 2/6
- Assisted HPD in locating subject who threatened suicide by police. Located and hospitalized
- 2 PCS less than 1oz investigations
- Intoxicated subject at My Place Tavern fighting with patrons and threatening bartender. Lodged Disorderly Conduct II
- Subject entered residence and stood next to reporting parties bed and fled on foot. Dog track unsuccessful

Investigations Division Activities

Assigned Cases	Cases Closed	Arrests	Charges	Reports	Follow-Up Reports	Hours on Patrol	Search Warrants	Patrol Search Warrant	Major Crimes Team Calls
14	15	4	11	13	46	12	0	0	0

Highlights:

- Bi-Mart robbery closed with two arrests (Ongoing Solicit to Commit Murder investigation)
- Daniel Matthews arrest for Rape I and Sex Abuse I – 5 additional victims located
- Karly's Law training for all shifts

Community Service Officer Activities

Community Meetings	NW Contacts	Events	Contacts	Fingerprint	Graffiti Checked	Graffiti Removed	Observed Abandoned Vehicles	Removed Abandoned Vehicles	Towed Abandoned Vehicles	Parking Citations	Parking Warnings
2	3	1	41	7	4	1	22	17	0	37	12

Highlights:

- Assisted three citizens and provided contacts and resources for specific family problems.
- Registered FGPD with National Night Out and began plans for the event with first committee meeting.
- Met with concerned parents who want to start a support group for parents. Former DA offered services and support.
- Contacted outside agencies for enhanced awareness of Domestic Violence and JV
- Assisted at Landlord Forum for Westside Crime Prevention.



**FOREST GROVE CITY LIBRARY
CIRCULATION STATISTICS REPORT: APRIL 2011**

	MAR 2011	FEB 2011	MAR 2010
MONTHLY TRAFFIC			
Eye Count (Daily count of patrons for month)	21,586	16,018	19,684
Number of Days Open to the Public:	27	24	27
New Registrations (New Patron card issued)	158	145	170
CIRCULATION:			
Total Check-outs:	38,329	32,527	32,813
Total Check-ins:	27,342	23,796	26,181
ILLs (Inter-library loans/out of county):	137	141	141
COURIER:			
Intra-library Holds to Forest Grove:	15,327	13,216	11,857
Intra-library Holds from Forest Grove:	10,593	9,326	8,556
PROGRAMS:			
Adult Programs	8	9	2
Adult Attendance at Adult Programs	130	188	78
Teen programs	0	0	NA
Teen attendance at Teen Programs	0	0	NA
Children's Programs	27	22	21
Children's Attendance at Children's Programs	316	292	233
Adult Attendance at Children's Programs:	190	150	147
# of families at Early Childhood Discovery Time	17	17	NA
REFERENCE:			
Reference Questions	NA	NA	NA
SELF CHECK-OUT:			
Self-Check Out Patrons Accepted	1,063	858	1,198
Self-Check-Out Patrons Denied	427	461	202
Self-Check-Out Total Items	4,147	3,443	4,593
Self-Check-Out Items Denied	70	55	43
Self Check-Out Items Renewed	55	30	34
VOLUNTEERS:			
Number of volunteers	45	34	35
Volunteer hours	506	456	322
COMPUTER USE:			
# of sessions	3,219	2,684	3,156
Total user hours	1,854	1,559	2,024
Average session time in minutes	34	35	38

**FOREST GROVE CITY LIBRARY
CIRCULATION STATISTICS REPORT: MARCH 2011**

	FEB 2011	JAN 2011	FEB 2010
MONTHLY TRAFFIC			
Eye Count (Daily count of patrons for month)	16,018	15,619	17,142
Number of Days Open to the Public:	24	24	24
New Registrations (New Patron card issued)	145	161	141
CIRCULATION:			
Total Check-outs:	32,527	34,782	27,920
Total Check-ins:	23,796	24,790	22,565
ILLs (Inter-library loans/out of county):	141	114	127
COURIER:			
Intra-library Holds to Forest Grove:	13,216	14,141	10,561
Intra-library Holds from Forest Grove:	9,326	9,555	7,591
PROGRAMS:			
Adult Programs	9	9	1
Adult Attendance at Adult Programs	188	80	28
Teen programs	0	NA	NA
Teen attendance at Teen Programs	0	NA	NA
Children's Programs	22	21	18
Children's Attendance at Children's Programs	292	446	206
Adult Attendance at Children's Programs:	150	232	161
# of families at Early Childhood Discovery Time	17	15	NA
REFERENCE:			
Reference Questions	NA	NA	NA
SELF CHECK-OUT:			
Self-Check Out Patrons Accepted	858	974	949
Self-Check-Out Patrons Denied	461	434	149
Self-Check-Out Total Items	3,443	3,830	3,289
Self-Check-Out Items Denied	55	45	41
Self Check-Out Items Renewed	30	37	14
VOLUNTEERS:			
Number of volunteers	34	34	26
Volunteer hours	456	443	235
COMPUTER USE:			
# of sessions	2,684	2,882	2,817
Total user hours	1,559	1,619	1,775
Average session time in minutes	35	33	38

Memorandum

To: Mayor Peter Truax and City Councilors
From: Anna D. Ruggles, CMC, City Recorder
Subject: Accept Resignation on Library Commission
Date: April 25, 2011

Karen Shepard, Library Commission, Term Expiring December 31, 2011, has informed staff of her desire to resign from the Library Commission as per her attached resignation letter.

STAFF RECOMMENDATION: Staff recommends Council accept the above resignation and deem the seat vacant.

Colleen Winters, Director
2114 Pacific Avenue
Forest Grove, OR 97116-2497



Hi Colleen,

It is with great regret that I must tender my resignation as a member of the Library Commission. Job and health issues have consumed my time this last year and I have not been able to give the Commission the attention that is required.

I have enjoyed my time as a commission member, but feel it is in the best interests of the library and the commission if I step down at this time. I hope to participate again in the future but can't predict when that time might be.

Thank you for your help and support over the years, I have enjoyed our relationship. I will continue to support the library in any way that I can.

Kindest regards,

Karen Shepard

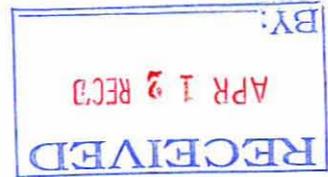


Memorandum

To: Mayor Peter Truax and City Councilors
From: Anna D. Ruggles, CMC, City Recorder
Subject: Accept Resignation on Planning Commission
Date: April 25, 2011

Fred Smith, Planning Commission, Term Expiring December 31, 2014, has informed staff of his desire to resign from the Planning Commission as per his attached resignation letter.

STAFF RECOMMENDATION: Staff recommends Council accept the above resignation and deem the seat vacant.



April 12, 2011

Anna Ruggles, City Recorder
Forest Grove, Oregon

Dear Ms. Ruggles

This letter is to inform you of my resignation from the Forest Grove Planning Commission effective this date. My other weekly volunteer positions are getting to the point of taking too much of my free time. Accordingly, I feel an adjustment is required. I leave knowing that the current panel has an impressive background of knowledge and abilities to serve Forest Grove. The city is fortunate to have such quality members on its' Planning Commission.

Sincerely,

Fred Smith

Memorandum

TO: Mayor Peter Truax and City Councilors

PROJECT TEAM: Anna D. Ruggles, CMC, City Recorder
Michael Sykes, City Manager

SUBJECT: Appointment to Economic Development Commission

DATE: April 25, 2011

BACKGROUND:

There currently is one non-voting student advisory vacancy on the Economic Development Commission (EDC).

The City Council interviewed Anh Ho on March 28, 2011, in Work Session and subsequently, Council made recommendation to appoint Ho as a non-voting student advisor to the EDC.

STAFF RECOMMENDATION:

Staff is recommending the City Council consider approving at the Council meeting of April 25, 2011, a resolution appointing Anh Ho as a non-voting student advisor to the Economic Development Commission, term expiring December 31, 2012. If Council desires not to make this appointment, Council may reject placing this item on the Consent Agenda and/or discuss separately.



RESOLUTION NO. 2011-28

**RESOLUTION MAKING APPOINTMENT TO
ECONOMIC DEVELOPMENT COMMISSION
NON-VOTING STUDENT ADVISOR**

WHEREAS, Resolution No. 2007-45 has provided for an Economic Development Commission; and

WHEREAS, Resolution Number 2006-10 provides that vacancies on City Advisory Boards, Committees, and Commissions brought about by resignation or removal shall be filled by appointment to fill the term of that seat by the City Council; and

WHEREAS, there currently is a student advisory vacancy on the Economic Development Commission; and

WHEREAS, it is the desire of the City Council to appoint a student advisor to serve as a non-voting member on the Economic Development Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE AS FOLLOWS:

Section 1. That the following person is hereby appointed to the City of Forest Grove Economic Development Commission for the following term (new appointment noted in **BOLD**):

<u>Last Name:</u>	<u>First Name:</u>	<u>Representative:</u>	<u>Term Expires:</u>
HO	ANH	Non-Voting Student Advisor	December 31, 2012

Section 2. This resolution is effective immediately upon its enactment by the City Council.

PRESENTED AND PASSED this 25th day of April, 2011.

Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 25th day of April, 2011.

Peter B. Truax, Mayor

Date: April 25, 2011

2011 WATERSHED TIMBER HARVEST UPDATE

PROJECT TEAM: Rob Foster, Director, Public Works
Susan Cole, Assistant Director, Administrative Services
Paul Downey, Director, Administrative Services
Michael Sykes, City Manager

ISSUE STATEMENT:

At the City Council work session held on January 24, 2011, staff presented three activities related to the City's watershed that needed to be completed along with this summer's timber harvest. These activities included; 1) a timber inventory, 2) a forest manager contract renewal, and 3) an update of the City's Watershed Stewardship Management Plan.

This staff report provides more detail and a schedule of how these activities can be completed in the coming months. Exhibit A (attached) is a report from Scott Ferguson, Trout Mountain Forestry, City's Watershed Management Forestry Consultant, for the 2011 timber harvest. Also in Mr. Ferguson's report is a proposal to assist City staff with Item 1, the timber inventory; and a 10-year assessment of management activities in the watershed. Exhibit B (attached) is a timetable showing the timelines of how these activities will fit with the forest manager contract renewal and the update of the Watershed Management Plan (Items 2 and 3)

BACKGROUND:

The *Forest Grove Watershed Stewardship Management Plan* was adopted by City Council in 2001 and developed a framework for managing the City's 4,345 acres of forest. The Management Plan is a guide where the City's three primary goals can come together: 1) provide highest possible quality water; 2) promote a healthy sustainable forest; and 3) provide revenue from timber harvests into the

water fund to pay the expenses of the timber harvest and service the debt obligation for upgrades to the treatment facilities. It also serves as a vehicle for the assessment of the watershed's ecosystem and health.

The 2001 Management Plan recommends a timetable of events for a ten-year period which ends in 2011, with an assessment of the plan's performance and an update of the plan. Additionally, best management practices and the Forest Stewardship Council recommend revisions to such plans every 10 years.

The City's current contract with Trout Mountain Forestry (Scott Ferguson) will continue through this year's timber harvest. Mr. Ferguson will also write an assessment of the past 10 years of watershed activities, and assist staff with the management of a timber inventory. In the late summer and fall, staff will prepare a Request for Proposal (RFP) for Watershed Management Services and receive proposals from qualified forest management companies. After the forest management contract has been renewed, staff will assist the management company with the formation of an Ad-Hoc Committee who will be charged with overseeing and giving direction on the update of the Forest Grove Watershed Stewardship Management Plan. It is expected that this update will require up to six months of time to complete and will lead into the 2012 timber harvest.

FISCAL IMPACT:

Trout Mountain's assessment of the past 10 years of watershed activity and a timber inventory will be performed within resources currently budgeted to manage the watershed. Updating the Watershed Stewardship Management Plan will require additional resources that will be included in the Water Department's FY 2011-12 budget proposal, which is due to come before the Budget Committee in mid-May.

STAFF RECOMMENDATION:

Upon Council approval of the proposed Watershed Schedule (attached as Exhibit B), staff will proceed with the work plan as outlined in the Schedule.



721 NW 9TH AVE, STE 228

PORTLAND, OR 97209

(503) 222-9772

April 14, 2011

Robert Foster
 Director of Public Works
 City of Forest Grove

Re: Staff Report 2011 Harvest, Watershed Inventory & 10-Year Performance Assessment

Rob,

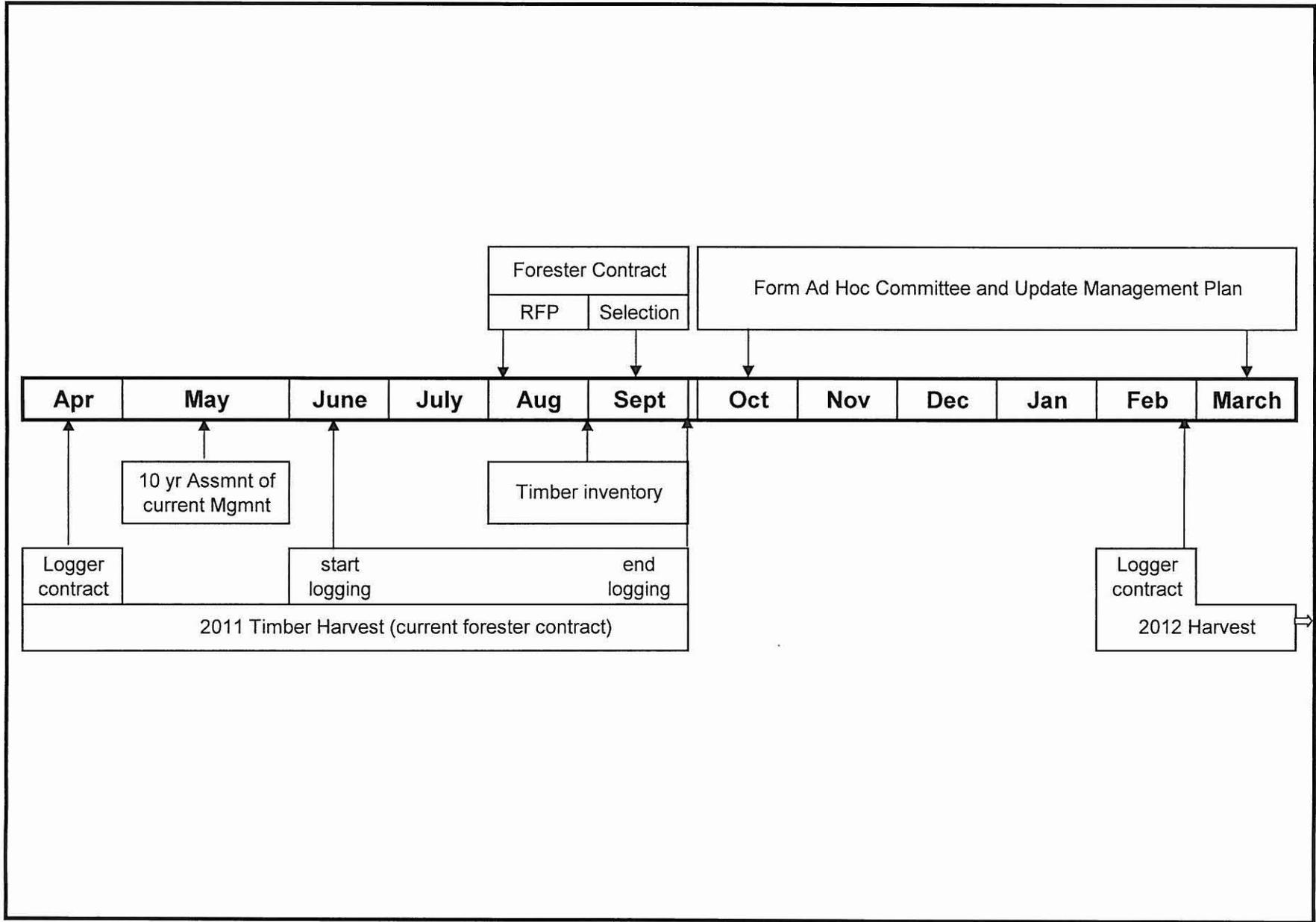
Please see the following information and discussion about City Watershed activities that we will be involved in for 2011.

2011 Harvest:

Harvest Summary				
Harvest type	Acres	Average Starting Volume/acre	Estimated Volume/acre Harvested	Total Estimated Volume
Ground-based Thinning	85	± 32 MBF	± 8 MBF	680 MBF
Cable Thinning	62	± 32 MBF	± 14 MBF	860 MBF
Totals:	147			1,500 MBF

Species Breakdown	Douglas-fir	Cedar	Grand fir	Alder
Estimated MBF:	1,100	290	90	20

EXHIBIT B ~ 2011 WATERSHED SCHEDULE



April 25, 2011

**SIDEWALK IMPROVEMENT PROGRAM
ORDINANCE SPECIFYING THE ASSESSMENTS TO BE MADE ON PROPERTIES
SPECIALLY BENEFITED BY THE CONSTRUCTION OF CERTAIN SIDEWALK
IMPROVEMENTS; SETTING SIXTY (60) MONTH AND ONE HUNDRED TWENTY (120)
MONTH PERIODS FOR INSTALLMENT PAYMENTS; SETTING THE INSTALLMENT
FINANCING RATE AT FOUR AND ONE-QUARTER PERCENT (4.25%) AND SIX AND ONE-
HALF PERCENT (6.50%) RESPECTIVELY; DECLARING AN EMERGENCY**

PROJECT TEAM: Rob Foster, Director of Public Works
Susan Cole, Assistant Director of Administrative Services
Paul Downey, Director of Administrative Services
Michael Sykes, City Manager

ISSUE STATEMENT: Assess benefitting properties for the cost of improving sidewalks abutting those properties.

BACKGROUND: In August of 2010, via resolution 2010-66, the City Council created a City-wide, voluntary, improvement district to facilitate the repair of sidewalks. Since that time, staff have signed up property owners to participate, hired a contractor, and commenced repairing sidewalks. The sidewalk repairs began in December, 2010, and are nearly complete. Rather than wait until all sidewalk repairs are completed, those repairs that are completed each month will be batched and brought to the City Council for final assessment. This will keep the project moving in an efficient way, and enable the City to be paid back on a more timely basis. Once the assessments are placed on the properties via the attached ordinance, the City will then bill the property owners.

FISCAL IMPACT: The March sidewalk repairs amounted to \$12,304.05. Because some property owners have chosen to pay the City back over time, some of the assessments include interest, increasing the total amount assessed by the City to \$13,174.05. The attached ordinance allows the City to collect repayment from those property owners that have benefited from the completed sidewalk repairs.

RECOMMENDATION: Staff recommends Council adopt the attached Ordinance as an emergency so staff can assess those properties that benefitted from sidewalk repairs completed in March, 2011.

NewsTimes

Legal Ads/Public Notice:

To be published: Wednesday, April 20, 2011

NOTICE OF PUBLIC HEARING

City of Forest Grove, Oregon

City-Wide Voluntary Sidewalk Local Improvement District

Notice of Proposed Final Assessment

As required by the terms of Forest Grove Municipal Code Section 3.440, notice is hereby given that a Public Hearing will be held on **Monday, April 25, 2011, at 7:00 p.m. or thereafter**, in the Community Auditorium, 1915 Main Street, Forest Grove, to consider adopting a proposed ordinance concerning the proposed final assessments for the City-Wide Voluntary Sidewalk Local Improvement District (LID). The proposed ordinance, if enacted by the Forest Grove City Council, would take effect on the thirtieth day (30th) after enactment unless the City Council declares an emergency.

The proposed final assessments for each affected lot are as follows:

EVERETT MARK E & CARRIE S	1S306BD05601	\$2,058.93
DOYLE ALEX P & DEBORAH O	1N331CC04100	\$1,327.88
MORGAN JEFFERY A AND ROBIN D	1N436DD00800	\$1,387.56
EAGLE RICHARD PHILIP & MARGARET	1N436DA03302	\$4,352.70
MCLEAN TERRY L & SANDRA	1S306AB12800	\$932.50
SHERWOOD, RANDY G	1S305CB09500	\$167.75
FOSTER ROBERT A & BETSY H	1N426DC02612	\$2,946.70

The calculation of the proposed final assessment(s) was made consistent with the methodology adopted by the Forest Grove City Council at its meeting of August 23, 2010. That methodology and allocation scheme is available for public inspection at Forest Grove City Hall.

Owners of property within the LID who have objections to the proposed final assessment must present those objections in writing and set out the reason(s) for the

objections with specificity. Those written objections must be received by 7:00 p.m. on April 25, 2011, prior to the Council's hearing on the proposed final assessments.

In the event a property owner elects not to pay the final assessment in whole within thirty (30) days after City Council certifies the final assessments, property owners will be offered the chance to make monthly installment payments on the assessment over a period of sixty (60) months or one hundred twenty (120) months, provided the affected property owner has timely completed an installment application.

It is currently anticipated that the interest rates on the installment plans will be 4.25% and 6.50% respectively.

A copy of the report and proposed ordinance is also available for inspection prior to the hearing at the City Recorder's Office or by visiting the City's website at www.forestgrove-or.gov. Questions concerning this notice and its contents should be directed to the attention of the City Recorder's Office, P. O. Box 326, 1924 Council Street, Forest Grove, OR 97116, prior to the hearing. For further information, please call Anna Ruggles, City Recorder, 503.992.3235, or e-mail aruggles@forestgrove-or.gov.

Anna D. Ruggles, CMC, City Recorder
City of Forest Grove

To be published Wednesday, April 20, 2011

ORDINANCE NO. 2011-07

ORDINANCE SPECIFYING THE ASSESSMENTS TO BE MADE ON PROPERTIES SPECIALLY BENEFITED BY THE CONSTRUCTION OF CERTAIN SIDEWALK IMPROVEMENTS; SETTING SIXTY (60) MONTH AND ONE HUNDRED TWENTY (120) MONTH PERIODS FOR INSTALLMENT PAYMENTS; SETTING THE INSTALLMENT FINANCING RATE AT FOUR AND ONE-QUARTER PERCENT (4.25%) AND SIX AND ONE-HALF PERCENT (6.50%) RESPECTIVELY; DECLARING AN EMERGENCY

WHEREAS, the City Council, by its adoption of Resolution No. 2010-66 on August 23, 2010, created the City-Wide Voluntary Sidewalk Local Improvement District (LID) for the purpose of repair and rehabilitation of sidewalks throughout the City. Those property owners who voluntarily consent to sidewalk repairs and assessments shall be assessed a share of the costs associated with said repair and rehabilitation;

WHEREAS, the City Council, through the adoption of Resolution No. 2010-67 on August 23, 2010, set the repayment terms for payment of assessments for sidewalk improvements under the LID;

WHEREAS, the City Council has now received an assessment report from the Public Works Director and the share of the costs attributable to the Local Improvement District has been set by the Report to be \$13,174.05;

WHEREAS, the City Recorder has, consistent with FGMC 3.440, sent notice to each affected property owner the necessary information and has received zero timely objections to the assessments; and

WHEREAS, the City Council has held a duly-noticed Public Hearing on April 25, 2011, and reviewed the objections timely received by the City Recorder and has determined that the methodology adopted by the terms of Resolution 2010-67 was a fair, just and appropriate approach to determine the assessments.

NOW, THEREFORE, THE CITY OF FOREST GROVE ORDAINS AS FOLLOWS:

Section 1. The City Council has determined that the total cost noted above (\$13,174.05) for the construction of the improvements is to be borne by the properties specially and peculiarly benefited thereby.

Section 2. The final assessment for each property is as shown on the Assessment Roll attached hereto as Exhibit A. The assessments are spread consistent with the methodology approved by Council Resolution 2010-67.

Section 3. For those property owners who chose payment option 1B of Council Resolution 2010-67, the installment period shall be sixty (60) months at an interest rate of four and one-quarter percent (4.25%) with the first payment due by the 1st of June with payments thereafter due and payable on the 1st of each month for a period of fifty-nine (59) months, with no pre-payment penalty.

Section 4. For those property owners who chose payment option 1C of Council Resolution 2010-67, the installment period shall be one hundred twenty (120) months at an interest rate of six and one-half percent (6.50%) with the first payment due by the 1st of June with payments thereafter due and payable on the 1st of each month for a period of one hundred nineteen (119) months, with no pre-payment penalty.

Section 5. Payments become delinquent if not received by the due date according to the payment option selected.

Section 6. Property owners whose payments become delinquent shall pay a penalty of ten dollars (\$10.00) per every thirty (30) day period payments are or remain delinquent.

Section 7. The assessments paid over the times described in Sections 3 and 4 above shall be listed in the City's lien docket and if unpaid (together with accrued and unpaid interest and penalties) are a lien in favor of the City as set out in ORS 223.230.

Section 8. Liens shall be adjusted for penalties assessed for delinquent payments.

Section 9. Within ten (10) days of the adoption of this ordinance, the City Recorder shall send notice of assessment to each property owner shown on the Assessment Roll and publish notice of the assessment in the newspaper in accordance with FGMC 3.450.

Section 10. So that the assessments can be timely filed with the County, the City Council hereby declares that an emergency exists, and this ordinance is and shall be effective from and after its passage by the Council.

PRESENTED AND PASSED the first reading this 25th day April, 2011.

PASSED the second reading this 25th day of April, 2011.

Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 25th day of April, 2011.

Peter B. Truax, Mayor

Exhibit A
Sidewalk Assessment Roll

Sidewalk Completion Report

Tax Lot ID	Address	Property Owner	Legal	Assessment
1S306BD05601	1616 BIRCH STREET	EVERETT MARK E & CARRIE S	FOREST GROVE, TOWN OF Lot 1 40	\$ 2,058.96
1N331CC04100	1824 23RD AVENUE	DOYLE ALEX P & DEBORAH O	WALKERS ADDITION TO THE TOWN OF FOREST GROVE Lot 1 9	\$ 1,327.88
1N436DD00800	2229 C STREET	MORGAN JEFFERY A AND ROBIN D	NAYLOR'S ADDITION Lot 3 4	\$ 1,387.56
1N436DA03302	2336 GALES WAY	EAGLE RICHARD PHILIP & MARGARET		\$ 4,352.70
1S306AB12800	2529 PACIFIC AVENUE	MCLEAN TERRY L & SANDRA	ELMSFORD PLACE Lot 5	\$ 932.50
1S305CB09500	3134 BRITTANY DRIVE	SHERWOOD, RANDY G		\$ 167.75
1N426DC02612	3342 KNIGHTON WAY	FOSTER ROBERT A & BETSY H	FOREST GALE HEIGHTS NO.7 Lot 165	\$ 2,946.70
				\$ 13,174.05

April 25, 2011

REPORT ON RESOLUTION SETTING AQUATIC CENTER FEES AND CHARGES

PROJECT TEAM: Paul Downey, Administrative Services Director
Tom Gamble, Parks and Recreation Director
Michael Sykes, City Manager

ISSUE: Fee increases are normally brought to the City Council in June for adjustments to be effective as of July 1. Changes in Aquatic Center fees are presented prior to other fee increases so the Aquatic Center can include the revised fees in its summer brochure which is printed in May. Having the correct fees in the brochure reduces confusion for the public. Staff is requesting that the Council establish the new Aquatic Center fees now and has prepared a resolution setting fees for Council consideration.

DISCUSSION: During FY 01-02, the City completed a cost-of-service study and the City Council approved fee increases based on that study. City Code Section 2.601 states the licenses, permits, and fees will be adjusted by Council Resolution in July each year. It further states that subsequent adjustments prior to completion of the next required cost-of-service study shall be made in accordance with Section 2.605. That section states that adjustments to fees and charges shall be based on the CPI of the percentage of the wage adjustment for City employees.

Staff has prepared the proposed fee schedule using a general wage and benefits increase of 3%. The fees have been rounded up or down where necessary to reduce creating change issues. A proposed fee schedule including the percentage change in the fee is attached.

The City Council will be asked to approve increases in the City's other fees at a June 2011 meeting.

STAFF RECOMMENDATION: Staff recommends that the City Council approve the attached resolution.

April 13, 2011

NewsTimes

Legal Ads/Public Notice:

To be published: Wednesday, April 20, 2011

**NOTICE OF PUBLIC HEARING
PROPOSED RESOLUTION INCREASING VARIOUS AQUATIC FEES
FOR THE CITY OF FOREST GROVE**

NOTICE IS HEREBY GIVEN that the Forest Grove City Council will hold a Public Hearing on **Monday, April 25, 2011, at 7:00 p.m. or thereafter**, in the Community Auditorium, 1915 Main Street, Forest Grove, to consider adopting a resolution that would increase various Aquatic fees approximately three percent (3%). The proposed fees would be effective July 1, 2011.

This hearing is open to the public and interested parties are encouraged to attend. A copy of the report and a list of the proposed fees are available for inspection before the hearing at the City Recorder's Office or by visiting the City's website at www.forestgrove-or.gov. Written comments or testimony may be submitted at the hearing or sent to the attention of the City Recorder's Office, P. O. Box 326, 1924 Council Street, Forest Grove, OR 97116, prior to the hearing. For further information, please call Anna Ruggles, City Recorder, at 503.992.3235.

Anna D. Ruggles, CMC, City Recorder
City of Forest Grove

To be published Wednesday, April 20, 2011

RESOLUTION NO. 2011-29**RESOLUTION SETTING FEES & CHARGES FOR AQUATIC CENTER
EFFECTIVE JULY 1, 2011, AND REPEALING RESOLUTION 2010-35**

WHEREAS, the City Code Section 2.601 requires fees and charges to be adjusted annually in July of each year in accordance with Code Section 2.605; and

WHEREAS, the Aquatic Center Fees and Charges have been previously set by Resolution 2010-35; and

WHEREAS, staff is proposing fee adjustments in accordance with City Code Section 2.605; and

WHEREAS, staff has prepared a resolution with the proposed fees and charges attached as Exhibit 1; and

WHEREAS, a duly noticed Public Hearing was held on April 25, 2011.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE AS FOLLOWS:

Section 1. The Aquatic Center Fees and Charges listed on Exhibit 1 of this resolution are hereby adopted effective July 1, 2011.

Section 2. Resolution 2010-35 is hereby repealed upon the effective date of the foregoing Aquatic Center Fees and Charges listed on Exhibit 1 of this resolution.

Section 3. This resolution is effective immediately upon its enactment by the City Council.

PRESENTED AND PASSED this 25th day of April 25, 2011.

Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 25th day of April, 2011.

Peter B. Truax, Mayor

Forest Grove Fee Schedule

Aquatic Center

Exhibit 1

Adopted Fees - 7/1/10 Adopted Fees - 7/1/11

Public and Fitness Swim

In-City under 2 years	0.00	0.00
In-City 2-17 years; Senior or Disabled Veteran	2.80	3.00
In-City 18-64 years	4.20	4.35
In-City Family	10.00	10.30
Outside-City under 2 years		
Outside-City 2-17 years; Senior or Disabled Veteran	3.90	4.00
Outside-City 18-64 years	6.15	6.35
Outside-City Family	14.00	14.50
Drop-in Aerobic Fee	5.75	6.00

Membership

In-City Family	113.00	116.50
In-City Individual	57.00	59.00
In-City Senior/ Disabled Veteran	35.00	36.00
Outside-City Family	154.00	159.00
Outside-City Individual	77.00	79.50
Outside-City Senior/ Disabled Veteran	46.00	47.50

Punch Pass (10 visits)

In-City 2-17 years; Senior or Disabled Veteran	23.50	24.25
In-City 18-64 years	35.00	36.00
Outside-City 2-17 years; Senior or Disabled Veteran	31.25	32.25
Outside-City 18-64 years	50.75	52.50

Pacific University

Monthly Fee	1040.00	1075.00
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Laminating Service

Small Card	0.50	0.50
Large	2.00	2.00

Mat

Rental	1.00	1.00
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Instruction

In-City Member (per session)	28.60	29.50
In-City Non-Member (per session)	43.00	44.50
Non-Member Senior and Disabled Veteran (per session)	35.00	36.00

Instruction

Outside-City Member (per session)	28.60	29.50
Outside-City Non-Member (per session)	57.25	59.00

Lifeguard Training

Member	120.00	124.00
In-City Non-Member	148.00	152.50
Out-of City	177.00	182.50

Pool Rental

1-60 People (per hour)	107.00	110.25
61-100 People (per hour)	125.00	129.00
101-200 People (per hour)	146.00	150.50

Staff/Classroom (per hour)

	19.00	20.00
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Spray Park Rental (per hour)

	52.00	54.00
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School District 15

Fee per Employee per Hour	15.30	15.80
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* Senior is defined as a person 65 years or older.

April 25, 2011

REPORT ON APPOINTMENT OF CITY AUDITOR

Project Team: Paul Downey, Administrative Services Director
Sally Cicerchi, Accountant
Michael Sykes, City Manager

ISSUE STATEMENT: The Forest Grove City Charter specifies the City Council appoint the City Auditor. The City's current auditor, Isler CPA, has requested that the City find a different audit firm due to the firm revising the number of audit clients and reducing its workload. The City Council needs to appoint the City Auditor for the next three fiscal years (ending June 30, 2011, 2012, and 2013).

BACKGROUND: Isler CPA has been the City's auditor for the past four fiscal years. The firm has been evaluating its audit work load and has decided to reduce the number of municipal audit clients. The City of Forest Grove was selected as one of the clients they would like to drop from its audit schedule. Our audit was one of their lower profit margin audits. I agreed to look for a different audit firm with the agreement that if the City could not find another qualified firm to perform the audit, the City would expect Isler CPA to remain the City's auditor for another year.

DISCUSSION: The City advertised and requested proposals for auditing services. Proposals were received from four firms. City staff evaluated the proposals and selected three firms to interview based on the firm's experience with similar or larger municipalities and price.

Interviews will be conducted on April 21, 2011 by Councilor Tom Belusko, Councilor Tom Johnston, Sally Cicerchi, and Paul Downey.

STAFF RECOMMENDATION: Staff and these Councilors will bring a recommendation to the April 25, 2011, City Council meeting as to which firm should be appointed as the City Auditor for the three fiscal years ending June 30, 2011-2013. Staff recommends that City Council adopt the attached draft resolution following the recommendation of which firm is to be appointed as City Auditor.



RESOLUTION NO. 2011-30

**RESOLUTION APPOINTING THE CITY AUDITOR
FOR FISCAL YEARS 2011-12 THROUGH 2012-13
AND REPEALING RESOLUTION NO. 2010-12**

WHEREAS, State law requires the City's financial statements to be audited by a qualified independent auditor; and

WHEREAS, State law requires the City's financial and budget practices be audited to verify conformance with local budget laws in Oregon; and

WHEREAS, the Forest Grove City Charter specifies the City Auditor shall be appointed by the City Council; and

WHEREAS, the City recently advertised and requested proposals for auditing services for fiscal years 2011-12 through 2012-13; and

WHEREAS, the City's Audit Committee has agreed to appointing _____ to provide auditing services.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE AS FOLLOWS:

Section 1: The City Council hereby appoints _____ as the City's Auditor for the three fiscal years commencing July 1, 2011, and ending June 30, 2013.

Section 2: The City Council authorizes the City Manager to sign a contract for services to perform the City's annual audit to comply with State law.

Section 3: Resolution No. 2012-12 is hereby repealed upon the effective date of this resolution.

Section 4: This resolution is effective immediately upon its enactment by the City Council.

PRESENTED AND PASSED this 25th day of April, 2010.

Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 25th day of April, 2010.

Peter B. Truax, Mayor

Memorandum

TO: City Council

FROM: Paul Downey, Director of Administrative Services
Michael Sykes, City Manager

DATE: April 25, 2011

SUBJECT: CEP Funding Work Session

The City Council heard the presentations from the applicants for the CEP Grant awards on April 19, 2011. Councilors will submit their individual allocations and staff will prepare a worksheet showing the individual funding decisions. A copy of the funding worksheet will be distributed at the meeting. The purpose of this work session is to recommend funding for consideration at the Public Hearing scheduled for May 9, 2011.