



CITY OF EAGLE POINT

"Gateway to the Lakes"

OREGON

EAGLE POINT CITY COUNCIL
17 BUCHANAN AVE. SOUTH, EAGLE POINT, OREGON

MAY 14, 2013

REGULAR MEETING MINUTES

1. CALL TO ORDER – 7:00 P.M.

Mayor Russell called the meeting to order at 7:00 p.m.

Council Members Present: Bob Russell, Jonathan Bilden, Wayne Brown, Bill Fierke, Ruth Jenks, Aaron Prunty and Kathy Sell.

Staff Members Present: Henry Lawrence, City Administrator; Joe Kellerman, City Attorney; Robert Miller, Public Works Director; Melissa Owens, Finance Officer; Vern Thompson, Police Chief; Mike Upston, Principal Planner; and Cindy Hughes, City Recorder.

Guests: Evelyn Kinsella, Food and Friends; Fire Chief Dan Peterson, Suzi Collins and Millie Wewerka, Planning Commissioners; *Lorin Myers and *Jerry Zieman, Budget Committee Members; and members of the public and press.

2. FLAG SALUTE AND INVOCATION

Mayor Russell led the Pledge of Allegiance and Jerry Zieman provided the invocation.

3. AUDIENCE QUESTIONS OR COMMENTS CONCERNING ITEMS NOT ON THE AGENDA

Jerry Zieman expressed his appreciation for the use of the Ashpole Community Center for the school board candidate forum.

4. PRESENTATIONS

4.1 Food & Friends Senior Nutrition Program Presentation – Evelyn Kinsella

Evelyn Kinsella of Food & Friends made a PowerPoint presentation about the Senior Nutrition Program (Submission No. 1) and expressed appreciation to the City

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Council for their continued support. A total of 11,441 meals were served to 218 clients in Eagle Point during 2012. This program helps Eagle Point's population of older and homebound seniors to be more independent as well as providing a safety check when the meals are delivered. Volunteers donated over 300 hours each month, equivalent to over \$75,000 service hours.

4.2 Jackson County Fire District No. 3 Quarterly Update – Dan Peterson, Fire Chief

Fire Chief Dan Peterson presented the First Quarter Update (Submission No. 2) and reported a balanced budget. In addition, Fire Chief Peterson discussed the following:

- “Residential Trends” indicating a slight increase to the District’s anticipated revenue;
- Ongoing work with the Insurance Services Office regarding insurance ratings and a community meeting next quarter;
- An increase in incident response activities by 9.2% over last year’s first quarter, an increase of 7.6% of responses over the last 12 months, and Central Point being the highest volume incident responses for a career station and Gold Hill being the busiest volunteer station;
- Recruits ready for graduation which will result in increased staffing coverage;
- Training Department Statistics – 583 courses covered 171 topics. 1127 training hours attended by personnel, averaging 44 hours per member.
- Eagle Point Statistics – 207 responses of which 87 were emergent calls.
- Dispatch Processing and Turnout Time Goals – established by Emergency Communications of Southern Oregon (ECSO).

Upon the conclusion of the presentation, Fire Chief Peterson responded to a question about the increase in staffing. The District reduced materials and purchases during recent years, and streamlined and identified areas where they could make reductions in order to add three positions. The upcoming purchase of new fire engines was discussed as well. Council members concluded by expressing their appreciation for the Fire District.

4.3 Water Master Plan Presentation – Garrett Pallo, Civil West Engineering Services, Inc.

Garrett Pallo of Civil West Engineering Services presented an overhead presentation of the Water Master Plan (Submission No. 3). It was noted that some of the items in

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the Plan had been completed or changed, however, it was necessary to have a current Water Master Plan. The following items were discussed:

- Water Supply from the Medford Water Commission providing for up to 3 MGD during the peak summer months however peak demands are estimated to increase to around 8.5 MGD.
- Potential for developing a water resource from a well located West of Highway 62.
- Good pump station conditions, however, a backup power system is recommended. Bellerive's capacity should be increased and include backup power. The Palima Drive Station is in good condition.
- Storage tanks and reservoirs have adequate total storage at this time, however, one tank's level is small and it is recommended that a larger tank be built in the area.
- 3.6 MG tank leakage is back down to low numbers, and repairs have held. The tank is approximately 20 years old and should last 80 to 100 years.
- Piping network of 45 miles is mostly good, properly sized and well laid out. There are some sections that create problems for maintenance and leakage, as well as poor fire performance.
- Map with projects reviewed and benefits of making improvements prior to paving discussed.
- Regarding fire performance, Mr. Pallo explained the Insurance Service Organization's (ISO's) recommendation, looked at a model to determine if the homes had the amount of protection they should have. It was further noted a community has an obligation to provide reasonable fire protection for all of its homes although it is sometimes required that a residence install a sprinkler system. Overall, the City's fire protection is good. The area served by the 200,000 gallon tank is a concern and a number one priority of the Plan.
- Project prioritization listed the first priority as the 1.6 MG tank, and adding a tank as needed in the future as population levels increase. Mr. Pallo noted there was not a correct way to prioritize, the City may choose to complete the capital improvement plan in its entirety or break into groups.
- The Eagle Point system was intended to operate with valves tied to connect the tanks. The water pressure is legal but inadequate for customer's desires, and inadequate in fighting fires. Civil West is working toward alleviating the pressure issues and there are options of building a pipeline or moving the station. Building a pipeline would cost approximately \$600,000 and moving a pump station would

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cost approximately \$185,000. The recommendation was to move the pump station.

- Hourly demand level in the draft Water Master Plan was used to characterize use under its extreme maximum potential.
- The pump station, near Robert Trent Jones Boulevard, was designed to be a temporary fix as the City did not have the funds at the time to tear up the streets, tie-in pipe, and repair streets.
- The unaccounted water rate of 28% was discussed and Mr. Miller reported testing is scheduled for 20 miles of the system. The system is monitored every couple of months and coordinated with the Medford Water Commission. Meters should be monitored and accounted monthly. By state law, the City is required to get the leakage rate under 15%.
- Options for attaining water include purchasing water rights from others, and groundwater wells could be developed. Obtaining water from an old well across from Highway 62 was also discussed.

During the presentation, Councilor Jenks left the meeting at approximately 7:59 p.m. and returned at 8:02 p.m.

5. PUBLIC HEARINGS

- 5.1 A Public Hearing in the matter of increasing the Water Base Rate and Water Consumption Rates. Ordinance No. 2013-01.

Mayor Russell opened the public hearing at 8:04 p.m. and requested Melissa Owens, Finance Officer, to provide a report.

Ms. Owens noted there had been previous discussions about the Water Fund and proceeded with an overhead presentation (Submission No. 4). Ms. Owens reported the Water Fund was short by approximately \$150,000 every year which is the barebones minimum that the system can operate. In addition, needed repairs had depleted funds. In looking at the next fiscal year, the City anticipates spending approximately \$100,000 in repairs in addition to the \$150,000 annual deficit, well exceeding the amount of revenue generated by the Water Fund. Additionally, the Water Debt Fund will experience expenditures of approximately \$64,000 over revenue generated by the Water Debt Fund. There is an Ending Fund Balance of \$425,988 which will accommodate the \$64,000 short fall for fiscal year 2013-2014 but those funds should not be depleted. Reduced building SDCs negatively impacted this fund.

* At approximately 8:09 p.m., Jerry Zieman of the Budget Committee left the meeting.

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Ms. Owens explained that although previous discussions about water rates had been held, the City had hoped for an improvement in the economy. It is necessary for the City to maintain a balance of approximately \$99,000 in the Water Fund as required debt reserve. Ms. Owens further noted that a cash flow contingency of \$250,000 was actually a very low amount and the City would not want to go below that amount.

Next, Ms. Owens explained and discussed the current water consumption and base rates. An increase of \$4.00 per month in the base rate and \$.30/1000 in the consumption rate was proposed. The proposed increase would place Eagle Point as the fourth highest water rate instead of the second lowest in the area, and result in approximately \$301,000 in revenue. This amount would be just slightly above the expenses and would stop the downward financial trend for those services. The City is working toward refinancing loans and a requirement of lending institutions is that adequate revenues are generated for services. It was noted that the Water Master Plan is a separate item from the proposed rate increase; however, the rural development water loans require a water loss rate of 10% or less. Council briefly discussed options for rate adjustments and maintenance requirements.

Mayor Russell asked for public testimony in favor of the rate increase and there was no public comment made. Next, Mayor Russell invited public testimony in opposition of the rate increase. Lorin Myers was opposed to the increase. He reported being on a fixed income, and asked the Council to consider those with fixed or limited incomes, as well as the impact on the City if people quit watering lawns. He also commented about the Medford Water Commission passing rate increases to Eagle Point. Mayor Russell added that the City had been working with the Medford Water Commission to keep the rates the same or lower.

Suzi Collins spoke about being on a fixed income and working hard to conserve water, including the use of artificial grass. She wondered if a gradual increase could be made instead of the \$4 increase.

There were no questions from the Council for the speakers and no additional testimony provided, therefore, Mayor Russell closed the public hearing at 8:25 p.m.

Following the public hearing, Mayor Russell requested the Council's consent to move the order of business to allow for deliberation and voting on Ordinance No. 2013-01. There being no opposition, the City Council continued and discussed the following:

- Water Rates for White City or County Residents;
- No adjustments being made in 10 years;

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- Options for increases or adjustments, however, it was noted that staff had come up with good numbers; and
- Impact to City on refinancing loans if not approved.

Mayor Russell asked for a motion to adopt **Ordinance No. 2013-01**. Council President Fierke made a motion to approve **Ordinance No. 2013-01** and Councilor Prunty seconded the motion. Council President Fierke clarified with staff that the old rate structures were being repealed. Roll call: Wayne Brown, aye; Ruth Jenks, aye; Jonathan Bilden, aye; Bill Fierke, aye; Aaron Prunty, aye; Kathy Sell, aye; and Bob Russell, aye. The motion passed unanimously.

- 5.2 A Public Hearing in the matter of authorizing a Quitclaim and Partial Termination of Easement for a Water Line Easement running through property located at 1323 Alta Vista Drive (Map and Tax Lot No. 361W11 800) in the City of Eagle Point, Oregon. Resolution No. 2013-25.

Mayor Russell opened the public hearing at 8:32 p.m. and requested Mike Upston, Principal Planner, to provide a report. Mr. Upston explained that going back to 1942, the Federal government installed a water line to Camp White and easements were created. It was noted that Resolution No. 2013-25 had an attachment of the easement agreement. In 1946, the Camp was deactivated and the water lines were no longer needed and eventually granted back to the City of Eagle Point. The property owner of 1323 Alta Vista requested the City to relinquish the easement. Staff reported evaluating the portion of abandoned water line and associated easement running through the subject property and determined it would not be of public use or value to the City, now or in the future. Therefore, staff recommended adoption of Resolution No. 2013-25.

It was noted that Mike Duncan, representing Cris Galpin as the property owner, was in the audience. Discussion ensued about whether or not other property owners had made similar requests. Attorney Kellerman noted the easement was for water transmission only and that title companies had overlooked this type of easement in the past. Robert Miller, Public Works Director, added that the pipeline had been evaluated and did not meet the City's water system needs. Some of the pipeline was made of wood and it was suggested that the museum might like to have a portion of the old pipeline.

* Lorin Myers of the Budget Committee left the meeting at approximately 8:43 p.m.

Mike Duncan of Duncan Development offered testimony in favor of the Resolution. The title company required the easement to be cleared and was viewed as a simple housekeeping matter.

Council did not have questions of the speaker and there was no other public testimony. Mayor Russell closed the public hearing at 8:47 p.m.

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Following the public hearing, Mayor Russell requested the Council's consent to move the order of business to allow for deliberations and voting on Resolution No. 2013-25.

There being no opposition to moving the order of business, Mayor Russell offered to entertain a motion. Councilor Jenks made a motion to authorize **Resolution No. 2013-25** and Council President Fierke seconded the motion. There was no further discussion. Roll call: Aaron Prunty, aye; Kathy Sell, aye; Bill Fierke, aye; Jonathan Bilden, aye; Ruth Jenks, aye; Wayne Brown, aye; and Bob Russell, aye. The motion passed unanimously.

6. CONSENT CALENDAR

6.1 Presentation of the Regular Meeting Minutes of April 9, 2013.

Mayor Russell announced the Consent Calendar and asked for a motion. Councilor Bilden moved to approve the Consent Calendar as presented and Council President Fierke seconded the motion. There was no discussion. Roll call: Jonathan Bilden, aye; Ruth Jenks, aye; Wayne Brown, aye; Aaron Prunty, aye; Kathy Sell, aye; Bill Fierke, aye; and Bob Russell, aye. The motion passed unanimously.

7. CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR

There were no items considered for removal from the Consent Calendar.

8. PRESENTATION OF BILLS TO BE PAID

Mayor Russell asked if there were questions about the bills to be paid. Councilor Jenks inquired about the Upper Rogue Independent which was higher than normal but included public notices. Mayor Russell asked for a motion. Councilor Bilden made a motion for the Council to approve the bills as presented and Councilor Sell seconded the motion. Council President Fierke noted there was a payment to the City of Eagle Point for a building permit. Roll call: Ruth Jenks, aye; Wayne Brown, aye; Aaron Prunty, aye; Bill Fierke, aye; Jonathan Bilden, aye; Kathy Sell, aye; and Bob Russell, aye. The motion passed unanimously.

9. OLD BUSINESS

There was no old business to discuss.

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10. NEW BUSINESS

- 10.1 Ordinance No. 2013-01. An Ordinance in the matter of increasing the Water Base Rate and Water Consumption Rates.

Ordinance No. 2013-01 was adopted and deliberated following the Public Hearing listed as Item No. 5.1. See Item No. 5.1 for additional details.

- 10.2 Resolution No. 2013-25. A Resolution in the matter of authorizing a Quitclaim and Partial Termination of Easement for a Water Line Easement running through property located at 1323 Alta Vista Drive (Map and Tax Lot No. 361W11 800) in the City of Eagle Point, Oregon.

Resolution No. 2013-25 was approved and deliberated following the Public Hearing listed as Item No. 5.2. See Item No. 5.2 for additional details.

- 10.3 Resolution No. 2013-26. A Resolution authorizing the City of Eagle Point to apply for a Local Government Grant from the Oregon Parks and Recreation Department for the development of the Eagle Point Skatepark and delegating authority to the City Administrator to sign the application.

Henry Lawrence, City Administrator, explained this item was a housekeeping measure. The proposed Eagle Point Skatepark grant application was previously submitted with a prior Resolution, however, the State requested the inclusion of new language for the City to maintain park operations if the grant was awarded. Mr. Lawrence further noted the application was due back by May 16, and may require a presentation in Bend during the month of June.

Mayor Russell asked for a motion to approve **Resolution No. 2013-26**. Councilor Sell made a motion to approve **Resolution No. 2013-26** and Councilor Brown seconded the motion. There was no discussion. Roll call: Kathy Sell, aye; Ruth Jenks, aye; Bill Fierke, aye; Aaron Prunty, aye; Wayne Brown, aye; Jonathan Bilden, aye; and Bob Russell, aye. The motion passed unanimously.

11. REPORTS FROM CITY COUNCIL AND CITY COMMITTEE REPRESENTATIVES

Council President Fierke reported the Eagle Point School Board had been busy with candidate forums, budget meetings wherein the budget was passed, and a work session involving security matters. At the last Board Meeting there was recognition for Skill USA Students, and public comments were received. Regarding the email program with our Sister City, the school systems are on different schedules with one recessing and the other ready to start.

Councilor Bilden reported about a group of residents meeting and desiring to model after the Medford Parks Foundation. The League of Oregon Cities Board had met and spent a

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great deal of time working on legislative issues, most of which would not move forward. Some members supported changing property tax rates, but most did not. Regarding the SOREDI Board, they held a meeting to discuss attracting businesses. He also reported the Jackson County Enterprise Zone now includes an ecommerce provision. Councilor Bilden concluded his report with an update on the Economic Development Commission. The Commission recommended that the marketing brochure would be given to Mike Frey of Paradux Media for revisions and presented to the City Council at their meeting on May 28.

Councilor Jenks expressed her appreciation to Lynn Leissler for assistance in editing the brochure. Additionally, she believed the Commission was pleased with their new direction. She also reported providing questions to Mike Upston about the transit study, attending the Vintage Faire, and receiving a comment about a larger venue for holding events.

Councilor Prunty reported the Parks and Recreation meeting had been canceled. However, he received a positive comment about the City's efforts regarding a car that had been parked too long.

Councilor Brown announced Rogue Valley Sewer Services (RVSS) would hold their next meeting on May 15.

Councilor Sell planned to attend the upcoming Planning Commission meeting and had attended the Vintage Faire. She expressed appreciation for the Women's Club for their efforts in the school board candidate forum.

Mayor Russell thanked the people that helped on the Little Butte Creek Pathway and encouraged people to walk along the path. In addition, he reported attending the Rogue Valley Council of Governments meeting, the Vintage Faire, and planned to attend the upcoming water Commission Meeting regarding SDCs.

12. STAFF REPORTS

Mike Upston, Principal Planner, reported on the next Planning Commission meeting regarding Black Rock Coffee and the Quail Point petitions. Additionally, a public hearing will be held in June regarding the Greenhills development. Mr. Upston hopes to bring the transit study discussion back to the City Council, and a Resolution related to a grant application with the Oregon Department of Transportation for sidewalks, paths, and trails.

Melissa Owens, Finance Officer, noted the first budget meeting was scheduled for May 22, and if needed, a second meeting would be held on May 29. The budget document was being finalized in order to be ready on Friday before the Budget meeting. Auditors were scheduled to be at City Hall during the week of May 21, and Ms. Owens provided an explanation of that process. Staff continues its work on the Annual Bike Ride scheduled for June 15, and advertising upcoming events on the website and in the utility billing newsletter.

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Robert Miller, Public Works Director, reported Public Works staff had been working hard to spruce up the town for the upcoming video production. Upcoming items included the Loto Street bid opening, YMCA Summer Day Camp Registration, and a leak detection group testing 20 miles of the water system. Councilor Prunty complimented staff for their cleanup efforts. It was also noted that the speed radar is working.

Police Chief Thompson reported the radar system looks good and he planned to put information in the newsletter about the system. He reported Code Enforcement is working on weed abatement and a brief discussion followed about the radar system.

Joe Kellerman, City Attorney, did not provide a report.

Henry Lawrence, City Administrator, reported working with the CGI video group. He commended Eagle Point School District for their efforts in the video production, as well as Helen Wolgamott and friends for getting the flags up, and all of the other people for their help in the production.

Cindy Hughes, City Recorder, reported there were new City Council pictures in the lobby of the City Hall.

13. INFORMATION

Ms. Hughes reported the election ballot box would be open in front of the public library through May 21. At one time, the ballot boxes had been located inside of City Hall but placing them in front of the library gave citizens 24-hour access to the boxes.

At 9:20 p.m., Mayor Russell recessed the meeting for a short break and announced that representatives of the news media and designated staff would be allowed to attend the Executive Sessions. All other members of the audience would be asked to leave the room and welcomed back afterwards, but no regular business was scheduled after the Executive Sessions.

14. EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(d), To conduct deliberations with persons designated by the governing body to carry on labor negotiations.

At 9:26 p.m., Mayor Russell opened the Eagle Point City Council Executive Session pursuant to ORS 192.660(2)(d). Following discussion, Mayor Russell closed the Executive Session at 10:06 p.m.

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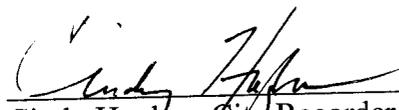
15. EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(e), To conduct deliberations with persons designated by the governing body to negotiate real property transactions.

At 10:08 p.m., Mayor Russell opened the Eagle Point City Council Executive Session pursuant to ORS 192.660(2)(e). Following discussion, Mayor Russell closed the Executive Session at 10:15 p.m.

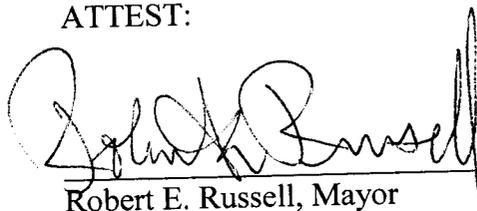
16. ADJOURN

At 10:16 p.m., Mayor Russell reconvened the regular meeting of the Eagle Point City Council. There being no further business, Mayor Russell closed the meeting at 10:16 p.m.

Respectfully submitted,


Cindy Hughes, City Recorder

ATTEST:


Robert E. Russell, Mayor